BANCO BPM

Reports and Financial Statements

Consolidated 2025

Reports and Consolidated Financial Statements 2025

This document is a courtesy translation into English, for the convenience of international readers, of the non-official consolidated financial statements of Banco BPM Group in PDF format; this PDF document, prepared in Italian language, is a courtesy copy which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815 (European Single Electronic Format – ESEF) but consistent with the official annual consolidated financial Statements prepared in compliance with the Directive 2004/109/EC (so-called Transparency Directive) in Italian language and published in the new format (ESEF) within the legal deadlines.

In case of any discrepancies or doubts between the English and the Italian versions of the Report, the Italian version prevails.

Banco BPM S.p.A.

Registered office: Piazza F. Meda, 4 - 20121 Milan, Italy
Administrative headquarters: Piazza Nogara, 2 - 37121 Verona, Italy
Fully paid-up share capital as at 31 December 2025: Euro 7,100,000,000.00
Tax Code and Milan Companies' Register Enrolment no.: 09722490969
A company representing Banco BPM VAT Group, VAT no. 10537050964
Member of the Interbank Deposit Guarantee Fund and the National Guarantee Fund
Parent Company of Banco BPM Banking Group
Enrolled in the Bank of Italy Register of Banks and the Register of Banking Groups

OFFICERS, DIRECTORS AND INDEPENDENT AUDITORS AS AT 31 DECEMBER 2025

Board of Directors

Chairman	Massimo Tononi
Deputy Chairman	Maurizio Comoli
Chief Executive Officer	Giuseppe Castagna
Directors	Mario Anolli
	Paolo Boccardelli
	Paolo Bordogna
	Nadine Farida Faruque
	Paola Ferretti
	Marina Mantelli
	Chiara Mio
	Alberto Oliveti
	Mauro Paoloni
	Eugenio Rossetti
	Manuela Soffientini
	Luigia Tauro

Board of Statutory Auditors

Chairman	Marcello Priori
Standing Auditors	Elbano de Nuccio
	Maurizio Lauri
	Silvia Muzi
	Nadia Valenti
Alternate Auditors	Sara Antonelli
	Marina Scandurra
	Mario Tagliaferri

General Management

Co-General Manager	Domenico De Angelis
Co-General Manager	Edoardo Maria Ginevra

Manager responsible for preparing the Company's financial reports

Gianpietro Val

Independent Auditors

PricewaterhouseCoopers S.p.A.

CONTENTS

Notice of call of Ordinary Shareholders' Meeting 7

GROUP REPORT ON OPERATIONS AND CONSOLIDATED FINANCIAL STATEMENTS 15

Banco BPM Group business lines 16
Group territorial network 17
Group financial highlights and economic ratios 18

Consolidated report on operations 21
Economic scenario 23
Significant events during the year 28
Results 36
Reclassified accounting statements 37
Non-recurring components of the reclassified consolidated income statement 44
Consolidated balance sheet figures 46
Consolidated income statement figures 61
Results by business segment 73
Commercial 76
Corporate and Investment Banking 96
Insurance 112
Other Partnerships 114
Finance 116
Corporate Centre 120
Sustainability results 126
Risk management 133
Supervisory, control and support activities 137
Human resources 137
Internal audit 138
Compliance 139
Anti-money laundering 140
Research and development 140
Technological projects and investments 141
Communication 145
Investor Relations 147
Other information 148
Performance of the main Group companies 151
Outlook for business operations 156

Sustainability Statement 159
General information 160
Environmental information 214
Social information 264
Governance information 318

Consolidated financial statements 331
Consolidated Balance Sheet 332
Consolidated Income Statement 334
Statement of Consolidated Comprehensive Income 335
Statement of Changes in Consolidated Shareholders' Equity 336
Consolidated Cash Flow Statement 338

Notes to the consolidated financial statements 341
Part A – Accounting policies 342
Part B – Information on the Consolidated Balance Sheet 449
Part C – Information on the Consolidated Income Statement 562
Part D – Statement of Consolidated Comprehensive Income 587
Part E – Information on risks and related hedging policies 589
Part F – Information on consolidated shareholders' equity 739
Part G – Business combinations regarding companies or divisions 743
Part H – Transactions with related parties 751
Part I – Share-based payment agreements 760
Part L – Segment reporting 764
Part M – Disclosure of leases 776
Other information 779

Declarations of the Chief Executive Officer and the Manager responsible for preparing the Company's financial reports 781

Independent Auditors' Reports 785

Attachments 809

NOTICE OF CALL OF ORDINARY SHAREHOLDERS' MEETING

Pursuant to Articles 12 and 13 of the Articles of Association, the ordinary Shareholders' Meeting of Banco BPM S.p.A. ("Banco BPM" or the "Company") is hereby convened on single call on **Thursday, 16 April 2026, at 9.00, in Milan**, at Allianz MiCo - Ala Sud, Viale Scarampo - ingresso Gate 3**,** to discuss and resolve on the following

AGENDA

1) Approval of the financial statements of Banco BPM S.p.A. as of 31 December 2025, accompanied by the reports of the Board of Directors, the Board of Statutory Auditors and the Independent Auditors. Presentation of the consolidated financial statements of the Banco BPM Group.
2) Resolutions on the allocation and distribution of profits.
3) Report on the remuneration policy and compensation paid by the Banco BPM Group 2026 (section I and section II).
   3.1) Approval of the remuneration policy (section I) pursuant to the applicable regulatory provisions. Related and consequent resolutions.
   3.2) Approval of the report on remuneration paid in 2025 (section II) pursuant to the applicable regulations. Related and consequent resolutions.
4) Share-based compensation plan of Banco BPM S.p.A.: approval of the short-term incentive plan (2026). Related and consequent resolutions.
5) Request for authorisation to purchase and dispose of treasury shares to service Banco BPM S.p.A.'s share-based compensation plans. Related and consequent resolutions.
6) Appointment of the members of the Board of Directors for the financial years 2026-2027-2028, including the Chairman and Vice-Chairman.
7) Appointment of Statutory Auditors and the Chairman of the Board of Statutory Auditors for the financial years 2026-2027-2028.
8) Determination of the remuneration of the members of the Board of Directors.
9) Determination of the remuneration of the members of the Board of Statutory Auditors.

Please find below all necessary information in compliance with article 125-*bis* of Legislative Decree no. 58 of 1998, as subsequently amended ("Italian Consolidated Financial Act").

ATTENDANCE AT THE SHAREHOLDERS' MEETING AND REPRESENTATION

All shareholders with voting rights, for whom within the third trading day prior to the date of the Shareholders' Meeting, *i.e.* **13 April 2026**, the Company has duly received the authorised intermediary's notification certifying that they are entitled to participate in the Shareholders' Meeting and to exercise their voting rights, are entitled to participate in the Shareholders' Meeting.
In compliance with article 83-*sexies* of the Italian Consolidated Financial Act and article 42 of the Joint Order on post-trading issued by Consob and the Bank of Italy on 13 August 2018 as subsequently amended ("**Joint Order**"), the authorised intermediary's notification to the Company shall be based on the records as of the end of the accounting day of the seventh trading day prior to the date of the Shareholders' Meeting (**7 April 2026 – so called "record date"**).
Anyone whose shareholding has been recorded after the above date will not be entitled to attend and vote at the Shareholders' Meeting.
The right to participate and vote shall remain valid should the notifications be received by the Company after the aforementioned term of 13 April 2026 as long as they are received by the start of the works of the Shareholders' Meeting.
Shareholders whose shares are already deposited in a custody and administration account with the Parent Company Banco BPM S.p.A. or with Banca Aletti S.p.A., and as such have already been dematerialised, must in any case, under article 42 of the Joint Order, request **by 13 April 2026** that the notification be issued, and obtain an immediate copy thereof, to be used as an admission ticket to the Shareholders' Meeting.

For Shareholders whose shares are deposited with other authorised intermediaries, note that, pursuant to the aforementioned article 42 of the Joint Order, the request of notification must still be submitted **no later than 13 April 2026**, making sure to obtain a copy of the notification.
Shareholders whose shares have not been dematerialised yet are required to deliver such shares to Banco BPM S.p.A. or to another bank belonging to the Banco BPM Group, or to another authorised intermediary, for the purposes of their dematerialisation and of requesting the issuance of the notification required for attendance at the Shareholders' Meeting.
Individuals with voting rights are entitled to be represented by proxy at the Shareholders' Meeting, in accordance with the applicable law, and for this purpose may use the proxy form at the foot of the notification issued to the Shareholder by one of the Group banks or by another authorized intermediary, or the fac-simile of the proxy form available on the Company's website (*www.gruppo.bancobpm.it* – "Corporate Governance – Shareholders' Meetings" section) or at the registered office of Banco BPM S.p.A. (Group Corporate Affairs Piazza Filippo Meda, 4 – 20121 Milano, Italy).
The Chairman of the Board of Directors, in his capacity as Chairman of the Shareholders' Meeting, has full powers, also via staff appointed specifically for this task, to verify the validity of the proxies, and in general the shareholders' actual entitlement to attend the Shareholders' Meeting and to cast their vote, as well as to verify whether the meeting has been duly constituted, and if the relevant *quorum* has been reached.
Should the representative sent or deliver to the Company a copy of the proxy, upon registering to attend the Shareholders' Meeting, they will have to attest under their own responsibility the compliance of the copy to the original proxy form and the identity of the holder.

DESIGNATED PROXY OF THE COMPANY

The proxy may also be granted free of charge – with voting instructions on all or some of the proposals on the agenda – to Computershare S.p.A, as "Designated Proxy" in accordance with article 135-*undecies* of the Italian Consolidated Financial Act, by the end of the second trading day prior to the Shareholders' Meeting (*i.e.* no later than **14 April 2026**). The proxy shall be valid exclusively for the proposals for which voting instructions have been given. The proxy and the voting instructions may be revoked by the above deadline.
In this regard, in order to facilitate the submission of the proxy and voting instructions, from the section of Banco BPM's website dedicated to the Shareholders' Meeting, www.gruppo.bancobpm.it section "Corporate Governance - Shareholders' Meeting", it will be possible to fill in and **submit** the specific form prepared by the Designated Proxy **also online and in guided mode until 12:00 on 15 April 2026**. The Shareholders are recommended to use the online mode.
As an alternative to filling in online, it can be used the form downloadable from the same site to be submitted by the end of the second trading day prior to the Shareholders' Meeting, *i.e.* by **14 April 2026**, to the addresses and in the manner indicated on the form.
The proxy to the Designated Proxy, with voting instructions, together with an identity document – and in the case of a delegating legal entity a document proving the powers to issue the proxy – must be submitted, in a copy reproduced electronically (PDF), to Computershare S.p.A. at the certified email address bancobpm@pecserviziotitoli.it provided that the delegating party, even if a legal entity, uses its own certified email address or, failing that, its own ordinary email address.
The original proxy, the voting instructions and a copy of the related documentation must be submitted to Computershare S.p.A. (Ref. "Proxy – Shareholders' Meeting of Banco BPM S.p.A."), Via Nizza 262/73, 10126 Turin, Italy.
The proxy shall be effective solely with respect to the resolutions for which the voting instructions have been expressly provided. The proxy and the voting instructions may be revoked within the same deadline indicated above (*i.e.* by 14 April 2026) and in accordance with the same procedures required for their granting.
The Designated Proxy will be available to provide clarifications or information at 011/0923200.
In consideration of the deadline for the submission by the Shareholders of any resolution proposals as set forth below, the proxy forms shall be made available, in the manner indicated above, as of **27 March 2026**.

ADDITIONS TO THE AGENDA AND PRESENTATION OF NEW RESOLUTION PROPOSALS

Shareholders who even jointly represent no less than 1/40 of the share capital may ask, **by 16 March 2026** (ten days of the publication of this notice calling the shareholders' meeting), to make additions to the list of items on the Shareholders' Meeting's agenda (save for those matters on which the Shareholders' Meeting resolves, pursuant to applicable law, upon a proposal of the management body or on the basis of a draft resolution or report prepared by the latter, other than those referred to in Article 125-*ter*, paragraph 1, Italian Consolidated Financial Act), specifying in the request the additional subject matters proposed, pursuant to Article 13.3 of the By-laws and Article 126-*bis* of

the Italian Consolidated Financial Act. Those entitled to vote may individually submit proposals for resolution at the Shareholders' Meeting.
The written request must be sent to the Company by certified email to the certified email address *soci@pec.bancobpmspa.it* or by registered letter (Affari Societari di Gruppo, Piazza Filippo Meda, 4 - 20121 Milan).
The entitlement to exercise the voting right (including ownership of the minimum portion of the share capital specified above) is certified by filing a copy of the notification issued by the authorised intermediary under Article 43 of the Joint Order.
Shareholders requesting the addition to the agenda or submitting resolution proposals shall prepare a report explaining the reasons for the proposed resolutions on new subject matters they are submitting for discussion or the reasons related to the further resolution proposals submitted referring to items already on the agenda. The report shall be submitted to the Board of Directors by the final deadline for the presentation of the request for additions, as specified above. The Board of Directors shall make the report available to the public, together with its additional assessment, if any, when it publishes the notice of the additions to the agenda, according to the terms set forth by the applicable laws and regulations.
Any addition to the agenda or further resolution proposal on items already on the agenda will be disclosed using the same procedure prescribed for the publication of this notice of call, at least fifteen days prior to the date scheduled for the Shareholders' Meeting, *i.e.* **by 1° April 2026**.

RIGHT TO ASK QUESTIONS ON THE ITEM ON THE AGENDA

Shareholders with voting rights may ask questions on the item on the agenda also before the Shareholders' Meeting, by sending them no later than the five trading days prior to the Shareholders' Meeting, *i.e.* **by 9 April 2026** by certified email to the address *soci@pec.bancobpmspa.it*.
The applicants must deliver to the Company – through their intermediaries – the notifications certifying their entitlement to exercise this right; in the event that they have instructed their intermediaries to issue the notification to attend the Shareholders' Meeting, it will be sufficient to specify in the application the notification reference numbers or at least the name of the intermediary.
Questions received, which are deemed relevant in respect of the items on the agenda, shall be answered in accordance with the procedure provided for by applicable law, no later than during the Shareholders' Meeting. Please note that no answer will be provided where the information requested is already available in a "Q&A" format in the specific section of the Company's website, or where the answer has already been published in the same section. The Company may provide a single consolidated answer to questions having the same content.

SHARE CAPITAL INFORMATION

The share capital subscribed and paid in by the Company at the date of this notice totals Euro 7,100,000,000.00 subdivided into no. 1,515,182,126 shares with no nominal value. As of the date of this notice, the Company owns no. 10,116,766 treasury shares.

APPOINTMENT OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE BOARD OF STATUTORY AUDITORS

Resolutions concerning the appointment of the members of the Board of Directors and the Board of Statutory Auditors, as set out in items 6 and 7 of the agenda of the Ordinary Shareholders' Meeting, shall be passed in accordance with the laws and regulations in force, as well as the provisions contained in Banco BPM's By-laws (Article 20 for appointments to the Board of Directors and Articles 33, 34 and 35 for appointments to the Board of Statutory Auditors).
The election shall be carried out on the basis of slates of candidates presented in the manner indicated below; the Shareholders' Meeting is called upon to elect 15 (fifteen) Board members, who may or may not be shareholders, including a Chairman and a Vice-Chairman, as well as 5 (five) Standing Auditors and 3 (three) Alternate Auditors.
The term of the office of the Board of Directors and the Board of Statutory Auditors is equal to three financial years and expires on the date of the Shareholders' Meeting called to approve the financial statements as of 31 December 2028.

Entitlement to submit slates

The election of the members of the Board of Directors for the financial years 2026 - 2028 shall be carried out on the basis of slates - in which the candidates are assigned a progressive numbering - that may be submitted *(i)* by the Board of Directors (the "**Board List**"); *(ii)* by one or more shareholders who collectively hold a shareholding equal at least to 0.5% (zero point five per cent) of the Company's share capital with voting rights at the Ordinary Shareholders' Meeting (the "**List of Shareholders for the Board**") *(iii)* by one or more shareholders who are at the same time employees of the Company or of its subsidiaries and who collectively hold a shareholding equal to at least 0.12% (zero point twelve per cent) of the Company's share capital (the "**List of Shareholders-Employees**").
The election of the members of the Board of Statutory Auditors for the financial years 2026 - 2028 shall be carried out on the basis of slates - in which the candidates shall be assigned a sequential numbering - submitted by one or more shareholders with voting rights who, individually or jointly, hold a shareholding equal at least to 0.5% (zero point five per cent) of the Bank's share capital (the "**List of Shareholders for the Board of Statutory Auditors**" and, together with the List of Shareholders for the Board, the "**List of Shareholders**").
Those entitled to submit the List of Shareholders and the List of Shareholders-Employees, with the aforementioned requirements, are those who obtain the release of the notice pursuant to Article 43 of the Joint Order and Article 83-*sexies* of the Italian Consolidated Financial Act and its implementing provisions (the "**Notice**").
As indicated above, the share capital - updated as of the date herein - is equal to Euro 7,100,000,000.00 subdivided into 1,515,182,126 ordinary shares with no par value. Therefore, the minimum quota for the submission of the List of Shareholders is equal to 7.575.911 shares and for the List of Shareholders-Employees is 1.818.219 shares.

Composition of the lists

Appointment of the Board of Directors

The composition of the Board of Directors must ensure a gender balance in accordance with the provisions of the relevant legislation. Pursuant to current legislation, at least two-fifths of the elected directors must be reserved for the less represented gender for six consecutive mandates.
The Board List must meet the following requirements:

- must contain a number of 20 (twenty) candidates;
- the first two places shall be filled by the candidate for the office of Chairman of the Board of Directors, first on the list, and the person proposed to member of the Board of Directors for the office of Chief Executive Officer, second on the list;
- in third place is the candidate for the office of Vice-Chairman of the Board of Directors.

The composition of the Lists of Shareholders for the Board and the Lists of Shareholders-Employees, instead, do not have to comply with the requirements for the Board List, provided that:

- Lists of Shareholders for the Board and Lists of Shareholders-Employees that provide for a number of candidates equal to or higher than 3 (three) must include candidates of different genders, in order to ensure that the composition of the Board of Directors respects the balance between genders as provided for by the regulations in force;
- the aforementioned lists must also contain a number of candidates meeting the independence requirements set forth in Article 20.1.6. of the By-laws at least equal to 8 (eight) if the List of Shareholders or the List of Shareholders- Employees is made up of 15 (fifteen) candidates or at least half (approximating to the lower number if the first decimal is or lower than 5 and to the upper number in other cases) if the Lists of Shareholders for the Board or the List of Shareholders-Employees is made up of a number of candidates lower than 15 (fifteen).

Appointment of the Board of Statutory Auditors

The composition of the Board of Statutory Auditors must ensure a balance between genders in accordance with the provisions of the relevant legislation in force. Pursuant to applicable law, at least two-fifths of the standing auditors elected must be reserved for the less represented gender for six consecutive mandates. In addition, taking into account Article 9 of Ministerial Decree 169/2020, at least two of the candidates for the office of Standing Auditor and at least one of the candidates for the office of Alternate Auditor listed in the respective sections of the List of Shareholders for the Board of Statutory Auditors must be enrolled in the register of statutory auditors and have exercised the activity of statutory auditing for a period of no lower than three years.

Pursuant to the relevant provisions of the By-laws, the List of Shareholders for the Board of Statutory Auditors must meet the following requirements:

- the List of Shareholders for the Board of Statutory Auditors divided into two sections, one for candidates for the office of Standing Auditor and one for candidates for the office of Alternate Auditor, must indicate a number of candidates not exceeding the number of Auditors to be elected. In each section, the candidates shall be listed with a progressive number;
- the List of Shareholders for the Board of Statutory Auditors that, considering both sections, includes a number of candidates equal to or higher than 3 (three), must include, both in the section of the List of Shareholders for the Board of Statutory Auditors relating to standing auditors and in the section relating to alternate auditors, candidates of different gender, so as to ensure a composition of the Board of Statutory Auditors that complies with the provisions of the laws in force from time to time on gender balance.
-

Procedure for submitting lists and documents to be deposited

For the election of the Board of Directors, each shareholder may submit or concur to submit only one List of Shareholders for the Board or List of Shareholders-Employees and vote for only one list of candidates, even if through a third party. Shareholders belonging to the same corporate group - meaning the parent company, subsidiaries and companies subject to joint control - and shareholders who are party to a shareholders' agreement pursuant to Article 122 of the Italian Consolidated on Financial Act concerning Banco BPM shares may not submit or vote for more than one list, even if through a third party or trust company.
Each candidate may only be included in one list, under penalty of ineligibility.
Ownership of the minimum shareholding in the share capital required for submission of the List of Shareholders for the Board and the List of Shareholders-Employees is determined by taking into account the shares registered in favour of the individual shareholder, or several shareholders jointly, on the day the lists are filed with the Company.
Proof of ownership of the number of shares necessary to present the Lists of Shareholders for the Board and Lists of Shareholders-Employees may be received by the Bank even after the Lists of Shareholders for the Board and Lists of Shareholders-Employees have been filed, provided that it is received **by the deadline for publication of the lists themselves, which shall be made by Banco BPM by 26 March 2026** (*i.e.* at least 21 (twenty-one) days before the date of the Shareholders' Meeting).
The following documents must also be filed together with each list:

- the indication of the identity of the shareholders who submitted the List of Shareholders for the Board or the List of Shareholders-Employees and the total percentage of shares held;
- comprehensive information on the personal and professional characteristics of the candidates on the list (by way of example but not limited to: *curriculum vitae*, copy of an identity document, certificate of residence or equivalent document);
- the declarations with which the individual candidates accept the candidature and confirm, under their own responsibility, the non-existence of causes of ineligibility or incompatibility (also pursuant to art. 36 of Law 214/2011, known as the prohibition of interlocking), the existence of the requirements prescribed by applicable law, regulations and the By-laws to hold the office of Director (professionalism, competence, honourableness, correctness, time commitment, accumulation of offices and, where applicable, independence, as well as communicate the list of administration and control offices held in other companies, bearing in mind the limit on the accumulation of offices provided for by applicable law);
- a declaration of the Shareholders who submitted the List of Shareholders for the Board or the List of Shareholders-Employees - and other than those holding, even jointly, a controlling or relative majority interest - certifying the lack (or the presence) with the latter of the relations of connection envisaged by Article 144-*quinquies*, first paragraph, of the Issuers' Regulations and by the legislation in force from time to time;
- a copy of the Communication or a declaration of commitment to submit the aforementioned Communication **by the deadline for the publication of the Lists of Members for the Board and the Lists of Shareholders-Employees, which will be made by Banco BPM by 26 March 2026** (at least 21 (twenty-one) days before the date of the Shareholders' Meeting).

In addition to the aforementioned documentation, shareholders-employees submitting the List of Shareholders-Employees must file documentation proving their status as employees of the Company or companies controlled by the latter.
Lists submitted without complying with the above procedures shall be considered as not submitted. However, the lack of documentation relating to individual candidates on a list does not automatically entail the exclusion of the entire list, but only of the candidates to whom the irregularities refer. When submitting lists, Shareholders are also invited to take

into account the document "*Qualitative and Quantitative Composition of the Board of Directors*" – drawn down also pursuant to the Bank of Italy's provisions on corporate governance, contained in Circular no. 285/2013 - which provides for indications and suggestions available to shareholders, in order to help them to formulate proposals for the optimal composition of Banco BPM's Board of Directors, as well as the document containing the "*Operating procedures for the submission of lists for the appointment of Banco BPM S.p.A.'s corporate bodies*", which contains indications on the procedure for the appointment of Banco BPM's Directors and Statutory Auditors and on the method of presenting lists for the appointment of Banco BPM's Board of Directors and Board of Statutory Auditors. The documents are available on Banco BPM's website *www.gruppobancobpm.it* (Corporate governance > Shareholders' Meeting).

For the election of the Board of Statutory Auditors, the following documents must also be submitted together with each List of Shareholders for the Board of Statutory Auditors:

- information on the identity of the shareholders who submitted the List of Shareholders for the Board of Statutory Auditors, with the indication of the total percentage of shares held;
- detailed information on the personal and professional characteristics of the candidates (by way of example but not limited to: *curriculum vitae*, copy of an identity document, certificate of residence or equivalent document and certificate of enrolment in the Register of Statutory Auditors, if any), with the indication of the management and supervisory offices held in other companies (also for the purposes of disclosure pursuant to Article 2400, paragraph 4, of the Italian Civil Code, and bearing in mind the limit on the number of positions held as provided for by applicable law);
- the declarations with which the individual candidates accept the candidature and confirm, under their own responsibility, the non-existence of causes of ineligibility or incompatibility (also pursuant to the prohibition of interlocking), the existence of the requirements prescribed by law or by the By-laws for the office (professionalism, competence, time commitment, accumulation of offices, honourableness, correctness and independence);
- a declaration by the Shareholders who submitted the List of Shareholders for the Board of Statutory Auditors - and other than those holding, even jointly, a controlling or relative majority stake - certifying the lack (or presence) with the latter of the relations of connection provided for by Article 144-*quinquies*, first paragraph, of the Issuers' Regulations and by the laws and regulations in force from time to time;
- a copy of the Communication or a declaration of commitment to submit the Communication **by the deadline for publication of the lists, which will be made by Banco BPM by 26 March 2026** (at least 21 (twenty-one) days before the date of the Shareholders' Meeting).

Deadlines and procedures for filing and publishing lists

The Board List, together with the relative documentation required by applicable law and by the By-laws, must be signed by the Chairman of the outgoing Board of Directors and filed, under penalty of forfeiture, by 24:00 hours on **7 March 2026** (by the 40th (Fortieth) day prior to the date scheduled for the Shareholders' Meeting) in the following ways (among them, alternative):

- filing with Banco BPM's registered office (Group Corporate Affairs Department), Piazza Filippo Meda, 4, Milan on working days from 8:15 a.m. to 5:00 p.m.; or
- submission by certified e-mail, to the following address *soci@pec.bancobpmspa.it*, attaching the documents in pdf format.

The List of Shareholders and List of Shareholders-Employees, together with the relative documentation required by applicable law and by the By-laws, must be signed by the shareholders and filed, under penalty of forfeiture, by 24:00 hours on **23 March 2026** (by the 25th (twenty-fifth) day prior to the date scheduled for the Shareholders' Meeting[1]), with the same procedures provided for the Board List.
The Group's Corporate Affairs function, as a dedicated structure, will be available to provide shareholders who request it with the necessary documentation and indications for the formation and presentation of the Lists of Shareholders and the Lists of Shareholders-Employees.
In relation to the election of the Board of Statutory Auditors, if only one List of Shareholders for the Board of Statutory Auditors or solely Lists of Shareholders for the Board of Statutory Auditors submitted by shareholders who, according to the regulations in force, are associated with each other, have been filed by the above deadline, Banco BPM shall

[1] The 25th (twenty-fifth) day prior to the date of the Shareholders' Meeting falls on Sunday 22 March 2026, therefore the deadline shall be intended expiring on Monday 23 March 2026, first following business day.

promptly give notice thereof in the manner provided for by the applicable regulations, and then proceed within the legal deadlines.
Board List duly submitted will be made available to the public at least 40 (fourty) days before the date of the Shareholders' Meeting (and therefore by 7 March 2026).
Lists of Shareholders and Lists of Shareholders-Employees that have been duly submitted will be made available to the public at least 21 (twenty-one) days before the date of the Shareholders' Meeting (and therefore by 26 March 2026).
The lists must be made available to the public by the Bank at Banco BPM's registered office, on the Bank's website *www.bancobpm.it* - Corporate Governance > Shareholders' Meeting and on the website of the authorised storage mechanism "eMarket Storage" *www.emarketstorage.com* and in the other ways indicated in this notice of call of the Shareholders' Meeting.

DOCUMENTATION

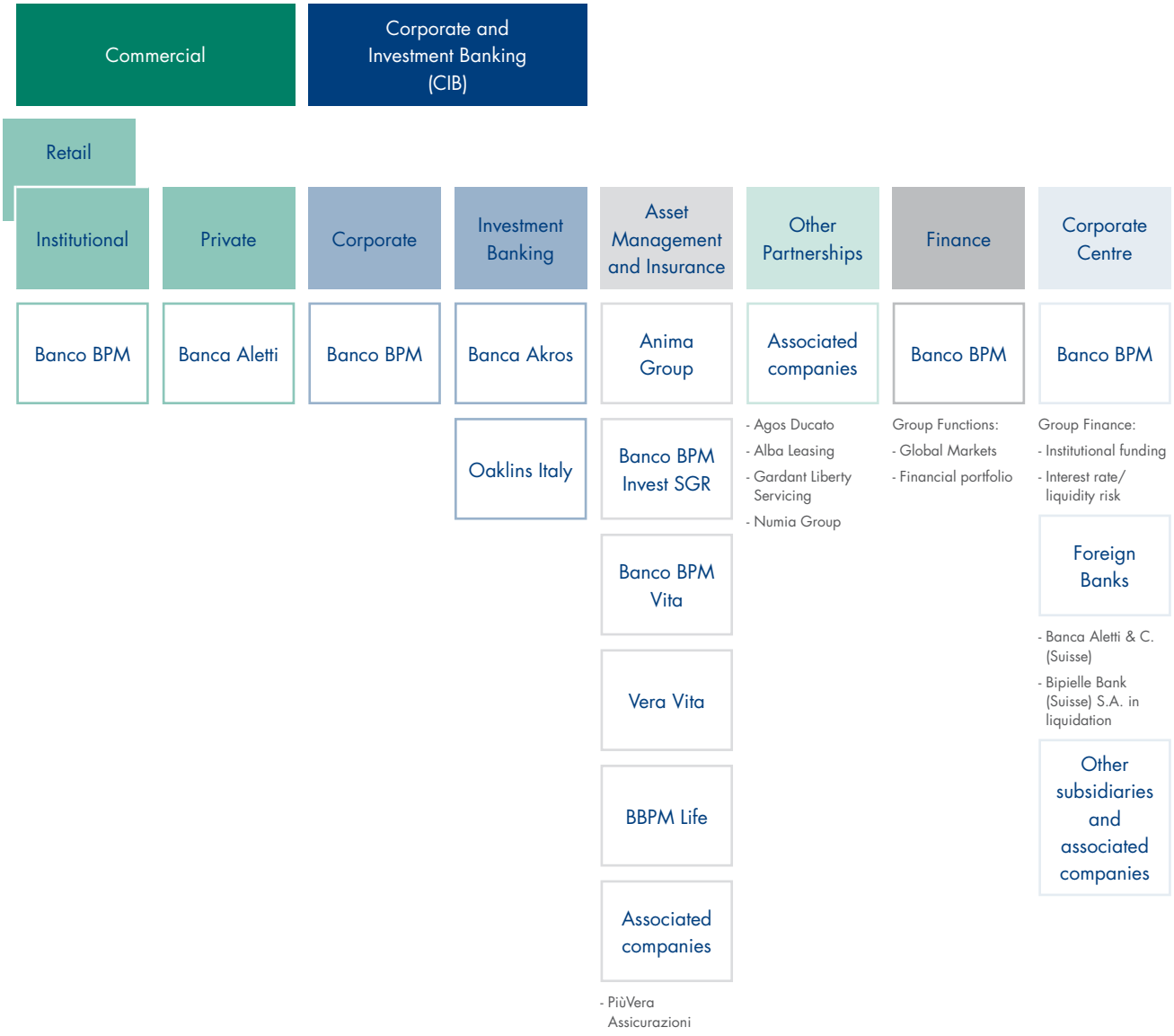
The reports of the directors on each item on the agenda, including the proposed resolutions, as well as the other documentation, for which publication is required prior to the Shareholders' Meeting, will be made available to the public at the registered office of Banco BPM S.p.A. and at Borsa Italiana S.p.A., as well as published on the Bank's website (*www.gruppo.bancobpm.it*, section "Corporate Governance - Shareholders' Meeting") and on the website of the authorised storage mechanism *www.emarketstorage.it*, in accordance with the terms and procedures provided for by the regulations in force.
Shareholders are entitled to receive a copy of the above documentation once it has been duly filed by sending a request to Banco BPM S.p.A. at the certified email address: *soci@pec.bancobpmspa.it*.
The Bank has also prepared the Report on Corporate Governance and Ownership Structure in accordance with Article 123-bis of the Italian Consolidated Financial Act, which will be made available to the public at the registered office of Banco BPM S.p.A. and at Borsa Italiana S.p.A., as well as published on the Bank's website (*www.gruppo.bancobpm.it*, "Corporate Governance" section) and on the website of the authorized storage mechanism *www.emarketstorage.it* in accordance with the terms and procedures set forth in current regulations.
This notice – also made for the purposes of Article 84 of the Issuers' Regulations – is published, pursuant to Article 125-bis of the Italian Consolidated Financial Act and Article 13.4. of the By-laws, in the daily newspapers "Il Sole 24 Ore" and "MF" as well as in the other ways indicated above.
To receive additional information on the procedure to attend the Shareholders' Meeting, please contact Banco BPM S.p.A. (Affari Societari di Gruppo, Piazza Filippo Meda no. 4 – 20121 Milan) by sending a request to the certified email address: *soci@pec.bancobpmspa.it.*
In compliance with Privacy regulations (EU Regulation 2016/679 of the European Parliament and of the Council of 27 April 2016), the Data Controller is Banco BPM S.p.A.; the data will be processed for the sole purpose of executing the corporate contract to which the Shareholder is a party and performing obligations or responding to requests arising from the role of Member of the Bank. For full disclosure on data processing with respect to the exercise of rights related to the Shareholders' Meeting, please visit the website www.gruppo.bancobpm.it, "*Corporate Governance* – Shareholders' Meeting" section.

Milan, 3 March 2026

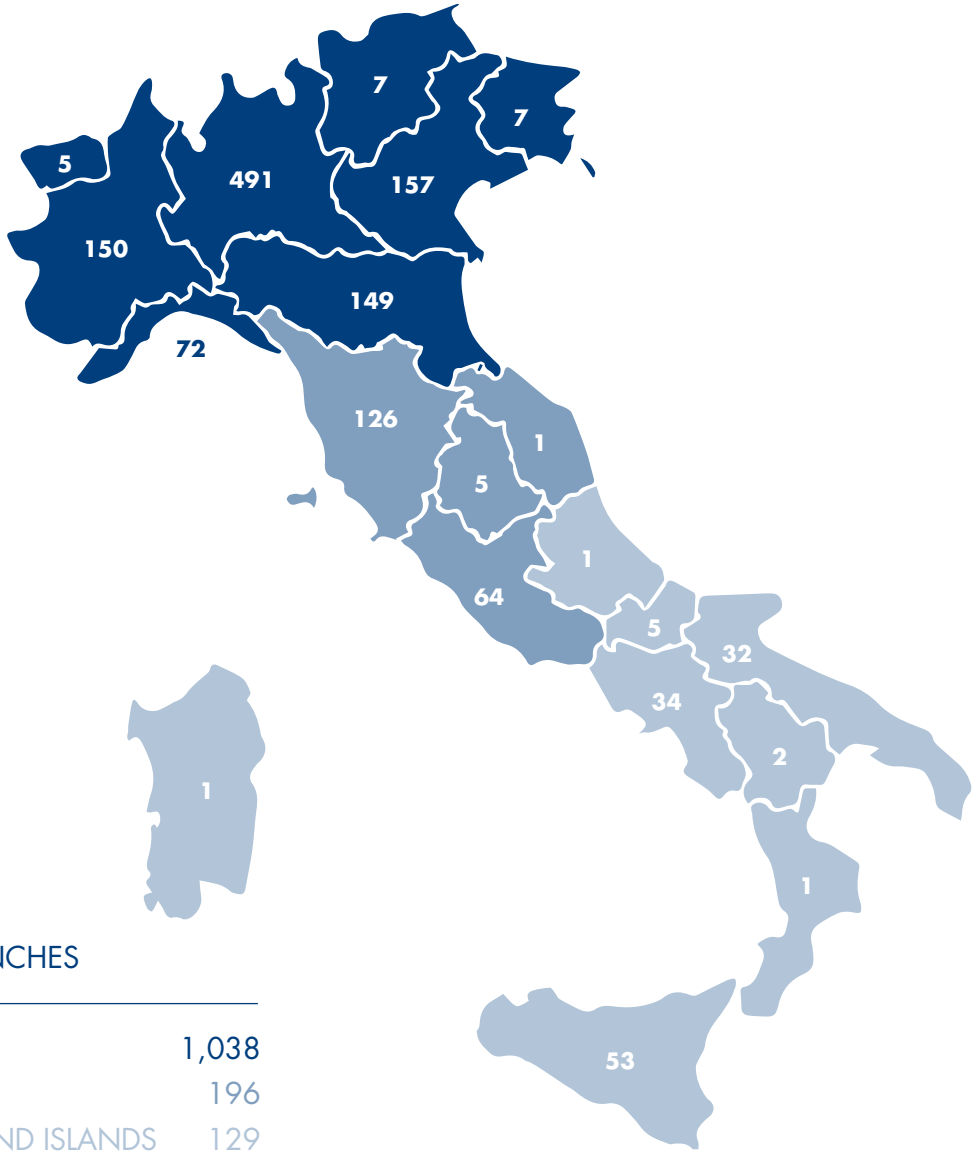
On behalf of the BOARD OF DIRECTORS
The Chairman
(Mr. Massimo Tononi)

Group report on operations and consolidated financial statements

BUSINESS LINES OF THE BANCO BPM GROUP



GROUP TERRITORIAL NETWORK



N° BRANCHES

NORTH	1,038
CENTRE	196
OUTH AND ISLANDS	129
TOTAL	1,363

Banco BPM Group Branches in Italy	Numero
Banco BPM	1,309
Banca Aletti	53
Banca Akros	1
Total	**1,363**

Presence abroad

The Group's foreign operations include the subsidiary companies BBPM Life (Ireland) and Banca Aletti Suisse, as well as Representative Offices in China (Hong Kong) and India (Mumbai).

Group financial highlights and economic ratios

Highlights

The tables below provide the income statement and balance sheet highlights of the Group, calculated based on the reclassified financial statements. The underlying calculations for these are illustrated in the "Results" section of this Report.
It should be noted that the balance sheet data as at 31 December 2025 include the contribution of Anima Holding and its subsidiaries; similarly, the income statement figures for financial year 2025 include the contribution of Anima Holding and its subsidiaries from the second quarter of 2025, following the conclusion of the public tender offer on 11 April 2025.
Some economic and financial ratios are also provided, based on accounting data, corresponding to those used by the Company Management to analyse performance and consistent with the most widespread practices in the banking sector.
The definitions of the ratios and of the main balance sheet and income statement items commented on in this report are illustrated in the following section "Results", to which reference should be made for further details.
The attachments to the consolidated financial statements provide a statement of reconciliation between the reclassified financial statements and those prepared on the basis of Circular no. 262.

(millions of euro)	**2025**	**2024 (*)**	**% Change**
Income statement figures			
Net interest income	3,127.5	3,440.0	(9.1%)
Net fee and commission income	2,495.3	2,054.6	21.4%
Core income	5,906.2	5,762.8	2.5%
Operating income	5,955.3	5,703.5	4.4%
Operating expenses	(2,738.9)	(2,655.7)	3.1%
Profit (loss) from operations	3,216.4	3,047.8	5.5%
Profit (loss) before tax from continuing operations	2,813.4	2,501.0	12.5%
Profit (loss) after tax from continuing operations	2,010.2	1,712.0	17.4%
Parent Company's profit (loss) for the year	2,082.0	1,920.4	8.4%

(*) The figures relating to the previous year have been restated to provide a like-for-like comparison. For more details on data comparability, please refer to the "Results" section of this report.

(millions of euro)	**31/12/2025**	**31/12/2024**	**% Change**
Balance sheet figures			
Total assets	205,896.3	198,209.1	3.9%
Loans to customers (net)	99,713.6	99,727.3	0.0%
Financial assets and hedging derivatives	62,747.3	51,301.1	22.3%
Group shareholders' equity	15,504.7	14,603.9	6.2%
Customers' financial assets			
Direct bank funding	132,387.5	126,149.1	4.9%
Direct funding with protected capital certificates	*137,174.2*	*132,044.1*	*3.9%*
Indirect funding	285,959.9	116,169.4	146.2%
- Asset management	227,974.0	66,113.2	244.8%
- Administered assets	57,985.9	50,056.1	15.8%

	31/12/2025	**31/12/2024**	**Absolute change**
Information on the organisation			
Average number of employees and other staff (*)	18,327	18,694	(367)
Number of bank branches	1,363	1,434	(71)

(*) Arithmetic average calculated on a monthly basis in terms of full-time equivalent resources. Does not include the Directors and Statutory Auditors of Group Companies.

Financial and economic ratios and other Group figures

	31/12/2025	31/12/2024
Profitability ratios (%)		
Return on equity (ROE)	16.89%	16.45%
Return on tangible equity (ROTE)	22.38%	18.23%
Return on assets (ROA)	1.01%	0.97%
Net interest income/Operating income	52.52%	60.31%
Net fee and commission income (*)/Operating income	41.90%	36.02%
Operating expenses/Operating income (cost/income ratio)	45.99%	46.56%
Operational productivity figures (thousands of euro)		
Loans to customers (net) per employee [1]	5,440.8	5,334.7
Operating income per employee (euro) [**] [1]	324.9	305.1
Operating expenses per employee (euro) [**] [1]	149.4	142.1
Credit risk ratios (%)		
Net bad loans/Loans to customers (net)	0.36%	0.49%
Net unlikely to pay/Loans to customers (net)	0.82%	0.98%
Net bad loans/Shareholders' equity	2.29%	3.37%
Texas ratio	9.73%	11.74%
Other ratios		
Financial assets and hedging derivatives/Total assets	30.48%	25.88%
Total derivatives/Total assets	1.28%	1.42%
- trading derivatives/total assets	0.88%	0.90%
- hedging derivatives/total assets	0.41%	0.52%
Net trading derivatives/Total assets	0.26%	0.16%
Loan to deposit ratio (net loans/direct funding)	72.69%	75.53%
Regulatory capitalisation and liquidity ratios		
Phased-in Common equity tier 1 ratio (CET1 capital ratio) [2]	14.32%	15.05%
Phased-in Tier 1 capital ratio [2]	16.45%	17.30%
Phased-in total capital ratio [2]	19.86%	20.33%
Liquidity Coverage Ratio (LCR)	147%	132%
Leverage ratio	5.26%	5.21%
Banco BPM stock		
Number of outstanding shares	1,515,182,126	1,515,182,126
Official closing prices of the stock		
- Final	13.020	7.812
- Maximum	13.475	7.960
- Minimum	7.694	4.732
- Average	10.688	6.109
Basic EPS	1.385	1.273
Diluted EPS	1.385	1.273

(*) The figures relating to the previous year have been restated to provide a like-for-like comparison. For more details on data comparability, please refer to the "Results" section of this report.

(1) Arithmetic average calculated on a monthly basis in terms of full-time equivalent resources, as shown in the previous table. Does not include the Directors and Statutory Auditors of Group Companies.

(2) The capital ratios as at 31 December 2025 were calculated by including the net result for the year 2025 net of the proposed dividends and other allocations of profit.

Consolidated report on operations

Introduction

This Consolidated report on operations illustrates the Group's operating performance in the current economic scenario and its outlook, the significant events that occurred during the year, the relative results, also by business segment, the main supervisory, control and support activities, the main risks and uncertainties faced by the Group.
For the disclosure of relations and transactions with related parties, please refer to the Notes to the consolidated financial statements, "Part H - Transactions with related parties".
For a full description of the risks and uncertainties in the current market situation, please refer to "Part E - Information on risks and related hedging policies" and to "Part A - Accounting policies, A.1, Section 2 - General preparation principles, Significant accounting policies and uncertainties regarding the use of estimates in the preparation of consolidated financial statements" of the Notes to the consolidated financial statements.
For an illustration of subsequent events, please refer to "Part A - Accounting policies, A.1, Section 4 - Events subsequent to the reporting date" of the Notes to the consolidated financial statements.

Lastly, the Consolidated report on operations includes a specific section dedicated to Sustainability Statement, pursuant to the provisions of Italian Legislative Decree no. 125 of 6 September 2024, which implemented in Italy Directive 2022/2464/EU of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive - CSRD).

ECONOMIC SCENARIO[1]

The international scenario

2025 was considered a year of transition, during which many advanced and emerging economies sought to consolidate the path to recovery following the shocks of previous years, at the same time facing a particularly complex geopolitical situation, further aggravated by the introduction of US import duties.
In fact, during the year, the Russian-Ukrainian conflict continued despite diplomatic efforts; at the same time, the Israeli-Palestinian conflict intensified several times and then eased, however reigniting tensions with Iran. The pressure exerted by China on Taiwan also remained high.
The Trump Administration's trade policy programme aimed at reducing the trade deficit became a part of this already very complex context. After the announcement in early April of significant duties against most of its commercial partners - named "Liberation Day" - the situation gradually normalised thanks to bilateral agreements, which have not, however, totally eliminated the uncertainty. In particular, the agreement with the EU - in force since August - introduces a 15% tariff on most European goods, together with commitments to purchase US energy and EU investments in the US.

Despite this complex geopolitical situation, global growth remained at levels higher than initial expectations, showing good resilience and responsiveness, finding support in the favourable trend of energy prices and the improvement of global value chains. In initial estimates, world GDP in 2025 increased by 3.2%, in line with 2024, albeit with very different trends between countries and between economic-production sectors. Global trade - estimated to increase by +2.3% in terms of volume - showed a slowdown compared to +3.6% in 2024.

Among the advanced economies, the United States continued to be the main driver of global demand. Economic activity accelerated during the year: after a first quarter in decline, -0.6% annualised quarterly, GDP returned to growth in the second (+3.8%) and third quarters (+4.4%), driven by a strong increase in exports (+8.8%) and household consumption (+3.5%). Overall, according to forecasts currently available, US GDP increased by 2.0% throughout 2025, also thanks to the driving force of investments in the Hi-Tech sector and in artificial intelligence, which offset the initial slowdown due to the increase in imports, in view of the introduction of the new duties. The positive contribution of private consumption was supported by the increase in nominal wages (+3.8% YoY average hourly remuneration of employees in December 2025) and in a labour market that is still solid despite the rise in the unemployment rate (4.4% in December) and the lower creation of new jobs (around 580 thousand jobs, compared to over 2 million in 2024). The disinflation process consolidated: inflation fell from +3.4% to +2.7%, while the "core" component stood at +2.6%, approaching the Federal Reserve's target. This, together with the signs of a slowdown in the labour market, allowed the Fed to initiate a gradual easing of monetary policy.

On the public finance front, the year began with the establishment of the Department for Government Efficiency (DOGE), which seemed to herald a change of pace in the management of a deficit close to 7% of GDP and a debt exceeding 120%. The approval of the One Big Beautiful Bill Act (OBBBA), which expands federal spending and extends expansionary tax measures, has however rekindled fears about the sustainability of the accounts. In the second half of the year, the failure to agree on the refinancing of the 2025 fiscal year led to the partial shutdown of the Federal Government, which lasted 43 days from 1 October, with negative impacts on the economy and markets.

In Asia, Japan recorded a moderate recovery: +1.5% in the first quarter, +2.1% in the second and a contraction of 2.3% in the third, linked to the decline in investments, inventories and net exports (-0.2 GDP points). In the last quarter, growth was supported by a 21.3 trillion yen tax package, the most significant since Covid-19. Preliminary estimates indicate a 0.7% increase in GDP for 2025. Inflation fell to 2.1% in December (from 3.6% at the end of 2024), while the Bank of Japan continued to normalise monetary policy, bringing the policy rate to 0.75%. The labour market remained solid, with participation at 63.9% and unemployment stable at 2.6%.

China experienced a complex year, although better than expected. The 4th Plenum of the 20th Central Committee set the 15th Five-Year Plan (2026-2030), confirming the objective of doubling GDP per capita by 2035, which requires an average growth of 4.5%. In the third quarter, GDP increased by 4.8%, down compared to previous quarters, but

[1] The data reported in this section are mainly taken from the following sources: International Monetary Fund, World Bank, European Commission, ECB, Bank of Italy, ABI, Ministry of Economy and Finance, Prometeia, Confindustria [Italian Manufacturers' Federation], Istat, Eurostat, Bloomberg, Datastream (Refinitiv).

supported by manufacturing and Hi-Tech exports. The main critical area continues to be the real estate sector, with investments down by 15.9% in November. Inflation remained very low (0.8%) and producer prices continued to record negative changes (-2.2%), indicating unused production capacity. The unemployment rate remained stable at 5.1%.

India continued to stand out for its dynamism, contributing significantly to global growth. At the ASEAN 2025 summit, strategic convergence with China on trade issues was achieved. Estimates indicate GDP growth of 7.6% in 2025, sustained by infrastructure investments and a booming services sector, driven by the IT sector. Inflation, volatile in the first half of the year due to food prices, fell to 0.7% in November.

With regard to raw materials, market dynamics contributed to the global disinflationary process: Brent fluctuated between USD 82 and USD 59 per barrel, with an average of USD 68; European natural gas between 27 and 58 €/MWh. In the second half of the year, industrial metals were affected by commercial uncertainty and the weakness of the Chinese real estate sector, while precious metals recorded record results: gold exceeded USD 4,000/ounce, and silver and platinum showed strong volatility, sustained by a supply deficit and growing demand in the technology and energy transition sectors.

The economy in Europe and Italy

2025 represented a year of gradual recovery for the Eurozone economy, despite the complex global scenario. Towards the end of the year, business confidence improved, supported both by progress towards a more integrated European defence policy and by the significant fiscal boost from Germany. Real GDP growth showed a moderate pace, with an initial boost: +0.6% in the first quarter (+1.6% YoY), +0.1% in the second (+1.6%) and +0.3% in the third and in the fourth quarters (respectively +1.4% and +1.3% YoY). The trend in the first few months was influenced by the "front loading" of exports, generated by the fear of US tariffs, and by the strong volatility of Irish data related to the accounting practices of multinationals.

In the fourth quarter, on the other hand, the German economy accelerated (+0.3% quarter on quarter) favoured by the increase in public spending and private consumption, which allowed it to return to its average annual growth (+0.3% in 2025 compared to -0.5% in 2024). Overall, for 2025, the Eurozone economy expanded at a faster pace than expected at the beginning of the period, despite acute uncertainty: in initial assessments, average GDP growth was +1.5% (0.9% in 2024) mainly driven by a sustained trend in private consumption; the contribution of exports instead fluctuated considerably. At year end, in fact, the uncertainty linked to US tariffs, only partially mitigated by the summer agreement with the EU, held back foreign orders and output, while more solid domestic demand favoured industrial production: in November, the index rose by 0.7% compared to October and by 2.5% on an annual basis, driven by capital goods. The services sector showed signs of weakness, falling by 0.6% compared to October (+0.3% YoY).
Inflation slowed progressively from 2.5% at the beginning of the year, stabilising around the 2% target during the summer and closing at this level at year end. In December, the unemployment rate stood at 6.2%, down by 0.1 percentage points compared to the end of 2024.

In 2025, the Eurozone launched major defence and infrastructure investment programmes (RearmEU), while seeking to preserve debt sustainability and relaunch the struggling industrial sector. The public deficit in the third quarter was 3.2% of GDP (2.8% in 2024), while the debt/GDP ratio rose to 88.5% compared to 87.7% in the previous year.

In Italy, the economy showed resilience, although growing less than the Eurozone average. Economic growth in GDP in the first quarter was 0.3%, followed by a slight decline of 0.1% in the second on a quarterly basis (+0.8% and +0.5% YoY, respectively). The trend was supported by investments, while the trade balance had a negative impact. Private consumption remained moderate, albeit sustained by a solid labour market, the extension of the tax wedge cut for medium-low incomes and contract renewals.

In the third quarter, Italian GDP increased by 0.1% QoQ and by 0.6% YoY, thanks to widespread growth in domestic demand, with an increase of 0.6% in fixed investments, supported by NRRP projects. Net foreign demand also made a positive contribution; instead, the change in inventories had a negative impact. In the last quarter of the year, on the other hand, net exports had a negative effect on economic growth, which in any event showed a positive change QoQ (+0.3%), mainly due to the national component. For the whole of 2025, available estimates indicate GDP growth of 0.7%, in line with the previous year.

Industrial production was characterised by a prolonged contraction in the first part of the year and then showed a trend reversal in the last months of 2025 (+1.4% in November YoY). At sector level, the performance of the pharmaceutical sector stood out, while automotive and fashion suffered the most. On the other hand, construction activity continued to increase, despite the reduction in tax incentives. The services sector remained almost stagnant (value added +0.3% compared to the first nine months of 2024).

The labour market shows signs of consolidation: the unemployment rate in the last quarter showed a downtrend, standing at 5.6% in December, lower than the Eurozone average (6.2%). The employment rate was stable at 62.5%. Contract renewals increased the cost of labour which, together with foodstuffs, exerted inflationary pressures; on the contrary, the energy component contributed to curbing inflation, which remained at levels below those of the Eurozone, standing at 1.2% in December.

In terms of public finance, the deficit has continued to improve, after a positive primary balance of 0.5% of GDP in 2024, and is expected to be 0.9% in 2025, with a deficit/GDP ratio below 3%. This condition would enable it to exit the infringement procedure. In addition, the 2026 manoeuvre, which is more prudent than the previous ones, contributed to strengthening the country's credit profile. Financial charges on debt decreased thanks to the cuts in official ECB rates and the decline in the risk premium, confirmed by the improvements in sovereign ratings, including the Moody's upgrade to Baa2 after 23 years. In this favourable context, the BTP Bund spread fell gradually during the year.

Monetary policy and the financial markets

In 2025, the stabilisation of global inflation, particularly in the Eurozone and in Italy, expanded the scope for monetary policy intervention, albeit in a context still marked by significant geopolitical tensions. The decisions of the ECB and the Federal Reserve followed different trajectories, reflecting disparate economic conditions and fiscal dynamics between Europe and the United States.
The ECB confirmed support for growth as a priority objective in a phase of cyclical slowdown and international uncertainty, in a scenario in which inflation has returned close to the target. The rate reduction cycle, launched in 2024, continued decisively: between January and June, four consecutive cuts of 25 basis points were made, which brought the rate on deposits to 2.0%, that on the main refinancing operations to 2.15% and the rate on marginal transactions to 2.4%. In the second half of the year, rates remained unchanged, even in the presence of a more resilient economy and substantially stable inflation forecasts. Overall, in 2025, the reduction in rates amounted to 100 basis points, for a total of 200 basis points since the start of the easing cycle.

During the most acute phases of trade tensions, following the announcement of US tariffs, the markets had assumed further expansionary interventions by the ECB. However, since July, expectations have converged on the idea that the cycle of cuts would end soon.

The Federal Reserve has maintained a more prudent approach. For most of the year, rates remained stable in the 4.25% - 4.50% corridor, despite some political pressure and signs of weakening of the labour market. The caution was fuelled by fears over the inflationary effects of tariffs and the impact of expansionary fiscal policies. Since the beginning of the year, the FOMC projections envisaged two cuts by December, but the Fed preferred to wait for clearer indications on price and employment trends. Only in September, in the face of a further slowdown in the labour market, did the first reduction of 25 basis points come, accompanied by the announcement of the end of quantitative tightening from December. Further cuts were approved in the October and December meetings, bringing the policy rate into the 3.75% - 3.50% corridor. This latest decision was not unanimous and signalled the start of a more gradual process of reductions in 2026, due to a framework characterised by high uncertainty.

In the Eurozone, short-term rates consistently followed the ECB's decisions: the three-month Euribor fell from 2.74% at the beginning of the year to 1.93% in July, and then rose slightly and closed at 2.03%. In the medium- to long-term, ten-year Bund yields showed high volatility, reaching a peak of 2.9% in March and then falling back to 2.40% in April during the intensification of trade tensions, then gradually rising towards the highest figure in the latter part of the year. Sovereign spreads in the Eurozone generally narrowed, along with CDS premiums, with the exception of France, penalised by internal political tensions and impaired public accounts. The BTP Bund spread fell below 100 basis points already in the middle of the year, stabilising at around 70 basis points at the end of the year, sustained

by the improvement in public accounts and the rating upgrades received from S&P in April, Fitch in September and Moody's in November.

In the United States, the yield of the ten-year T Bond also showed strong fluctuations, between highs in the area of 4.80% and lows around 4.00%, then closing at 4.17%. The changes were influenced by alternating monetary policy expectations and fears over tax and trade policies, aggravated by the downgrade of the sovereign rating by Moody's in May.

Corporate bonds, in euros and dollars, despite being affected by general volatility, benefited from a compression of spreads, particularly marked in the high yield segment. The dollar weakened significantly against the main currencies, reflecting political uncertainties and a growing public deficit, with a depreciation of around 13% against the euro.

Despite the critical moments, the main stock markets closed 2025 with very positive performances. In the first quarter, the wait, and then the announcement of US tariffs had caused a strong correction and a peak of volatility that had pushed the VIX close to 50 points, for the first time since the Covid era. The subsequent partial and temporary suspension of the measures led to a rapid rebound, with the recovery of losses already by the middle of the year. The trade agreements concluded subsequently, less penalising than initial assumptions, in particular those with the EU, reduced uncertainty and encouraged further increases. The rally was mainly driven by US technology stocks, supported by investments in artificial intelligence and data centres, and by the financial sector of the Eurozone, with Italy in the foreground thanks to the capital strength and consolidation prospects in the banking sector. The good resilience of the US economy and the expectation of future rate cuts further contributed to sustaining the stock markets.

At the end of the year, the S&P 500 recorded +16.4%, the Nasdaq 100 +20.2%; in Europe, the Eurostoxx rose by 21.2%, the Dax by 23% and the FTSE MIB by 31.5%. The performance of the Italian banking sector was particularly significant, as it closed 2025 with an increase of 66.4%.

Domestic banking activity

In 2025, the banking sector in the Eurozone confirmed its high capital strength, good profitability and effective risk management capacity, even in a context of growing geopolitical tensions. Within this framework, the Italian banking system continues to stand out among the most virtuous in the area, supported by moderate but positive economic growth, improved country risk and generally favourable liquidity conditions. Profitability and capitalisation continued to be high, liquidity was balanced and credit quality remained at very positive levels.
The year was also characterised by the more accommodating stance of the ECB, which impacted credit dynamics and funding and lending rates.
In this context, there was a reversal of the trend in the disbursement of loans, which turned positive after several years of weakness. According to the most recent ABI estimates, in December 2025, total loans to residents in Italy (private individuals and public administrations, net of repurchase agreements with central counterparties) reached 1,663.8 billion, with a growth of +1.1% YoY. This is a marked improvement compared to 2024 (-1.1%), facilitated by more favourable lending conditions and a recovery in demand from businesses and households. Loans to the private sector amounted to 1,437 billion (+1.6% YoY), while those to households and non-financial companies reached 1,294 billion (+2.3%). In November 2025, Bank of Italy data indicated an increase of +1.8% YoY in loans to businesses and +2.3% in loans to households.
On the credit quality front, the signs remained clearly positive. Net bad loans, net of write-downs and provisions, fell to 29.7 billion in November 2025, compared to 30.1 billion in June and 31.3 billion in December 2024. The net bad loans/total loans ratio improved to 1.42% (1.46% in June, 1.51% in December 2024).
With regard to funding, bank funding maintained a positive trend. The first ABI estimates indicate that, in December 2025, total direct funding (deposits from resident customers and bonds) reached 2,137 billion, +2.0% YoY (+2.7% in December 2024). Deposits from resident customers stabilised at 1,869 billion (+2.1%, compared to +2.0% in December 2024), while funding through bonds rose to 268 billion, up by +1.1% YoY (although down against +7.1% in December 2024).
The ECB rate cuts had an impact on bank rates. The average rate on funding (households and non-financial companies) fell to 0.89% in December 2025 (1.12% a year earlier), while the average rate on deposits stood at 0.63% (0.89% at the end of 2024), while that on current account deposits alone fell to 0.29% (0.46% at the end of 2024). Bond rates at year end remained stable at 2.83% (2.84% in December 2024). At the same time, the average rate on loans

to households and businesses decreased in the same period to 3.97% (-0.47% YoY) and that on new loans to non-financial companies to 3.64% (from 4.40% a year earlier).
As a result, the mark-up (difference between the average rate on loans and the 3-month Euribor) rose to 1.92 bps in December 2025 (1.62 bps in 2024), while the mark-down (difference between the 3-month Euribor and the average rate on deposits) decreased to 1.42 bps (from 1.93). The resulting banking spread was 3.34 bps, down slightly from 3.55 bps in the previous year.
Indirect funding reached 1,713 billion in November 2025 (+7% YoY), with 29.1% held directly by consumer households. As for the assets of Italian and foreign open-ended funds (approximately 1,269 billion), on the same date, a growth of +4.8% YoY was recorded. The composition of assets showed a stable share of bond funds at around 38% (37.2% one year earlier), a reduction in flexible funds from 15.1% to 14.3% and balanced funds from 10.6% to 9.8%. On the contrary, monetary funds rose from 3.9% to 4.5%. The share of equity funds was also stable at 33.1% and that of hedge funds at 0.1%.

SIGNIFICANT EVENTS DURING THE YEAR

2025 was characterised by a situation of persistent geopolitical instability, deriving, in particular, from the ongoing conflict in Ukraine, tensions in the Middle East and from the trade policies of the United States, which have influenced the global economy and international balances.
In this context, the Group's operations focused on the areas described below.

Voluntary public tender offer on all shares of Anima Holding

During 2025, the voluntary public tender offer by Banco BPM Vita on all the ordinary shares of Anima Holding S.p.A., launched in November 2024, was concluded.
In more detail, in February 2025, the commitments to subscribe to the Offer were finalised between Banco BPM Vita, on the one hand, and Poste Italiane S.p.A., FSI SGR and certain top managers of Anima, on the other, concerning Anima shares which, added to the interest already held by Banco BPM of approximately 22%, represented a total of approximately 44.8% of the share capital of Anima.

On 28 February 2025, the Shareholders' Meeting of Banco BPM, resolved, with 97.64% of votes in favour, to authorise, pursuant to Art. 104, paragraph 1 of the Consolidated Finance Law, Banco BPM and on its behalf the Board of Directors, to ensure that, in compliance with the directives issued by Banco BPM in the exercise of management and coordination activities, the subsidiary Banco BPM Vita can: (i) increase the unit price offered from 6.20 euro (cum dividend) to 7.00 euro (cum dividend) and (ii) exercise the right, where deemed appropriate, to waive all or part of one or more of the voluntary conditions of effectiveness attached to the offer by Banco BPM Vita and not yet fulfilled at the date of the Shareholders' Meeting. In fact, it should be noted that the effectiveness of the Offer was subject to the fulfilment of a series of conditions, including a positive response from the ECB regarding the applicability to the transaction of the regulatory treatment of the Danish Compromise. In execution of the resolution of the Shareholders' Meeting, the unit price of the Offer was therefore increased to 7.00 euro (cum dividend).
Furthermore, following the communication of 21 March 2025 in which the ECB expressed its vision regarding the non-applicability of the Danish Compromise to the acquisition of Anima Holding, the bodies of Banco BPM and Banco BPM Vita, convinced of the strong strategic value of the transaction resolved, on 27 March 2025, to the extent of their respective responsibilities, to waive the application of the regulatory treatment of the Danish Compromise and the continuation of the public tender offer on Anima Holding.

To meet the financial commitments of Banco BPM Vita, on 10 March 2025, the parent company Banco BPM made a contribution to future share capital increases.

Having obtained all the authorisations required by sector regulations in relation to the Offer for the purposes and effects of Art. 102, paragraph 4 of the Consolidated Finance Law, with the decision of 13 March 2025, CONSOB approved the Offer Document.
The period of adhesion to the Offer agreed with Borsa Italiana S.p.A. began on 17 March 2025 and ended on 4 April 2025.
On 9 April 2025, the final data of the Offer were disclosed, which concluded with the adhesion of a total of 221,067,954 shares, representing 67.976% of the share capital of Anima Holding S.p.A., for a total value of 1,547.5 million.

Therefore, as a result of the Offer, as well as the transfer of the interest already held by Banco BPM in Anima Holding to Banco BPM Vita (equal to 21.973%), effective from 11 April 2025, the Group holds a total of 292,527,616 shares, representing 89.949% of the share capital of Anima Holding. As part of the business model outlined in the Group's Strategic Plan, the interest in Anima Holding[1] is therefore wholly owned by Banco BPM Vita.

The transaction forms part of the broader context of the Strategic Plan of Banco BPM Group, updated on 11 February 2025 with a three-year time frame until 2027, as better illustrated below, which leverages a revenue growth model strongly focused on product factories. In greater detail, the business model of the entire Banco BPM Financial

[1] Anima Holding in turn holds the following interests: Anima SGR S.p.A. (100%), Anima Alternative SGR S.p.A. (100%), Kairos Partners SGR S.p.A. (100%), Castello SGR S.p.A. (80%), which in turn, holds 76.05% of the share capital of Vita S.r.l.

Conglomerate will benefit from the new integrated Life Insurance and Asset Management factory, thus bolstering the proven potential of the Group's distribution network.
Anima Holding and its subsidiaries Anima SGR, Anima Alternative SGR, Kairos Partners SGR and Castello SGR integrated the Banco BPM Banking Group and were included in the line-by-line scope of consolidation from the second quarter of 2025.

Update of 2023-2026 Strategic Plan

The Board of Directors of Banco BPM, in its meeting on 11 February 2025, approved the update of the Group's 2023-2026 Strategic Plan, extending the time frame until 2027.

The excellent results achieved during the previous year, as well as the extraordinary transactions and the initiatives carried out in 2024 have therefore made it appropriate to update the Plan in advance, envisaging new, more ambitious performance objectives and higher remuneration targets for shareholders.

The update, developed by incorporating the new macroeconomic outlooks with more conservative assumptions, is based on the same 7 strategic pillars of the 2023-2026 Strategic Plan, with the addition of a new pillar relating to the integration of Anima.
With reference to the documents published by Banco BPM (press release of 12 February 2025 and relative presentation to the market), for more details, the macro-strategy defined for the next three-year period is summarised below.

- the consolidation of its vocation as a bank close to businesses and SMEs;
- the strengthening of wealth management and life insurance;
- the development of product factories with a view to reinforcing a more diversified and higher value-added business model;
- the strengthening of omnichannel services for an increasingly digital bank;
- innovation as a priority to make the bank leaner and more secure in the cyber environment;
- the objective of being close to people and the community, supporting their growth;
- further strengthening the Group's capital profile.

Ambitious ESG sustainability objectives have also been defined, which envisage a strong commitment to actions to support customers' ESG sustainability paths, encouraging i) the decarbonisation of production processes to support the transition to a net zero greenhouse gas emission economy, in line with the objectives of the European Green Deal, ii) support for the territories in which Banco BPM operates and the communities present therein, also through training and awareness initiatives on sustainability issues and the disbursement of grants for the development of social and environmental projects, iii) the promotion of interventions aimed at ensuring the production and housing continuity of the stakeholders and, lastly, iv) the ESG training activities of the Group's employees, an essential channel for the development and dissemination of ESG culture.

Streamlining of the Group's activities

Partial demergers from the separation of a lease loan portfolio

In March 2025, the deeds of partial demerger of Banco BPM were signed relating to the disposal of the Bank's non-performing leasing portfolio, for an amount of approximately 67 million (Toledo Project) in favour of two special purpose companies: Tago LeaseCo S.r.l. and Burgos Leasco S.r.l., after obtaining the authorisations issued by the European Central Bank.
Subsequently, Banco BPM and Finanziaria Internazionale S.p.A. signed a deed of transfer through which Banco BPM sold 100% of the capital of Tago LeaseCo and Burgos Leasco to Finanziaria Internazionale.
Banco BPM therefore no longer holds any interests in the aforementioned special purpose entities.
This transaction had substantially no impact on the income statement.

Interest disposals

On 14 March 2025, the sale to Mediobanca – Banca di Credito Finanziario S.p.A. of the interest held by Banco BPM in SelmaBipiemme Leasing, equal to 40% of the company's capital, was completed for the price of 17 million.
In advance, SelmaBipiemme Leasing S.p.A. had distributed an extraordinary dividend to shareholders for a total of 60 million, of which 24 million was due to Banco BPM.
As a result of the transaction described above, which had no impact on the income statement for the year, Banco BPM no longer holds any interest in the aforementioned company.

On 11 June 2025, Banco BPM finalised the sale to Cober S.r.l. of the 84% interest in the share capital of PMG S.r.l. in liquidation, for a total value of 44 thousand euro, after offsetting the respective trade receivables and tax payables and with the subsequent remission to PMG S.r.l. in liquidation of the residual credit after offsetting.
On the same date, Banco BPM sold to Copernicus Servicing Italia S.p.A. the non-performing loans, with a nominal value of 35.4 million, claimed by Banco BPM from PMG S.r.l. in liquidation and almost entirely written down, for a total price of approximately 1 million.
These transactions had no significant impact on the income statement for the year.
As a result of the aforementioned disposals, Banco BPM no longer holds any interest in PMG S.r.l. in liquidation, nor are there receivables due from it or payables due to it.
However, the completion of these transactions generated a net positive impact on the consolidated income statement for the year of approximately 9.5 million, connected to the derecognition of deferred taxes previously recognised in the consolidated financial statements.

Liquidation of interests in associates and joint ventures

On 31 July 2025, following the early dismantling of the BP CB1 Residential CB Issue Programme, with the resulting definitive closure of the separate assets of BP Covered Bond S.r.l., a special purpose entity controlled by Banco BPM with a stake of 60% of the share capital and part of the Banco BPM Banking Group, Banco BPM signed a deed to purchase 40% of the share capital of the special purpose entity, for a symbolic consideration of 1.00 euro, from the shareholder Stichting Barbarossa (foundation under Dutch law). The purchase transaction was aimed at the liquidation of the special purpose entity in question, which was concluded on 18 December 2025, with the approval of the final liquidation financial statements.

Merger transactions

On 29 October 2025, after obtaining the required legal authorisations, the deed of merger by incorporation of Banco BPM Assicurazioni S.p.A. into PiùVera Assicurazioni S.p.A.[1] (a company owned by Banco BPM Vita S.p.A with a 35% stake in the share capital) was signed. The statutory effects of the merger are effective from 1 November 2025, while the accounting and tax effects are charged to the financial statements of the merging company with effect from 1 January 2025. As a result of the transaction described above, Banco BPM Vita S.p.A. no longer holds any interest in Banco BPM Assicurazioni S.p.A.

As illustrated in the section on significant events occurring after the end of the financial year, it should be noted that, on 20 January 2026, IVASS issued the authorisation for the merger by incorporation of Vera Vita S.p.A. into Banco BPM Vita S.p.A. The transaction is expected to be finalised with effect from 1 May 2026, with accounting and tax effects backdated to 1 January 2026.

Streamlining of the Commercial network

As part of the process to streamline the Group's business activities, in the last quarter of 2025, the process to close 64 branches was conducted, in line with the objectives outlined in the Strategic Plan.
The related charges were booked to the income statement for the year.

[1] It should be noted that, with effect from 30 September 2025, Vera Assicurazioni S.p.A. and its subsidiary Vera Protezione S.p.A. changed their company names to PiùVera Assicurazioni S.p.A. and PiùVera Protezione S.p.A., respectively.

Other events in the period

Banco BPM Vita share capital increase

With reference to the voluntary public tender offer promoted by Banco BPM Vita on all the shares of Anima Holding S.p.A. described above, in order to provide Banco BPM Vita with the financial resources necessary for the payment of the consideration for each Anima Holding share used for the offer and the purchase of the interest held by Banco BPM in Anima Holding as following the adhesion period, Banco BPM, on 10 March 2025, made a payment to the company for a future capital increase for an aggregate principal amount of 2,276.5 million.
On 27 May 2025, the Extraordinary Shareholders' Meeting of Banco BPM Vita resolved to increase the share capital against payment by a total of 1,920 million, through the issue of 384,000,000 shares with a unit nominal value of 5 euro, fully subscribed by the sole shareholder Banco BPM.
Therefore, on 17 June 2025, Banco BPM Vita returned to Banco BPM the amount of 356.5 million, corresponding to the surplus between the amount of the payment made on 10 March 2025 and the amount of the increase of share capital resolved upon.

Following the obtainment of the authorisation from IVASS, on 1 July 2025 the share capital increase of Banco BPM Vita was recorded with the competent Register of Companies; the new share capital of the company is therefore equal to 2,099.1 million, represented by 419,825,000 shares with a unit nominal value of 5 euro, entirely held by Banco BPM.

Voluntary public exchange offer promoted by UniCredit on Banco BPM shares

With regard to the voluntary public exchange offer promoted by UniCredit on all shares of Banco BPM, it should be noted that, on 22 July 2025, UniCredit announced its decision to withdraw the offer.
Please refer to the press release of 23 July 2025 and the additional documentation made available on the Group website.

Approval of interim dividend 2025

On 6 November 2025, the Board of Directors of Banco BPM S.p.A. resolved the distribution to shareholders of an interim dividend based on the results of FY2025 for a total of 691,551,857.84 euro, corresponding to a unit amount of 46 cents for each of the 1,503,373,604 shares in circulation eligible on the interim payment date.

Funding and capital transactions

In January 2025, Banco BPM concluded an issue of Social Senior Preferred securities, reserved to institutional investors, for an amount of 500 million, fixed coupon of 3.375% and a 5-year maturity.
This is the first Italian Social Bond of 2025 issued as part of the Green, Social and Sustainability Bonds Framework, which increases the total ESG issues of Banco BPM to 6.25 billion. The income will be used to refinance Eligible Social Loans; in particular, the purpose of the funding is to refinance loans disbursed to Italian SMEs, located in economically disadvantaged areas.
The Green, Social and Sustainability Bonds Framework integrates with Banco BPM's ESG strategy and represents the effective implementation of the environmental and social sustainability objectives that are increasingly guiding and characterising the Bank's various business areas. The security is issued under the 25-billion Euro Medium Term Notes Programme of Banco BPM.

In March 2025, Banco BPM concluded the issue of Social Covered Bonds, reserved to institutional investors, for an amount of 750 million, fixed coupon of 2.625% and maturity of 4.5 years, as part of its 10 billion Covered Bond programme.
The income from said issue will be used to refinance Eligible Social Loans, as defined in the Bank's Green, Social and Sustainability Bonds Framework. In particular, funding is mainly aimed at refinancing residential mortgages granted to disadvantaged people, with a state guarantee greater than or equal to 80%.

Moreover, in May 2025, Banco BPM concluded a new issue of an Additional Tier 1 equity instrument with a perpetual duration and "callable" from the fifth year, for an amount of 400 million. The security, intended for institutional

investors, was issued at par with a fixed coupon of 6.25% until November 2030; payment of the coupon is totally discretionary and subject to certain limitations.
The security also provides for a temporary reduction of the nominal value if the CET1 ratio at consolidated or individual level falls below 5.125%.
With regard to equity instruments, it should also be noted that the residual amount of 220.5 million of the perpetual bond loan, issued on 21 January 2020 for a nominal value of 400 million, was fully repaid in advance in January 2025.

In July 2025, a new subordinated Tier 2 issue was concluded, intended for institutional investors, for an amount of 500 million, fixed coupon of 4% until January 2031, maturity 10.5 years and possibility of early repayment in January 2031.
The security is issued under the 25-billion Euro Medium Term Notes Programme of Banco BPM.

It should also be noted that on 14 September, Banco BPM S.p.A. exercised the right of early repayment of the Tier 2 security issued in September 2020 with a maturity of ten years (September 2030), as defined in the Terms and Conditions of the security.

Lastly, Banco BPM was the first financial institution in Italy and the second in Europe to issue, in October, a Senior Non Preferred European Green Bond, for an amount of 500 million, fixed coupon of 3.125% until October 2030, maturity of 6 years and early repayment option in October 2030.
The proceeds collected are to be used to finance or refinance Eligible Green Loans aligned with the European Taxonomy. The security is issued under the 25-billion Euro Medium Term Notes Programme of Banco BPM.

It should also be noted that, in October, Banco BPM S.p.A. announced a cash repurchase offer related to all of its Senior Non Preferred bond loan, issued as part of the 25-billion EMTN Programme, for an amount equal to 500 million and maturity in September 2026. The repurchase ended on 23 October for a nominal amount of 216.4 million.

Lastly, in December, Banco BPM decided to exercise the right of early repayment of the Tier 2 subordinated security issued in December 2020 for an amount of 350 million, maturing in January 2031, and of the Additional Tier 1 instrument issued in January 2021 for an amount of 400 million. The Tier 2 and Additional Tier 1 securities, placed with institutional investors, were called up at par on 14 January and 19 January 2026, respectively.

Programme to purchase own shares

The Shareholders' Meeting held on 30 April 2025 approved all the items on the Agenda by a large majority and, in particular, the authorisation to purchase and dispose of own shares for a maximum total amount of 17 million to service share-based compensation plans. By virtue of the authorisation issued by the European Central Bank, on 24 September 2025, Banco BPM purchased 1,362,726 own shares (equal to 0.09% of outstanding ordinary shares) at an average unit price of 12.475 euro, for a total value of 17 million.
As a result of the above-illustrated transaction, given the assignments that took place during the year and the other own shares already in the portfolio, as at 31 December 2025, Banco BPM directly holds 11,808,522 own shares, equal to 0.78% of the share capital.

EU-wide stress test 2025

On 1 August 2025, the European Banking Authority ("EBA") communicated the results of the 2025 EU-wide stress test: for Banco BPM the positive trend continues, with better results than in previous years, despite a macroeconomic scenario confirmed as very strict; the Bank's ability to generate value in the baseline scenario and strong resilience to significant shocks in the adverse scenario, with a depletion lower than the European average, was also confirmed.

Capital requirements set by the ECB

On 30 October 2025, Banco BPM received a notification from the European Central Bank of the SREP decision, containing the results of the annual Supervisory Review and Evaluation Process (SREP).
On the basis of the analyses and assessments conducted by the Supervisory Authority, the ECB determined an overall "Pillar 2 Requirement (P2R)" for 2026 of 2.25%, confirming the value applied to 2025.

Taking into account the new capital buffer against systemic risk of 0.665%, and the countercyclical capital buffer against exposures to foreign counterparties of 0.071% (measured as at 31 December 2025), the minimum requirements to be met on a consolidated basis from 1 January 2026 are as follows:

- 9.50% in terms of Common Equity Tier 1 ratio;
- 11.42% in terms of Tier 1 capital ratio;
- 13.99% in terms of Total capital ratio.

For more details, please refer to the "Results" section of this report.

2026 Budget Law - Main impacts on the financial statements as at 31 December 2025

On 30 December 2025, Italian Law no. 199 of 30 December 2025, containing the "State budget for the financial year 2026 and the multi-year budget for the three-year period 2026-2028" (hereinafter also "2026 Budget Law") was published in the Official Gazette, General Series no. 301.
Two legislative measures that had a significant impact on the balance sheet and income statement for 2025 are illustrated below.

Extraordinary contribution to the "extra-profit reserve"

Art. 26 of Italian Decree Law no. 104 of 10 August 2023, converted with amendments into Law no. 136 of 9 October 2023, had introduced an extraordinary tax commensurate with the increase in net interest income between 2021 and 2023 ("extra profits"), with the option for intermediaries to replace the payment by allocating an amount equal to at least 2.5 times the tax due to a non-distributable reserve. The Group had set up a total reserve of 380.7 million (of which 378.3 million for Banco BPM and 2.4 million for Banca Aletti).
In the event of use of the reserve for profit distribution, the full payment of the tax, equal to 40% of the extra-profit reserve, plus interest, would have been necessary.
The 2026 Budget Law significantly changed the rules for the extra-profit reserve, envisaging, starting from years beginning after 1 January 2028, a presumption of priority distribution of the reserve in the event of profit distribution and introducing an extraordinary voluntary contribution to be paid by 2028. In the absence of the payment of this contribution, the distribution of profits or reserves, from the year beginning on 1 January 2029, will result in the application of a tax equal to 40% of the extra-profit reserve.
In light of the new provisions, and considering the reasonable expectation that Banco BPM and Banca Aletti will proceed with the distribution of profits, the Boards of Directors of Banco BPM and Banca Aletti decided to pay the extraordinary contribution, for a total of 104.7 million, avoiding future charges estimated at 152.3 million plus interest.
When preparing the financial statements as at 31 December 2025, the aforementioned amount was recognised as a direct reduction of the shareholders' equity reserves.

For further details, please refer to "Part A – Accounting policies, A.1, Section 5 – Other aspects, Other significant aspects relating to Group accounting policies" of the Notes to the consolidated financial statements.

Increase in the IRAP rate

Art. 1, paragraphs 74, 76 of the 2026 Budget Law introduces a temporary increase of two percentage points in the additional IRAP rate applicable to banks and insurance companies for the 2026, 2027 and 2028 tax periods.
Since this is a non-structural change, it is expected that, starting from the year following that in progress as at 31 December 2028, the additional IRAP rates applicable will return to the previous levels.
The overall economic impact, calculated by restating the deferred taxes already recognised (Deferred Tax Assets - DTA and Deferred Tax Liabilities - DTL) on the basis of the new rates, was positive for approximately 40 million.

Appeal of the State Attorney's Office to the Court of Cassation for the overturning of the ruling on the tax dispute relating to the 2005 tax period

With its ruling filed on 16 January 2025, the Court of Cassation upheld the Bank's original appeal, definitively cancelling the notices of assessment served to the former Banco Popolare in 2011 and relating to the alleged non-deductibility of certain costs for the 2005 financial year (formerly Banca Popolare Italiana).

Since it cannot be challenged by ordinary means, the aforementioned ruling is final and, as a result of the same, the Bank has obtained full repayment of the 199.8 million provisionally paid pending the final judgement, in addition to 35.9 million in interest that was credited to the income statement for the first quarter of 2025.
On 16 July 2025, the State Attorney's Office, on behalf of the Italian Revenue Agency, notified the Bank of the appeal submitted to the Court of Cassation for the revocation of the aforementioned ruling.
An appeal for revocation of a judgement, provided for by Article 391-bis of the Code of Civil Procedure (CPC), is exceptional and its eligibility is limited to specific cases, including when the judgement is the result of an error as to the facts resulting from the deeds or documents of the case.
Based on the analysis conducted, it is considered that the notified appeal is unfounded and inadmissible.
On 24 September 2025, the Bank therefore filed its counter-appeal.

Proceedings initiated by the Public Prosecutor's Office at the Court of Milan

On 16 July 2025, as part of proceedings initiated by the Public Prosecutor's Office at the Court of Milan (registered under no. 7523/2024 RGNR) against numerous parties with respect to real estate development activities in the Municipality of Milan, it was discovered that a seizure order has been served against Giampiero Schiavo, legal representative of the subsidiary of Anima Holding, Castello SGR, as well as against Castello SGR itself, covering the documentation relating to the "Torre Futura" development underway at Via Calvino 11 in Milan, owned by the alternative closed-end and reserved real estate mutual investment fund entitled "Fondo Iniziative Immobiliari Milano", managed by Castello SGR. This order also constitutes a notice of investigation, as regards the legal representative of Castello SGR, with respect to the charges of corruption for an act allegedly contrary to official duties. As for Castello SGR, as an entity subject to investigation, this regards the alleged administrative offence pursuant to Articles 5(1), 9 and 25(2) of Italian Legislative Decree 231/2001 — i.e. the possible non-adoption or insufficient implementation of suitable organisation and management models to prevent the alleged offence. The investigations are still ongoing, the company confirmed that it had granted a defence mandate to a law firm and no administrative sanctions were imposed against Castello SGR in relation to this matter.

Inspections and proceedings of the Supervisory Authorities

During its standard business activities, the Group has been subject to inspections conducted by various Supervisory Authorities. More specifically, within the European system of banking supervision (Single Supervisory Mechanism), the Group is subject to the prudential supervision and, following the acknowledgement of financial conglomerate status, to the supplementary supervision of the European Central Bank (ECB); with regard to specific matters, supervision is the direct responsibility of the Bank of Italy and CONSOB and, as regards the Group's insurance companies, of the Institute for Insurance Supervision (IVASS).
As part of its operations, the Group is also subject to proceedings by public authorities, including the Supervisory Authorities mentioned above, the outcome of which is uncertain and which could lead to the possible imposition of sanctions, the amount of which cannot be reliably estimated, especially in the early stages of proceedings.
During 2025, the Group was not subject to any significant sanctions.
Supervisory activities entail making ordinary and recurring inspections ("on/off-site inspection"), accompanied by "remote" inspections, conducted through structured and continuous exchanges of information, as opposed to specific requests for documentation and in-depth examination of specific areas.

Most of the inspection activities have already been concluded with the release of the Final follow up letters or Final decisions, through which the ECB communicates the corrective actions required in relation to the areas for improvement identified. If the inspections regarded aspects with a potential impact on capital, the observations made as well as the information acquired during the entire process were duly considered, when relevant, within the valuation of the company's assets/liabilities. If the inspections have identified areas for improvement as regards the processes examined, the Group has prepared specific corrective action plans.
Listed below are the inspections launched in 2025 and the inspections that concluded with the receipt of the decision, containing binding requirements, for which the relative remediation plans are underway.

Inspections by the ECB:

- with regard to internal governance and risk management in relation to Bancassurance: the inspection, which began on 17 February and was carried out on site, ended on 14 May 2025;
- on climate and environmental risk management: the inspection, which began on 4 December 2023, ended on 15 March 2024. On 16 May 2025, the Bank received the decision imposing 3 binding requirements for which corrective actions were completed in December 2025;
- with regard to the application sent by the Bank for the extension of the internal model for the purposes of calculating the prudential requirements of credit risk to the Specialised Lending exposure classes and the use of the slotting criteria approach, on 17 May 2024, the Bank received the decision, which contained 3 binding requirements for which corrective measures were completed in 2025;
- for the assessment of cybersecurity risk management, on 2 August 2024, the Bank received the decision containing 5 binding requirements, the relative corrective actions for which are underway;
- as regards credit and counterparty risk: investigations on internal models used to calculate credit risk requirements for the following exposure classes: Corporate - Other; Corporate - SME; Retail - Other non-SME; Retail - Other SME; Retail - Qualifying revolving; Retail - Secured by real estate non-SME; Retail - Secured by real estate SME. On 15 December 2023, the Bank received the decision containing 19 requirements for which corrective actions were completed in December 2025;
- as regards credit and counterparty risk, with reference to the Retail - Residential Real Estate (RRE) portfolio, inspection concerning the assessment of the regulatory compliance of the framework for the implementation of accounting standard IFRS 9; the inspection, which started on 30 September 2024 and was conducted on site, ended on 13 December 2024. On 26 March 2025, the Bank received the final report, which did not identify significant shortcomings, indicating certain areas for improvement (relating to forbearance, management of guarantees and models for calculating the lump-sum write-down of non-performing loans); the corrective actions are currently underway and will be completed by September 2026;
- with regard to credit risk, on 8 September 2025, the on-site inspection was launched for the assessment of a change in the internal models for estimating the PD, LGD, LGD in default and ELBE risk parameters, for the following exposure classes: *Corporate - SME, Corporate - Specialised lending, Retail - Other SME, Retail - Secured by real estate SME, Corporate - Other*; concluded on 10 December 2025. Banco BPM is awaiting the inspection report.

Inspections by the Bank of Italy:

- with regard to the analysis of the active collaboration process for loans backed by public guarantees: the inspection, conducted on site, to verify the adequacy of the process, began on 3 June 2025 and was completed on 8 August 2025. On 16 December 2025, the inspection report was delivered, the conclusion of which ascertained 3 findings, 1 of which relating to compliance and 2 to management, for which corrective actions are being defined;
- with regard to checks on automatic cash recirculation devices: the inspection, conducted on-site from 13 to 23 May 2025, involved 11 agencies of the Central-Southern Territorial Department;
- in the AML area, in terms of transactional monitoring: on 13 March 2025, Banco BPM received the outcome of the inspection, which identified a single operational finding. The corrective action plan is underway;
- as regards consumer credit and real estate credit to consumers, verification of the adequacy of the organisational and control structures, policies and procedures on the issue of loans, for the protection of consumers in difficulty and prevention of the risk of over-indebtedness. The on-site inspection began on 21 November 2023 and ended on 2 February 2024. On 16 April 2024, Banco BPM received the result of the inspection, which identified items for improvement in terms of procedures and practice, particularly in the management of the pre-contractual phase. The corrective action plan is underway.

RESULTS

Introduction

The balance sheet and income statement shown below are presented in reclassified format, according to operating criteria, in order to promptly provide information on the general performance of the Group, based on economic-financial data that can be quickly and easily understood.
These layouts have been prepared based on the financial statement layouts indicated in the Bank of Italy's Circular no. 262/2005 as updated, applying the same aggregation and classification criteria applied when preparing the consolidated financial statements as at 31 December 2024, except for what is specified below.

During 2025, certain changes were made to the criteria for aggregating the items of the reclassified income statement, in order to allow a better evaluation, on a management accounting basis, of the economic contribution provided by the various operating segments. Specifically:

- the income items constituting the remuneration of the structuring and risk hedging activities on the certificates issued, placed or structured by the Group, as well as those relating to the remuneration of sales to retail and corporate companies of hedging derivatives, previously shown in the item "Net financial result", are included in the item "Net fee and commission income";
- the impacts of the realignment of intragroup revenues and costs against the different recognition criteria adopted by Banco BPM (up-front recognition of distribution fee and commission income) compared to those adopted by the Group's insurance companies (recognition spread over time of distribution fee and commission expense), previously shown in the item "Profit (loss) on insurance business", are recognised as an adjustment to the item "Net fee and commission income", consistent with the consolidated financial statements.

It should also be noted that in the reclassified income statement, after the profit (loss) from continuing operations, an item called "Charges for company restructuring, net of taxes" is shown, that encompasses the "one-off" operating expenses incurred for the performance of extraordinary transactions - that have an impact on the Group's organisational structure (such as, for example, the acquisition of control of Anima Holding, through a public tender offer or the streamlining of the branch network) or that are included in the projects aimed at the integration of business combinations completed in previous years - as well as non-recurring charges incurred to protect the interests of shareholders in relation to the UniCredit public exchange offer. The item also includes costs relating to voluntary redundancy incentive schemes for employees close to qualifying for pension rights.

Lastly, the structure of the reclassified income statement was further amended, with a view to ensuring greater alignment between the aggregates shown therein and those commented on in the press releases and in the documents that present the results to the market. Specifically:

- attention is drawn to a new aggregate called "Core income", represented by net interest income, gains (losses) on interests in associates and joint ventures carried at equity, net fee and commission income and profit (loss) on insurance business. The above-mentioned "Core income", together with the net financial result and other net operating income, comprises the already existing aggregate of "Operating income". Consequently, as regards "Operating income", the interim results, shown in previous periods, of "Financial margin" (sum of net interest income and gains (losses) on interests in associates and joint ventures carried at equity) and "Other operating income" (sum of net fee and commission income, other net operating income, net financial result and profit (loss) on insurance business) are no longer included in this item;
- the aggregate of "Total adjustments and provisions" is shown, represented by the cost of loans to customers (previously called "Net adjustments to loans to customers"), net adjustments to securities and other financial assets, fair value gains (losses) on property, plant and equipment and net provisions for risks and charges;
- the item "Gains (losses) on interests in associates and joint ventures and other investments", which was previously included in Profit (loss) before tax from continuing operations, is now shown, net of the related tax effect, among the items outside the profit (loss) from continuing operations;
- the items below the profit (loss) from continuing operations have consequently been reorganised.

In order to ensure a like-for-like comparison, the figures for the previous periods have therefore been restated, applying the new classification criteria illustrated above.

Reclassified accounting statements

Reclassified consolidated balance sheet

(thousands of euro)	31/12/2025	31/12/2024	Change	
Cash and cash equivalents	5,606,509	12,124,840	(6,518,331)	(53.8%)
Loans at amortised cost	103,612,461	103,089,541	522,920	0.5%
- Loans to banks	3,898,893	3,362,267	536,626	16.0%
- Loans to customers	99,713,568	99,727,274	(13,706)	0.0%
Other financial assets	62,747,309	51,301,101	11,446,208	22.3%
- at fair value through profit and loss	14,806,816	9,318,563	5,488,253	58.9%
- at fair value through other comprehensive income	16,029,052	13,279,954	2,749,098	20.7%
- at amortised cost	31,911,441	28,702,584	3,208,857	11.2%
Financial assets pertaining to insurance companies	18,830,017	16,689,586	2,140,431	12.8%
Interests in associates and joint ventures	1,452,559	1,708,439	(255,880)	(15.0%)
Property, plant and equipment	2,481,158	2,513,905	(32,747)	(1.3%)
Intangible assets	3,214,115	1,256,612	1,957,503	155.8%
Tax assets	2,909,743	3,372,636	(462,893)	(13.7%)
Non-current assets and disposal groups held for sale	196,649	444,525	(247,876)	(55.8%)
Other asset items	4,845,787	5,707,902	(862,115)	(15.1%)
Total assets	**205,896,307**	**198,209,087**	**7,687,220**	**3.9%**
Direct bank funding	132,387,516	126,149,114	6,238,402	4.9%
- due to customers	109,264,870	102,757,399	6,507,471	6.3%
- securities and other financial liabilities	23,122,646	23,391,715	(269,069)	(1.2%)
Direct funding from insurance business	18,172,488	16,214,811	1,957,677	12.1%
- financial liabilities pertaining to insurance companies measured at fair value	4,005,177	3,331,610	673,567	20.2%
- insurance liabilities	14,167,311	12,883,201	1,284,110	10.0%
Due to banks	6,573,282	6,332,722	240,560	3.8%
Lease payables	670,854	646,208	24,646	3.8%
Other financial liabilities designated at fair value	27,160,390	28,703,792	(1,543,402)	(5.4%)
Other financial liabilities pertaining to insurance companies	79,398	56,103	23,295	41.5%
Liability provisions	861,065	988,625	(127,560)	(12.9%)
Tax liabilities	551,625	471,782	79,843	16.9%
Liabilities associated with assets classified as held for sale	-	1,215	(1,215)	n.s.
Other liability items	3,854,526	4,040,703	(186,177)	(4.6%)
Total liabilities	**190,311,144**	**183,605,075**	**6,706,069**	**3.7%**
Non-controlling interests	80,487	69	80,418	n.s.
Group shareholders' equity	15,504,676	14,603,943	900,733	6.2%
Consolidated shareholders' equity	**15,585,163**	**14,604,012**	**981,151**	**6.7%**
Total liabilities and shareholders' equity	**205,896,307**	**198,209,087**	**7,687,220**	**3.9%**

Reclassified consolidated income statement

(thousands of euro)	2025	2024 (*)	Change
Net interest income	3,127,491	3,440,045	(9.1%)
Gains (losses) on interests in associates and joint ventures carried at equity	120,911	151,689	(20.3%)
Net fee and commission income	2,495,278	2,054,641	21.4%
Profit (loss) on insurance business	162,522	116,376	39.7%
Core income	**5,906,202**	**5,762,751**	**2.5%**
Net financial result	48,359	(82,582)	n.s.
Other net operating income	690	23,360	(97.0%)
Operating income	**5,955,251**	**5,703,529**	**4.4%**
Personnel expenses	(1,798,067)	(1,745,204)	3.0%
Other administrative expenses	(657,464)	(644,781)	2.0%
Net value adjustments to property, plant and equipment and intangible assets	(283,330)	(265,715)	6.6%
Operating expenses	**(2,738,861)**	**(2,655,700)**	**3.1%**
Profit (loss) from operations	**3,216,390**	**3,047,829**	**5.5%**
Cost of loans to customers	(396,580)	(461,475)	(14.1%)
Net adjustments to securities and other financial assets	3,409	(8,567)	n.s.
Fair value gains (losses) on property, plant and equipment	(7,291)	(54,627)	(86.7%)
Net provisions for risks and charges	(2,547)	(22,192)	(88.5%)
Total adjustments and provisions	**(403,009)**	**(546,861)**	**(26.3%)**
Profit (loss) before tax from continuing operations	**2,813,381**	**2,500,968**	**12.5%**
Taxation charge related to profit or loss from continuing operations	(803,139)	(788,927)	1.8%
Profit (loss) after tax from continuing operations	**2,010,242**	**1,712,041**	**17.4%**
Gains (losses) on interests in associates and joint ventures and other investments, net of taxes	2,271	1,760	29.0%
Impact of the purchase price allocation (PPA), net of taxes	(47,909)	(34,898)	37.3%
Impact of the change in own credit risk on the issue of certificates (OCR), net of taxes	2,683	1,213	121.2%
Banking industry charges, net of taxes	(9,643)	(71,011)	(86.4%)
Charges for company restructuring, net of taxes	(52,263)	(141,868)	(63.2%)
Impact of restatement of the Anima share, net of taxes	201,831	-	n.s.
E-money impact, net of taxes	-	493,125	n.s.
Bancassurance impacts, net of taxes	-	2,466	n.s.
Impairment of client relationships, goodwill and interests in associates and joint ventures	(4,429)	(42,446)	(89.6%)
Profit (loss) attributable to non-controlling interests	(20,796)	11	n.s.
Parent Company's profit (loss) for the year	**2,081,987**	**1,920,393**	**8.4%**

(*) The previous year's figures have been restated to provide a like-for-like comparison. For more details on data comparability, please refer to the content of the Introduction to the "Results" section of this report.

Reclassified consolidated income statement – Quarterly evolution

Reclassified income statement items	2025				2024 (*)			
(thousands of euro)	Q4	Q3	Q2 (*)	Q1 (*)	Q4	Q3	Q2	Q1
Net interest income	767,466	757,943	785,148	816,934	855,337	861,922	858,390	864,396
Gains (losses) on interests in associates and joint ventures carried at equity	29,325	28,216	23,563	39,807	45,639	31,136	44,572	30,342
Net fee and commission income	668,361	621,569	630,272	575,076	508,297	501,234	507,337	537,773
Profit (loss) on insurance business	47,905	34,773	42,778	37,066	28,593	62,461	16,175	9,147
Core income	**1,513,057**	**1,442,501**	**1,481,761**	**1,468,883**	**1,437,866**	**1,456,753**	**1,426,474**	**1,441,658**
Other net operating income	9,456	4,928	(6,221)	(7,473)	31,309	(10,443)	(1,347)	3,841
Net financial result	(48,525)	9,822	72,681	14,381	(34,914)	28,579	(64,570)	(11,677)
Operating income	**1,473,988**	**1,457,251**	**1,548,221**	**1,475,791**	**1,434,261**	**1,474,889**	**1,360,557**	**1,433,822**
Personnel expenses	(461,057)	(446,820)	(456,161)	(434,029)	(449,064)	(435,579)	(428,926)	(431,635)
Other administrative expenses	(164,304)	(171,779)	(176,808)	(144,573)	(143,471)	(152,342)	(176,068)	(172,900)
Net value adjustments to property, plant and equipment and intangible assets	(74,824)	(72,707)	(69,200)	(66,599)	(68,460)	(68,187)	(64,919)	(64,149)
Operating expenses	**(700,185)**	**(691,306)**	**(702,169)**	**(645,201)**	**(660,995)**	**(656,108)**	**(669,913)**	**(668,684)**
Profit (loss) from operations	**773,803**	**765,945**	**846,052**	**830,590**	**773,266**	**818,781**	**690,644**	**765,138**
Cost of loans to customers	(142,085)	(90,282)	(88,694)	(75,519)	(159,613)	(107,810)	(111,598)	(82,454)
Net adjustments to securities and other financial assets	738	391	(1,211)	3,491	(6,512)	1,193	(287)	(2,961)
Fair value gains (losses) on property, plant and equipment	(6,404)	3,363	(3,419)	(831)	(14,495)	(14,143)	(12,605)	(13,384)
Net provisions for risks and charges	(11,102)	5,154	1,504	1,897	(14,304)	(16,130)	13,220	(4,978)
Total adjustments and provisions	**(158,853)**	**(81,374)**	**(91,820)**	**(70,962)**	**(194,924)**	**(136,890)**	**(111,270)**	**(103,777)**
Profit (loss) before tax from continuing operations	**614,950**	**684,571**	**754,232**	**759,628**	**578,342**	**681,891**	**579,374**	**661,361**
Taxation charge related to profit or loss from continuing operations	(141,201)	(216,313)	(202,624)	(243,001)	(170,940)	(222,408)	(180,248)	(215,331)
Profit (loss) after tax from continuing operations	**473,749**	**468,258**	**551,608**	**516,627**	**407,402**	**459,483**	**399,126**	**446,030**
Gains (losses) on interests in associates and joint ventures and other investments, net of taxes	1,315	69	641	246	(477)	1,495	468	274
Impact of the purchase price allocation (PPA), net of taxes	(14,417)	(13,282)	(13,185)	(7,025)	(6,898)	(9,376)	(9,954)	(8,670)
Impact of the change in own credit risk on the issue of certificates (OCR), net of taxes	(1,260)	1,197	1,255	1,491	1,531	981	476	(1,775)
Banking industry charges, net of taxes	(9,643)	-	-	-	(4,375)	-	1,474	(68,110)
Charges for company restructuring, net of taxes	(20,483)	(1,081)	(30,013)	(686)	(130,182)	-	(11,686)	-
Impact of restatement of the Anima share, net of taxes	-		201,831	-	-	-	-	-
E-money impact, net of taxes	-	-	-	-	-	493,125	-	-
Bancassurance impacts, net of taxes	-	-	-	-	-	-	-	2,466
Impairment of client relationships, goodwill and interests in associates and joint ventures	(4,429)	-	-	-	(42,446)	-	-	-
Profit (loss) attributable to non-controlling interests	(7,582)	(4,889)	(8,327)	2	3	2	4	2
Parent Company's profit (loss) for the period	**417,250**	**450,272**	**703,810**	**510,655**	**224,558**	**945,710**	**379,908**	**370,217**

(*) The previous year's figures have been restated to provide a like-for-like comparison. For more details on data comparability, please refer to the content of the Introduction to the "Results" section of this report.

Methodological Note

Information is provided below on the aggregations and main reclassifications systematically made with respect to the financial statements formats provided for in Circular no. 262/05, in accordance with that required by CONSOB in Communication no. 6064293 of 28 July 2006.

To prepare the consolidated balance sheet, the asset items have been reclassified as follows:

- the aggregate "Loans at amortised cost" is represented by item "40. Financial assets at amortised cost" with the exclusion of debt securities, included in "Other financial assets and hedging derivatives" and of the financial assets at amortised cost pertaining to insurance companies, shown in the aggregate "Financial assets pertaining to insurance companies" of the reclassified balance sheet. Senior securities deriving from the sale of non-performing loans, shown under "Other financial assets and hedging derivatives", are also excluded;

- the aggregate "Other financial assets and hedging derivatives" is made up of items 20, 30 and 50, with the exception of financial assets pertaining to insurance companies, shown in the aggregate "Financial assets pertaining to insurance companies" of the reclassified balance sheet. This aggregate also includes the amount of debt securities measured at amortised cost and of the senior securities deriving from the sale of non-performing loans mentioned above;
- the aggregate "Financial assets pertaining to insurance companies" includes the financial assets attributable to insurance operations (asset items: "20. Financial assets at fair value through profit and loss", "30. Financial assets measured at fair value through other comprehensive income", "40. Financial assets at amortised cost", "50. Hedging derivatives");
- the aggregate "Other asset items" consists of the residual items "60. Fair value change of financial assets in macro fair value hedge portfolios (+/-)" and "130. Other assets". Insurance assets are also included (item 80 of balance sheet assets).

The main balance sheet liability items were instead subject to the following reclassifications:

- the aggregate "Direct bank funding" is made up of items "10. b) Financial liabilities at amortised cost: due to customers", with the exclusion of lease payables due to customers (shown in the item of the same name in the reclassified balance sheet), and of amounts due to customers pertaining to insurance companies (shown in item "Direct funding from insurance business" of the reclassified balance sheet); "10. c) Financial liabilities at amortised cost: debt securities in issue" and "30. Financial liabilities designated at fair value", net of protected capital certificates, included in the aggregate "Other financial liabilities designated at fair value" and of financial liabilities pertaining to insurance companies designated at fair value, shown in item "Direct funding from insurance business";
- the aggregate "Direct funding from insurance business" includes the liabilities of the insurance companies for policies underwritten by customers. In particular, these are liability items "30. Financial liabilities designated at fair value", for unit-linked policies and "110. Insurance liabilities", for the remaining insurance products;
- the item "Due to banks" refers to item "10. a) Financial liabilities at amortised cost: due to banks", with the exception of lease payables due to banks (shown in the item of the same name in the reclassified balance sheet) and of amounts due to banks pertaining to insurance companies (shown in item "Direct funding from insurance business" of the reclassified balance sheet);
- the item "Lease payables" includes the liabilities at amortised cost to banks and customers relating to leasing transactions, as previously described;
- the aggregate "Other financial liabilities designated at fair value" includes item "20. Financial liabilities held for trading", increased by the amount of the protected capital certificates as described above, and item "40. Hedging derivatives";
- the item "Other financial liabilities pertaining to insurance companies" includes amounts due to banks and to customers of insurance companies, not related to commitments to policyholders, recognised under liability item "10. Financial liabilities at amortised cost";
- the aggregate "Liability provisions" includes items "90. Provisions for employee severance pay" and "100. Provisions for risks and charges";
- the aggregate "Other liability items" consists of the residual items "50. Fair value change of financial liabilities in macro fair value hedge portfolios (+/-)" and "80. Other liabilities";
- the aggregate "Group shareholders' equity" is represented by items "120. Valuation reserves", "140. Equity instruments", "150. Reserves", "155. Advances on dividends", "170. Share capital", "180. Own shares (-)" and "200. Profit (loss) for the year (+/-)".

Finally, as regards the reclassified income statement, the following main reclassifications were made:

- the portion of profits (losses) pertaining to investee companies carried at equity (included in item 250) has been stated in a specific item called "Gains (losses) on interests in associates and joint ventures carried at equity";
- the item "Profit (loss) on insurance business" encompasses the items specifically attributable to the insurance business represented by the profit (loss) on insurance services (item 160) and the balance of income and expenses from insurance activities (item 170), which includes the net change in technical reserves, claims for the period, as well as other income and expenses from insurance activities. In addition, this aggregate includes the economic components (interest, dividends, realised gains/losses, gains/losses from valuation) relating to the portfolios of financial assets and liabilities held by insurance companies ("10. Interest income", "20. Interest expense", "70. Dividends", "80. Net trading income", "90. Fair value gains/losses on hedging

derivatives", "100. Gains (losses) on disposal or repurchase", "110. Net gains (losses) from other financial assets and liabilities measured at fair value through profit and loss", "130. Net credit impairment losses/recoveries"). It should also be noted that, in the reclassified income statement, placement fees paid by insurance companies to the banking distribution network of Banco BPM, even if consolidated using the line-by-line method, are recognised as open balances. The item "Net fee and commission income" therefore includes fee and commission income received from the distribution network, while the item "Profit (loss) on insurance business" includes fee and commission expense paid by the insurance companies. The aim of this presentation method is to allow the contributions of the various operating segments that generate the economic result to be represented, in line with the requirements of accounting standard IFRS 8;

- dividends on shares classified under financial assets at fair value through profit and loss and measured at fair value through other comprehensive income (included in item 70) were re-attributed to the "Net financial result";
- the income relating to the issue of liabilities held for trading represented by Group certificates, which in the income statement drawn up based on Circular no. 262 is shown in items "80. Net trading income" and "110. Net gains (losses) from other financial assets and liabilities measured at fair value through profit and loss", was partially re-attributed to the reclassified income statement item "Net fee and commission income". In greater detail, from a management accounting perspective, net fee and commission income includes the portion of product profitability that remunerates the placement activities performed by the Group;
- recoveries of taxes and duties and other expenses (included in item 230) were applied as a direct decrease in "Other administrative expenses", where the related cost is recorded, instead of being indicated in the reclassified aggregate of "Other net operating income";
- gains and losses on disposal of loans, not represented by debt securities (included in item 100) and gains (losses) from contractual modification without derecognition (booked to item 140), were added, together with net credit impairment losses/recoveries, to the item "Cost of loans to customers";
- gains (losses) on interests in associates and joint ventures and other investments, recognised in items 250 and 280, are shown, net of the related tax effect, in the ad hoc item "Gains (losses) on interests in associates and joint ventures and other investments, net of taxes", below profit (loss) after tax from continuing operations;
- the impacts arising from Purchase Price Allocations made following business combinations have been grouped into a single separate item in the reclassified income statement called "Impact of the purchase price allocation (PPA), net of taxes". This item groups together the impacts that in the income statement format are recognised in interest income (reversal effect of the fair value measurement of loans), amortisation of intangible assets recognised in item 220 (amortisation of "client relationships" and of the "value of business acquired"), in the balance of revenues and costs of a financial nature relating to insurance activities and in the item "Taxation charge related to profit or loss from continuing operations";
- the economic impact of a change in own credit risk related to the issue of certificates classified in the portfolio of "Financial liabilities held for trading" is included in the ad hoc item "Impact of the change in own credit risk on the issue of certificates (OCR), net of taxes". This decision derives from the need to isolate the economic effects of the volatility of said own credit risk, as, with an operating outlook, they are not deemed expressive of actual profitability of the Group;
- ordinary and extraordinary charges introduced for banks due to the single and national resolution funds (SRF and NRF), the deposit guarantee scheme (DGS) and the Guarantee Fund of the Life insurance sector are recognised, net of relative tax effects, in a separate item "Banking industry charges, net of taxes", rather than in "Other administrative expenses" and "Taxation charge related to profit or loss from continuing operations";
- "one-off" operating expenses incurred for the performance of extraordinary transactions that have an impact on the Group's structure (e.g. acquisition of control of the Anima Group through a public tender offer, streamlining of the branch network) or that are part of projects launched as a result of company acquisitions completed in previous financial years, as well as the charges incurred to protect the interests of shareholders relating to the UniCredit public exchange offer, net of the related tax effect, are recognised in a separate item of the reclassified income statement entitled "Charges for company restructuring, net of taxes" instead of being included in the items "Other administrative expenses" and "Taxation charge related to profit or loss from continuing operations". The item also includes costs relating to voluntary redundancy incentive schemes for employees close to qualifying for pension rights;
- the positive impact, resulting from the revaluation at fair value of the interest held in Anima Holding before the acquisition of control, resulting from the realignment of the book value to the price of the public tender offer, is shown, net of the related tax effect, in the item "Impact of restatement of the Anima share, net of

taxes" instead of being included in the items "Gains (losses) of associates and joint ventures" and "Taxation charge related to profit or loss from continuing operations";
- the accounting effects attributable to the transactions aimed at reorganising the payment systems segment are shown, net of the related tax effect, in a separate item of the reclassified income statement called "E-money impact, net of taxes", instead of being included in the items "Gains (losses) of associates and joint ventures", "Gains (losses) on disposal of investments" and "Taxation charge related to profit or loss from continuing operations";
- the overall economic impacts related to the reorganisation of bancassurance activities are shown in an ad hoc item called "Bancassurance impacts, net of taxes", which includes the relative tax effects;
- the impact deriving from impairment testing on intangible assets and on interests in associates and joint ventures is shown in the ad hoc item "Impairment of client relationships, goodwill and interests in associates and joint ventures".

The attachments to the consolidated financial statements provide the statements of reconciliation between the reclassified financial statements and those prepared on the basis of Circular no. 262 of the Bank of Italy.

This report also includes information that does not fall within the accounting disclosure prepared in application of the reference accounting standards and/or the regulations governing the preparation of bank financial statements. This information, where relevant, is qualified as "management" information.

In addition to the financial disclosure prepared on the basis of the IFRS international accounting standards issued by the International Accounting Standards Board (IASB) and the relative interpretations of the International Financial Reporting Interpretations Committee (IFRIC) endorsed by the European Commission and in force as at 31 December 2025, as established by Regulation (EC) no. 1606 of 19 July 2002, this report contains some alternative performance measures (APMs) identified in order to facilitate the understanding of the economic and financial performance of Banco BPM Group operations.
The aforementioned measures are based on the guidelines of the European Securities and Markets Authority (ESMA) of 5 October 2015 (ESMA/2015/1415), incorporated in CONSOB Communication no. 0092543 of 3 December 2015.

In particular, it should be noted that alternative performance measures:
- are based exclusively on historical data and are not indicative of future performance;
- are not determined on the basis of the IFRS accounting standards and are not subject to audit;
- are calculated on the basis of the reclassified financial statements, unless otherwise specified, and must be read together with the financial information of the Group contained in this report;
- since not all companies calculate APMs in the same way, the measures used by Banco BPM may not be consistent with similar parameters used by other companies;
- are calculated consistently and in the same way for the periods to which the financial information in this report refers.

A list of the main APMs contained in this report is provided below, with an indication of the calculation methodology:
- **direct bank funding**: includes funding from customers represented by demand and term deposits and current accounts, bonds issued, certificates of deposit and other securities, debts and protected capital certificates relating to the Group's banking activities. On the other hand, funding relating to insurance companies is not included;
- **core direct funding**: funding from customers relating only to current accounts and deposits;
- **direct funding from insurance business**: includes the forms of funding classified under insurance liabilities and financial liabilities pertaining to insurance companies;
- **indirect funding**: management figure that represents the financial resources of customers under management (assets under management) or under administration (administered assets), net of funding underlying protected capital certificates, included in direct funding;
- **net loans to customers**: aggregate represented by loans to customers measured at amortised cost net of loans to customers which, following the application of IFRS 9, must be measured at fair value. Senior securities deriving from the sale of non-performing loans, shown under financial assets, are also excluded;
- **core performing loans/receivables**: aggregate consisting of mortgages and other loans, current accounts, credit cards and personal loans;

- **net non-performing loans**: aggregate that includes bad loans, unlikely to pay and past due and/or overdue exposures;
- **gross NPE ratio**: ratio of gross non-performing exposures to total gross exposures relating to the balance sheet item "Loans to customers at amortised cost";
- **net NPE ratio**: ratio of net non-performing exposures to total net exposures relating to the balance sheet item "Loans to customers at amortised cost";
- **cost of credit or cost of risk**: calculated as the ratio of net value adjustments on loans to customers to total cash exposures to customers measured at amortised cost, net of value adjustments;
- **coverage ratio of non-performing loans**: calculated as the ratio of net value adjustments on non-performing loans to the gross cash exposure of non-performing loans to customers measured at amortised cost;
- **bad loan coverage ratio**: calculated as the ratio of net value adjustments on bad loans to gross bad loans;
- **unlikely to pay coverage ratio**: calculated as the ratio of net value adjustments on unlikely to pay loans to gross unlikely to pay loans;
- **coverage ratio of past due exposures**: calculated as the ratio of net value adjustments on past due exposures to gross past due exposures;
- **coverage ratio of performing exposures**: calculated as the ratio of net value adjustments on total performing exposures to total gross performing exposures;
- **net bad loans/loans to customers (net)**: calculated as the ratio of net bad loans to total cash exposures to customers measured at amortised cost, net of value adjustments;
- **net unlikely to pay/loans to customers (net)**: calculated as the ratio of net unlikely to pay loans to total net cash exposures to customers measured at amortised cost, net of value adjustments;
- **net bad loans/shareholders' equity**: calculated as the ratio of net bad loans to shareholders' equity;
- **Texas ratio**: calculated as the ratio of the net value of non-performing loans to the Group's tangible shareholders' equity (net of related tax effects);
- **tangible shareholders' equity**: the difference between shareholders' equity pertaining to the Group and intangible assets (net of the related deferred tax effects);
- **financial assets and hedging derivatives/total assets**: calculated as the ratio of aggregate financial assets and hedging derivatives inferred from the reclassified balance sheet to total assets;
- **derivative assets/total assets**: calculated as the ratio of aggregate trading and hedging derivatives shown in the balance sheet assets to total assets;
- **trading derivative assets/total assets**: calculated as the ratio of trading derivatives shown in the balance sheet assets to total assets;
- **hedging derivative assets/total assets**: calculated as the ratio of hedging derivatives shown in the balance sheet assets to total assets;
- **net trading derivatives/total assets**: calculated as the ratio of the aggregate net trading derivatives (corresponding to the mismatch, in absolute terms, between the derivatives included under the balance sheet item 20 a) of assets, "Financial assets at fair value through profit and loss - held for trading", and item 20 of liabilities, "Financial liabilities held for trading") to total assets;
- **loan to deposit ratio** (net loans/direct funding): calculated as the ratio of cash exposures to customers measured at amortised cost net of value adjustments to the aggregate of direct bank funding;
- **cost/income ratio**: calculated as the ratio of operating expenses to operating income resulting from the reclassified Income Statement;
- **ROE (Return On Equity)**: calculated as the ratio of Group net profit (loss) for the year to shareholders' equity, determined by excluding the profit (loss) for the year, AT1 equity instruments and advances on dividends from shareholders' equity;
- **ROTE (Return On Tangible Equity)**: calculated as the ratio of Group net profit (loss) for the year to shareholders' equity, determined by excluding the profit (loss) for the year, AT1 equity instruments, advances on dividends and intangible assets, net of the related tax effects, from shareholders' equity;
- **ROA (Return On Assets)**: calculated as the ratio of net profit (loss) for the year to total assets;
- **financial margin/operating income**: calculated as the ratio of aggregate financial margin to aggregate operating income taken from the reclassified income statement;
- **net fee and commission income/operating income**: calculated as the ratio of net fee and commission income to operating income taken from the reclassified income statement;
- **loans to customers (net) per employee**: calculated as the ratio of cash exposures to customers measured at amortised cost net of value adjustments to the average number of employees;

- **operating income per employee**: calculated as the ratio of operating income to the average number of employees;
- **operating expenses per employee**: calculated as the ratio of operating expenses to the average number of employees;
- **adjusted result**: result net of the non-recurring components described in the following paragraph.

The regulatory capitalisation and liquidity ratios contained in this report are calculated by applying the specific legislative and regulatory provisions.

Non-recurring components of the reclassified consolidated income statement

With Communication no. DEM/6064293 of 28 July 2006, CONSOB asked companies issuing financial instruments listed on Italian regulated markets to provide information on the impact of non-recurring events or operations.
It is noted that the general criterion adopted by the Group requires that the following be classified as non-recurring:

- the results of the sale transactions of all the fixed assets (interests in associates and joint ventures, property, plant and equipment excluding the financial assets in the Hold to Collect ("HtC") portfolio, which can be sold in compliance with the materiality and frequency thresholds set out in IFRS 9);
- gains and losses on non-current assets held for sale;
- income statement items of significant amounts connected with streamlining, restructuring, etc. (e.g. expenses for use of the redundancy fund, early retirement incentives, merger/integration expenses);
- income statement items of significant amounts which are not destined to recur frequently (e.g. penalties, impairments of property, plant and equipment, goodwill and other intangible assets, extraordinary debits/credits by Resolution Funds and the Interbank Deposit Guarantee Fund, effects associated with legislative changes, exceptional results, etc.);
- the income statement impacts deriving from the fair value measurement of properties and other property, plant and equipment (works of art);
- tax effects connected with the income statement impacts set out in the previous points.

The aforementioned criteria are substantially in line with those identified in previous years, with the exception of the effects relating to massive sales of non-performing portfolios. In greater detail, in previous years, the following had been considered non-recurring income statement components: adjustments/recoveries on receivables (both due to valuation and to actual losses) that originated from a change in the NPE Strategy, as approved by the Board of Directors, and consisting of an amendment to the objectives and/or type of receivables subject to assignment with respect to those set forth previously.
In this regard, it should be noted that in previous years the Group had resorted to massive sales of non-performing loans, for significant amounts, as part of a derisking strategy, aimed at achieving certain NPL ratios. As massive sales of loans have become a common alternative for the recovery of non-performing loans, all the impacts deriving from them are now considered recurring.

Conversely, the following are usually considered to be recurring:

- income statement effects deriving from the sale or measurement of all financial assets (other than loans), including those in the HtC portfolio and financial liabilities;
- save for exceptional cases, the income statement impacts deriving from valuation aspects (credit impairment losses and adjustments to other financial assets or provisions for risks and charges);
- the income statement impacts deriving from changes in reference valuation parameters considered by the valuation models applied on an ongoing basis;
- the income statement impacts of insignificant or undeterminable amounts which have the nature of contingent assets and/or liabilities (e.g. costs and revenues and/or adjustments to costs and revenues pertaining to other years);
- tax effects connected with the income statement impacts set out in the previous points.

When deemed significant, information about non-recurring events or operations or those which do not occur frequently in the normal execution of the business and the impacts they have on the Group's equity and financial situation, as well as its cash flows, is provided in the context of specific sections in the Notes which illustrate trends in equity items.

In light of the criteria set out above, it should be noted that in 2025 the following non-recurring items were recognised:

- the item "net interest income" includes the amount of interest collected following the favourable ruling of the Court of Cassation regarding the tax dispute relating to the alleged non-deductibility of costs related to the offences of the former Banca Popolare Italiana, equal to 35.9 million;
- "Fair value gains (losses) on property, plant and equipment" includes net write-downs of -7.3 million;
- the item "net provisions for risks and charges" included the reversal of provisions made in previous years relating to the estimate of charges for certain contractual commitments for +7.4 million;
- "taxation charge related to profit or loss from continuing operations" includes the tax effects of the aforementioned non-recurring items, as well as the positive impact, equal to +9.5 million, connected with the derecognition of deferred taxes following the sale of the PMG interest. The positive impact of approximately 40 million is also included, resulting from the restatement of the DTAs and DTLs deriving from the two percentage point increase of the IRAP surcharge applicable to banks and insurance companies. The overall effect on the item in question totalled +39.7 million;
- the item "Gains (losses) on interests in associates and joint ventures and other investments, net of taxes" includes the positive impact of 2.3 million, deriving from the sale of property, plant and equipment, net of the relative tax effect;
- the item "Charges for company restructuring, net of taxes" includes certain "one-off" operating expenses as they are specifically incurred for the performance of extraordinary transactions that have an impact on the organisational structure of the Group (e.g. acquisition of control of Anima Holding through a public tender offer, streamlining of the branch network) or relate to projects aimed at the integration of business combinations completed in previous years. The item also includes the non-recurring expenses incurred to protect the interests of its shareholders in relation to the UniCredit public exchange offer, as well as the costs relating to voluntary redundancy incentive schemes for employees close to qualifying for pension rights. The overall impact, net of the related tax effect, amounted to -52.3 million (-76.8 million gross);
- the new item "Impact of restatement of the Anima share, net of taxes" includes the positive impact deriving from the revaluation of the shareholding held in Anima Holding before the acquisition of control, resulting from the realignment of the book value to the price of the public tender offer, equal to a total of 201.8 million net of the related tax effect;
- lastly, the item "Impairment of client relationships, goodwill and interests in associates and joint ventures" includes the write-downs recognised against some shareholdings and intangible assets for an amount of -4.4 million.

Overall, the impact of non-recurring items on the net result for 2025 was positive and equal to 223.1 million.

The following non-recurring items were recognised in the income statement of the previous year:

- the item "Net financial result" included the loss of -15.4 million, recorded as a result of the sale of the mezzanine securities subscribed by Banco BPM as part of the revision of the contractual arrangements relating to the reorganisation of the Group's real estate assets (Square project);
- the item "Net adjustments to loans to customers" included the impact, amounting to -34.1 million, deriving from the increase in the sales targets of non-performing loans following the change in the NPL management strategy resolved by the Parent Company. As illustrated above, starting from 2025, this item is no longer considered non-recurring;
- the item "Fair value gains (losses) on property, plant and equipment" included net write-downs of -54.6 million, to take into account updates in appraisal values rather than prices inferred from sale negotiations underway, of which -6.6 million related to the real estate portfolio of the Square project;
- the item "Net provisions for risks and charges" included the allocations relating to the estimated charges for some contractual commitments and with reference to two properties included in the sale portfolio (so-called Square project). The total impact on the item in question therefore amounted to -11.6 million;
- the item "Gains (losses) on interests in associates and joint ventures and other investments" included the positive result of 2.4 million, deriving from the sale of property, plant and equipment;
- the "Taxation charge related to profit or loss from continuing operations" included the tax impacts of the aforementioned non-recurring items amounting to +31.7 million;
- the item "Charges relating to early retirement incentives, net of taxes" included the estimated charges relating to the Incentivised Retirement Scheme activated by the Parent Company and for voluntary redundancy through access to the extraordinary benefits of the Solidarity Fund for a total amount of -141.9 million (-211.9 million gross);

- the item of the reclassified income statement called "E-money impact, net of taxes" included the positive effects, totalling 493.1 million, attributable to transactions for the reorganisation of the e-money business;
- the item "Bancassurance impacts, net of taxes" included the effects, for a total of +2.5 million, attributable to the revision of the estimates carried out in the 2023 financial statements, resulting from the definition of the prices of purchase and sale transactions linked to the reorganisation of the bancassurance business, net of the relative tax effect;
- the item "Impairment on interests in associates and joint ventures" included the capital loss recorded on some interests, equal to -42.4 million.

Overall, non-recurring items for 2024 were therefore a positive +230.0 million.

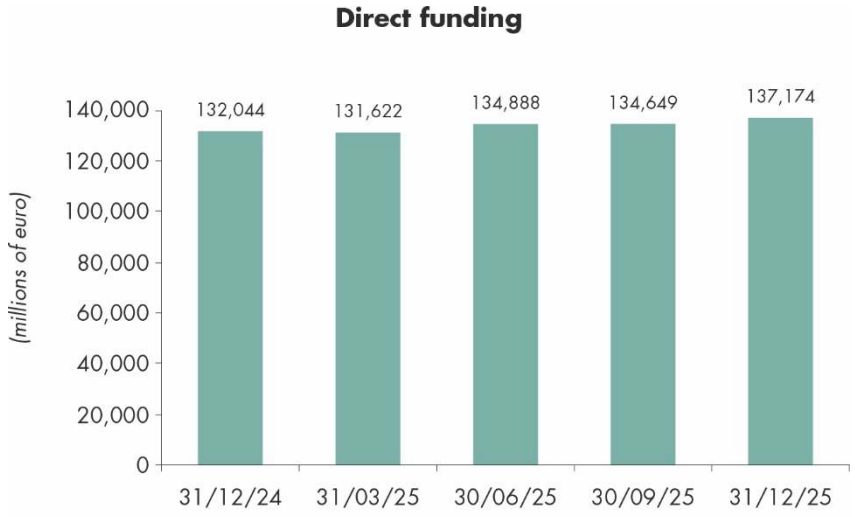
The main balance sheet and income statement items as at 31 December 2025 are illustrated below.

Consolidated balance sheet figures

Loan brokering activities

Direct funding

(thousands of euro)	31/12/2025	% impact	31/12/2024	% impact	Abs. Change	% Change
Current accounts and deposits	**105,089,859**	**79.4%**	**100,234,499**	**79.5%**	**4,855,360**	**4.8%**
- current accounts and demand deposits	103,814,790	78.4%	98,784,887	78.3%	5,029,903	5.1%
- fixed-term deposits and other restricted current accounts	1,275,069	1.0%	1,449,612	1.1%	(174,543)	(12.0%)
Securities	**23,122,646**	**17.5%**	**23,391,715**	**18.5%**	**(269,069)**	**(1.2%)**
- bonds and liabilities at fair value	23,121,850	17.5%	23,390,568	18.5%	(268,718)	(1.1%)
- certificates of deposit and other securities	796	0.0%	1,147	0.0%	(351)	(30.6%)
Repurchase agreements	**2,504,942**	**1.9%**	**960,343**	**0.8%**	**1,544,599**	**160.8%**
Loans and other payables	**1,670,069**	**1.3%**	**1,562,557**	**1.2%**	**107,512**	**6.9%**
Direct bank funding	**132,387,516**	**100.0%**	**126,149,114**	**100.0%**	**6,238,402**	**4.9%**
Other funding (Protected capital certificates and other liabilities at fair value)	**4,786,679**		**5,894,951**		**(1,108,272)**	**(18.8%)**
Total direct bank funding with certificates	**137,174,195**		**132,044,065**		**5,130,130**	**3.9%**



As at 31 December 2025, **total direct bank funding** amounted to 137.2 billion, showing an increase of 3.9% compared to 31 December 2024.

More specifically, during the year there was an increase of 4.9 billion in "core" funding, represented by current accounts and deposits, (+4.8%) and by 1.5 billion in the component represented by repurchase agreements; the securities segment was down slightly (-0.3 billion).
As at 31 December 2025, the funding guaranteed by the stock of certificates with unconditional capital protection and other liabilities at fair value totalled 4.8 billion, down by 18.8% compared to the 5.9 billion as at 31 December 2024.

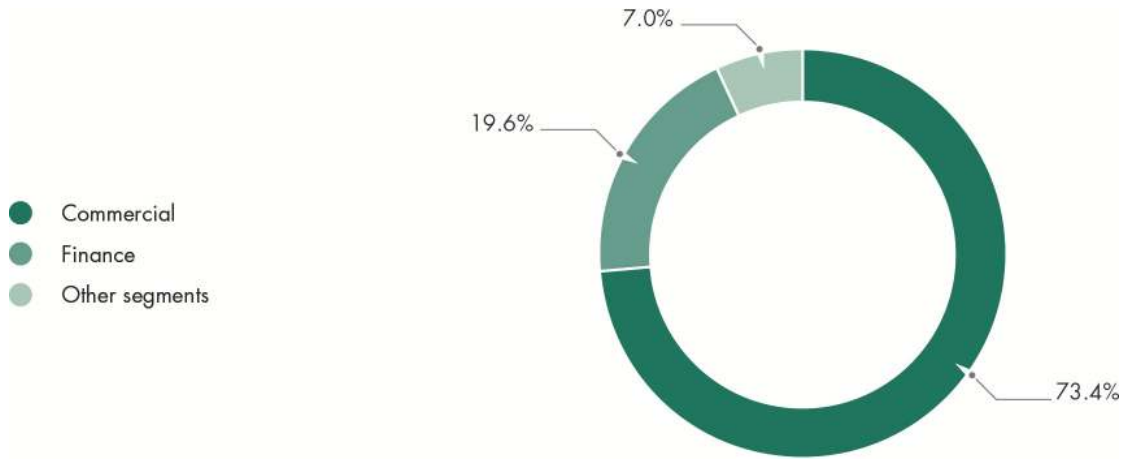
(thousands of euro)	31/12/2025	% impact	31/12/2024 restated (*)	% impact	Abs. Change	% Change
Commercial	100,705,980	73.4%	97,462,089	73.8%	3,243,891	3.3%
CIB	8,955,426	6.5%	8,643,000	6.5%	312,426	3.6%
Asset Management and Insurance	595,529	0.4%	-	0.0%	595,529	n.s.
of which: Asset Management	*595,529*		-	*0.0%*	*595,529*	*n.s.*
Corporate Centre	26,917,260	19.6%	25,938,976	19.6%	978,284	3.8%
Total direct funding	**137,174,195**	**100.0%**	**132,044,065**	**100.0%**	**5,130,130**	**3.9%**

(*) The figures relating to the previous year have been restated to reflect the changes introduced to the breakdown of operating segments and to guarantee a like-for-like comparison with the profiling criteria used for 2025. For more details, please refer to the Results by business segment section of this Report.

The following table shows the reconciliation of the breakdown of direct funding by business segment as at 31 December 2024 with the same table originally published in the Consolidated report on operations of the previous year.

(thousands of euro)	31/12/2024	Impact of changes in operating segments (*)	Reclassifications (*)	31/12/2024 restated
Commercial	97,429,993	-	32,096	97,462,089
CIB	8,448,620	-	194,380	8,643,000
Finance	25,457,881	(25,457,881)	-	-
Corporate Centre	707,571	25,457,881	(226,476)	25,938,976
Total	**132,044,065**	**-**	**-**	**132,044,065**

(*) The figures relating to the previous year have been restated to reflect the changes introduced to the breakdown of operating segments and to guarantee a like-for-like comparison with the profiling criteria used for 2025. For more details, please refer to the following section Results by business segment of this Report.



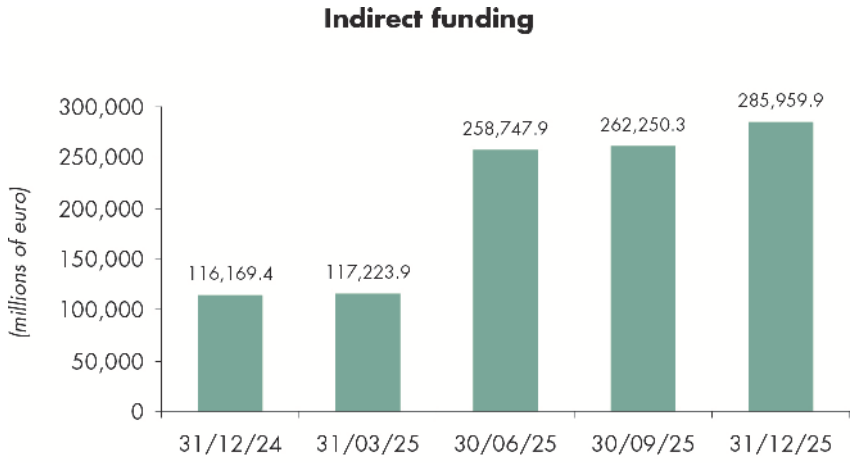
In terms of sector of economic activity, there was growth in Commercial (+3.2 billion), thanks to a constantly positive trend in "Core" funding, and also in the CIB, which increased by +0.3 billion in the Corporate segment. There was also an increase of 1.0 billion in the Corporate Centre, thanks to the trend in repurchase agreements.
With regard to institutional issues, a decrease in those issued by the Parent Company was recorded, while those of the Anima Group, amounting to approximately 0.6 billion, entered the scope of consolidation.

Direct funding from insurance business, which includes the aggregate comprised by financial and insurance liabilities of insurance companies, amounted to 18.2 billion and included the contribution of Banco BPM Vita, Vera Vita and BBPM Life (16.2 billion as at 31 December 2024).

Indirect funding

(thousands of euro)	31/12/2025	% impact	31/12/2024	% impact	Abs. Change	% Change
Managed assets:						
- Mutual funds and SICAVs	87,634,153	30.6%	44,725,212	38.5%	42,908,941	
- Securities and fund management	36,555,966	12.8%	4,852,766	4.2%	31,703,200	
- Insurance policies	85,875,147	30.0%	16,535,233	14.2%	69,339,915	
- Anima Group Wrapping (*)	17,908,720	6.3%	-	0.0%	17,908,720	
Total managed assets	**227,973,986**	**79.7%**	**66,113,211**	**56.9%**	**161,860,775**	**244.8%**
Administered assets	60,868,285		54,259,136		6,609,149	
Anima Group Wrapping (*)	295,782		-		295,782	
Underlying funding for protected capital certificates	(3,178,127)		(4,202,995)		1,024,867	
Total administered assets	**57,985,940**	**20.3%**	**50,056,142**	**43.1%**	**7,929,798**	**15.8%**
Total indirect funding	**285,959,926**	**100.0%**	**116,169,353**	**100.0%**	**169,790,573**	**146.2%**

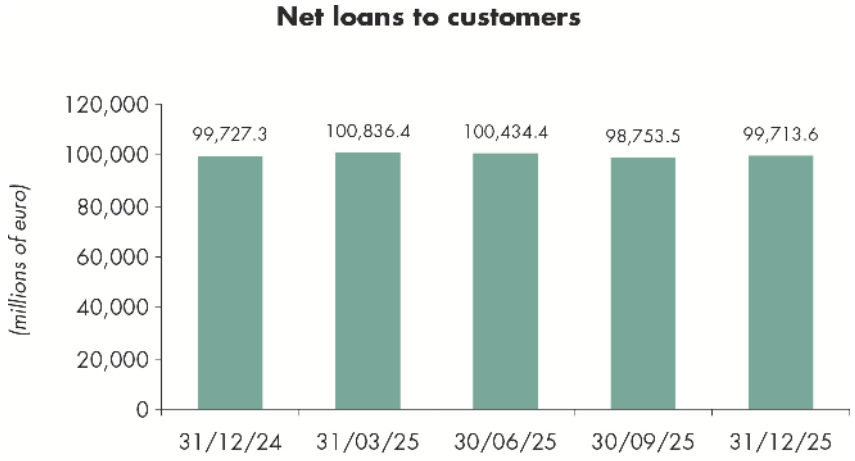
(*) "Wrapping" is represented by indirect funding relating to investments by Anima Group products in other Anima Group products, aimed at both retail and institutional customers (equal to 18.2 billion, of which 17.9 billion in managed assets and 0.3 billion in administered assets).



Indirect funding was equal to 286.0 billion, 126.1 billion without considering the contribution of the Anima Group, up, on a like-for-like basis, by 8.6% compared to 31 December 2024.
The managed assets component amounted to 228.0 billion, 69.8 billion without considering the contribution of the Anima Group, an increase compared to the figure of 66.1 billion as at 31 December 2024 (+5.5% on a like-for-like basis), mainly concentrated in the segment of funds and SICAVs and insurance products.
Administered assets amounted to 58.0 billion, 56.4 billion without considering the contribution of the Anima Group, with an increase, on a like-for-like basis, of 6.3 billion (+12.6%) compared to the end of 2024.

Loans to customers

(thousands of euro)	31/12/2025	% impact	31/12/2024	% impact	Abs. Change	% Change
Mortgage loans	75,303,525	75.5%	76,236,985	76.4%	(933,460)	(1.2%)
Current accounts	7,491,238	7.5%	7,865,528	7.9%	(374,290)	(4.8%)
Repurchase agreements	4,041,222	4.1%	2,997,838	3.0%	1,043,384	34.8%
Finance leases	238,273	0.2%	311,026	0.3%	(72,753)	(23.4%)
Credit cards, personal loans and salary-backed loans	374,655	0.4%	471,420	0.5%	(96,765)	(20.5%)
Other transactions	12,264,655	12.3%	11,844,477	11.9%	420,178	3.5%
Total net loans to customers	**99,713,568**	**100.0%**	**99,727,274**	**100.0%**	**(13,706)**	**0.0%**



Net loans to customers[1] amounted to 99.7 billion as at 31 December 2025, stable compared to the figure as at 31 December 2024; performing exposures recorded an increase of 0.4%, while non-performing exposures were down by 23.1%. During the year, the volume of new loans amounted to 28.3 billion[2]. The quality of the "core" loan portfolio, characterised by a high percentage of secured positions for the Non-Financial Corporate segment, was confirmed (52%[3]).

The disclosure relating to loans disbursed with ESG characteristics is provided in the next section of the Report on operations "Sustainability Statement", to which reference is made for further details.

The disclosure on direct and indirect risks with customers residing in countries involved in the Russia-Ukraine and Middle-East conflicts is provided in "Part A - Accounting policies, A.1, Section 5 - Other aspects, Impacts of the Russia-Ukraine and Middle-East conflicts", to which reference is made for further details.

Lastly, as regards the support measures implemented by the Group with regard to customers affected by the crisis resulting from the Covid-19 pandemic, please refer to "Part A - Accounting policies, A.1, Section 5 - Other aspects - Covid-19 support measures by the Group represented by loans with public guarantee".

(thousands of euro)	**31/12/2025**	**% impact**	**31/12/2024 restated (*)**	**% impact**	**Abs. Change**	**% Change**
Commercial	62,675,085	62.9%	64,477,554	64.7%	(1,802,469)	(2.8%)
CIB	30,355,915	30.4%	29,448,686	29.5%	907,229	3.1%
Asset Management and Insurance	171,489	0.2%	-	0.0%	171,489	n.s.
of which: Asset Management	*171,489*		-	*0.0%*	*171,489*	*n.s.*
Corporate Centre	6,511,079	6.5%	5,801,034	5.8%	710,045	12.2%
Total net loans	**99,713,568**	**100.0%**	**99,727,274**	**100.0%**	**(13,706)**	**0.0%**

(*) The figures relating to the previous year have been restated to reflect the changes introduced to the breakdown of operating segments and to guarantee a like-for-like comparison with the profiling criteria used for 2025. For more details, please refer to the Results by business segment section of this Report.

[1] The item in question does not include loans to customers which, following the application of IFRS 9, are mandatorily measured at fair value, and included in financial assets.
[2] Management figure.
[3] Management figure.

The following table shows the reconciliation of the breakdown of loans by business segment as at 31 December 2024 with the same table originally published in the Consolidated report on operations of the previous year.

(thousands of euro)	31/12/2024	Impact of changes in operating segments (*)	Reclassifications (*)	31/12/2024 restated
Commercial	64,730,425	-	(252,871)	64,477,554
CIB	29,185,194	-	263,492	29,448,686
Finance	2,996,039	(2,996,039)	-	-
Corporate Centre	2,815,616	2,996,039	(10,621)	5,801,034
Total	**99,727,274**	**-**	**-**	**99,727,274**

(*) The figures relating to the previous year have been restated to reflect the changes introduced to the breakdown of operating segments and to guarantee a like-for-like comparison with the profiling criteria used for 2025. For more details, please refer to the following section Results by business segment of this Report.

In terms of sector of economic activity, the decrease of 1.8 billion for Commercial, mainly in the Institutional segment, was offset by the growth recorded in the other operating segments. In particular, the Corporate segment of the CIB recorded an increase of 1.2 billion, while the Corporate Centre recorded a rise of 0.9 billion, mainly due to higher repurchase agreements.

Credit quality

Loans to customers at amortised cost

(thousands of euro)	31/12/2025		31/12/2024		Abs. Change	% Change
	Net exposure	% impact	Net exposure	% impact		
Bad loans	354,685	0.4%	491,434	0.5%	(136,749)	(27.8%)
Unlikely to pay	820,688	0.8%	978,930	1.0%	(158,242)	(16.2%)
Non-performing past-due exposures	39,257	0.0%	110,108	0.1%	(70,851)	(64.3%)
Non-performing exposures	**1,214,630**	**1.2%**	**1,580,472**	**1.6%**	**(365,842)**	**(23.1%)**
Performing loans	98,498,938	98.8%	98,146,802	98.4%	352,136	0.4%
Performing exposures	**98,498,938**	**98.8%**	**98,146,802**	**98.4%**	**352,136**	**0.4%**
Total loans to customers	**99,713,568**	**100.0%**	**99,727,274**	**100.0%**	**(13,706)**	**0.0%**

(thousands of euro)	31/12/2025				31/12/2024			
	Gross exposure	Total value adjustments	Net exposure	Coverage	Gross exposure	Total value adjustments	Net exposure	Coverage
Bad loans	850,266	(495,581)	354,685	58.3%	1,160,259	(668,825)	491,434	57.6%
Unlikely to pay	1,346,120	(525,432)	820,688	39.0%	1,552,028	(573,098)	978,930	36.9%
Non-performing past-due exposures	54,767	(15,510)	39,257	28.3%	142,590	(32,482)	110,108	22.8%
Non-performing exposures	**2,251,153**	**(1,036,523)**	**1,214,630**	**46.0%**	**2,854,877**	**(1,274,405)**	**1,580,472**	**44.6%**
of which: forborne	*686,264*	*(286,412)*	*399,852*	*41.7%*	*971,332*	*(388,807)*	*582,525*	*40.0%*
Performing exposures	**98,951,161**	**(452,223)**	**98,498,938**	**0.46%**	**98,586,641**	**(439,839)**	**98,146,802**	**0.45%**
of which: Stage 1	*90,934,641*	*(97,022)*	*90,837,619*	*0.1%*	*89,482,716*	*(85,669)*	*89,397,047*	*0.1%*
of which: Stage 2	*8,016,520*	*(355,201)*	*7,661,319*	*4.4%*	*9,103,925*	*(354,170)*	*8,749,755*	*3.9%*
of which: forborne	*1,219,211*	*(98,401)*	*1,120,810*	*8.1%*	*1,434,986*	*(100,829)*	*1,334,157*	*7.0%*
Total loans to customers	**101,202,314**	**(1,488,746)**	**99,713,568**	**1.5%**	**101,441,518**	**(1,714,244)**	**99,727,274**	**1.7%**

The figures in the table above correspond to the item "Loans to customers" in the reclassified Balance Sheet and, for the part relating to the companies of the Banking Group, they coincide with the amounts indicated under item "1. Loans" of table "4.2 Financial assets at amortised cost: breakdown by product for loans to customers" of "Part B – Information on the consolidated balance sheet" of these Notes to the financial statements.

As illustrated in more detail in the paragraph entitled "2.3 Measurement methods for expected losses" in Part E of the Notes to the consolidated financial statements, in 2025, the Group continued with the process of revising and fine-tuning the current models, already undertaken from 2020, with a view to more accurately reflecting the expected losses of performing exposures, also as a consequence of the economic disruption caused by the situation of international political instability. This process moreover envisaged a series of post model managerial adjustments, in order to factor in certain measurement elements not adequately intercepted by current models.

Net non-performing loans (bad loans, unlikely to pay and non-performing past due and/or overdue) amounted to 1.2 billion as at 31 December 2025.
An examination of the components of the aggregate shows the following dynamics:

- net bad loans of 0.4 billion, with a decrease of 27.8% compared to 31 December 2024;
- net unlikely to pay loans of 0.8 billion, down by 16.2% compared the start of the year;
- net past due exposures amounting to 39.3 million (110.1 million as at 31 December 2024).

The percentage of non-performing exposures out of total loans, before value adjustments came to 2.2%, down compared to 2.8% as at 31 December 2024. Even net of value adjustments, there was a decrease of 1.2% compared to 1.6% as at 31 December of the previous year.

The coverage rate for the entire non-performing loans aggregate was 46.0% (44.6% as at 31 December 2024), in detail:

- bad loans 58.3% (57.6% as at 31 December 2024);
- unlikely to pay loans 39.0% (36.9% as at 31 December 2024);
- past-due exposures 28.3% (22.8% as at 31 December 2024).

The coverage ratio of performing exposures was 0.46%, up compared to 31 December 2024 (0.45%).

Financial assets

(thousands of euro)	31/12/2025	% impact	31/12/2024	% impact	Abs. Change	% Change
Debt securities	49,950,281	79.6%	42,282,230	82.4%	7,668,051	18.1%
Equity instruments	2,059,029	3.3%	2,016,383	3.9%	42,646	2.1%
UCIT units	1,431,189	2.3%	1,657,907	3.2%	(226,718)	(13.7%)
Total securities portfolio	**53,440,499**	**85.2%**	**45,956,520**	**89.6%**	**7,483,979**	**16.3%**
Derivative trading and hedging instruments	2,641,224	4.2%	2,818,245	5.5%	(177,021)	(6.3%)
Loans	6,665,586	10.6%	2,526,336	4.9%	4,139,250	163.8%
Total financial assets	**62,747,309**	**100.0%**	**51,301,101**	**100.0%**	**11,446,208**	**22.3%**

Bank financial assets were equal to 62.7 billion, up by 22.3% compared to 51.3 billion as at 31 December 2024. The increase was mainly concentrated in debt securities (+7.7 billion) present in the various accounting categories and in loans (+4.1 billion). As at 31 December 2025, the aggregate in question consisted of debt securities for 49.9 billion, equity instruments and UCIT units for 3.5 billion, derivative instruments and other loans for 9.3 billion. Exposures to debt securities issued by sovereign states were equal to 39.3 billion, of which 16.5 billion represented by Italian government securities. Investments in Italian government securities are classified under financial assets at amortised cost for 11.8 billion, in the portfolio of financial assets measured at fair value through other comprehensive income for 2.9 billion and under financial assets at fair value through profit and loss for 1.9 billion.

The table below provides the details of the financial assets of the banking segment by type and specific portfolio:

Financial assets at fair value through profit and loss and hedging derivatives

(thousands of euro)	31/12/2025	% impact	31/12/2024	% impact	Abs. Change	% Change
Debt securities	3,326,548	22.5%	1,006,677	10.8%	2,319,871	230.4%
Equity instruments	742,269	5.0%	1,309,398	14.1%	(567,129)	(43.3%)
UCIT units	1,431,189	9.7%	1,657,907	17.8%	(226,718)	(13.7%)
Total securities portfolio	**5,500,006**	**37.1%**	**3,973,982**	**42.6%**	**1,526,024**	**38.4%**
Financial and credit derivatives	2,641,224	17.8%	2,818,245	30.2%	(177,021)	(6.3%)
Loans	6,665,586	45.0%	2,526,336	27.1%	4,139,250	163.8%
Overall total	**14,806,816**	**100.0%**	**9,318,563**	**100.0%**	**5,488,253**	**58.9%**

Financial assets measured at fair value through other comprehensive income

(thousands of euro)	31/12/2025	% impact	31/12/2024	% impact	Abs. Change	% Change
Debt securities	14,712,292	91.8%	12,572,969	94.7%	2,139,323	17.0%
Equity instruments	1,316,760	8.2%	706,985	5.3%	609,775	86.3%
Total	**16,029,052**	**100.0%**	**13,279,954**	**100.0%**	**2,749,098**	**20.7%**

Financial assets at amortised cost

(thousands of euro)	31/12/2025	% impact	31/12/2024	% impact	Abs. Change	% Change
Debt securities	31,911,441	100.0%	28,702,584	100.0%	3,208,857	11.2%
Total	**31,911,441**	**100.0%**	**28,702,584**	**100.0%**	**3,208,857**	**11.2%**

Exposure to sovereign risk

The table below provides details of the total exposure, relating to the banking segment, to sovereign debt securities as at 31 December 2025 (debt securities contained in portfolios of financial assets), broken down by country (amounts in thousands of euro):

Countries	Financial assets measured at fair value through profit and loss	Financial assets measured at fair value through other comprehensive income	Financial assets measured at amortised cost	Total debt securities	of which: Parent Company
Italy	1,864,100	2,872,412	11,787,754	16,524,266	16,518,450
Spain	-	1,231,572	4,106,920	5,338,492	5,338,492
Germany	76,988	1,374,000	3,150,987	4,601,975	4,601,975
France	-	3,456,490	5,747,581	9,204,071	9,204,071
Austria	-	51,343	333,279	384,622	384,622
Ireland	-	-	20,081	20,081	20,081
Other EU countries	-	159,202	428,316	587,518	587,518
Total EU countries	**1,941,088**	**9,145,019**	**25,574,918**	**36,661,025**	**36,655,209**
USA	1	1,664,672	662,458	2,327,131	2,327,131
Chile	-	13,765	15,228	28,993	28,993
China	-	61,286	22,498	83,784	83,784
Mexico	-	14,671	18,710	33,381	33,381
Hong Kong	-	20,392	-	20,392	20,392
Other countries	51	110,577	34,822	145,450	145,450
Total other countries	**52**	**1,885,363**	**753,716**	**2,639,131**	**2,639,131**
Total	**1,941,140**	**11,030,382**	**26,328,634**	**39,300,156**	**39,294,340**

Exposure is almost exclusively concentrated within the Parent Company Banco BPM which, as at 31 December 2025, held a total of 39,294.3 million, of which 16,518.5 million relates to Italian government bonds.

Investments in sovereign debt securities are classified at 67.0% in the portfolio of financial assets at amortised cost, 28.1% in the portfolio of financial assets measured at fair value through other comprehensive income and 4.9% in the portfolio of financial assets at fair value through profit and loss as they are held for trading.
Out of this exposure, around 93.3% refers to securities issued by member states of the European Union; notably about 42.0% by Italy.
The Group has no exposures to debt securities of Russian or Ukrainian issuers. On the other hand, there are outstanding exposures of a nominal amount of 45 million in securities of Israeli issuers, as reported in "Part A - Accounting policies, A.1, Section 5 - Other aspects, Impacts of the Russia-Ukraine and Middle East conflicts" of these Notes to the consolidated financial statements.

The tables below provide, for securities issued by EU countries, more detailed information about the breakdown by accounting portfolio, residual life bracket and fair value hierarchy.

Financial assets at fair value through profit and loss

Status	Maturing by end of 2026	Maturing between 2027 and 2031	Maturing between 2032 to 2036	Maturing beyond 2036	Total fair value as at 31/12/2025	Total fair value by hierarchy		
						LEVEL 1	LEVEL 2	LEVEL 3
Italy	165,441	1,563,289	105,396	29,974	1,864,100	1,864,100	-	-
Germany	76,988	-	-	-	76,988	76,988		
Other non-EU countries	1	1	-	50	52	52		
Total	**242,430**	**1,563,290**	**105,396**	**30,024**	**1,941,140**	**1,941,140**	**-**	**-**
of which Parent Company	242,427	1,563,286	105,396	30,024	1,941,133	1,941,133	-	-

Financial assets measured at fair value through other comprehensive income

Status	Maturing by end of 2026	Maturing between 2027 and 2031	Maturing between 2032 to 2036	Maturing beyond 2036	Total fair value as at 31/12/2025	Net reserve at FVTOCI	Value adjustments	Total fair value by hierarchy		
								LEVEL 1	LEVEL 2	LEVEL 3
Italy	-	1,452,257	1,062,978	357,177	2,872,412	(875)	-	2,872,412	-	-
Spain	-	269,162	619,573	342,837	1,231,572	(1,838)	-	1,231,572	-	-
France	-	1,320,405	2,124,260	11,825	3,456,490	(138,179)	-	3,456,490	-	-
Germany	50,050	459,235	864,715	-	1,374,000	(86,315)	-	1,374,000	-	-
Other EU countries	-	96,829	113,716	-	210,545	179	-	210,545	-	-
Other non-EU countries	51,978	1,437,989	311,835	83,561	1,885,363	(86,217)	-	1,885,363		
Total	**102,028**	**5,035,877**	**5,097,077**	**795,400**	**11,030,382**	**(313,245)**	**-**	**11,030,382**	**-**	**-**
of which Parent Company	102,028	5,035,877	5,097,077	795,400	11,030,382	(313,245)		11,030,382	-	-

Financial assets at amortised cost

Status	Maturing by end of 2026	Maturing between 2027 and 2031	Maturing between 2032 to 2036	Maturing beyond 2036	Total book value as at 31/12/2025	Total fair value	Total fair value by hierarchy		
							LEVEL 1	LEVEL 2	LEVEL 3
Italy	1,282,911	5,012,381	5,171,199	321,263	11,787,754	12,024,344	12,024,344	-	-
Spain	475,085	2,039,454	1,504,605	87,776	4,106,920	4,072,067	4,072,067	-	-
France	496,969	2,829,395	2,321,751	99,466	5,747,581	5,617,301	5,617,301	-	-
Ireland	20,081	-	-	-	20,081	20,048	20,048	-	-
Germany	261,817	1,086,723	1,802,447	-	3,150,987	3,051,452	3,051,452		
Other EU countries	-	522,560	74,720	164,315	761,595	746,072	746,072	-	-
Other non-EU countries	22,498	603,049	15,228	112,941	753,716	759,315	759,315		
Total	**2,559,361**	**12,093,562**	**10,889,950**	**785,761**	**26,328,634**	**26,290,600**	**26,290,600**	**-**	**-**
of which Parent Company	2,556,055	12,091,060	10,889,950	785,761	26,322,826	26,284,814	26,284,814	-	-

The item **financial assets pertaining to insurance companies** includes the contribution as at 31 December 2025 of the insurance companies Banco BPM Vita, Vera Vita and BBPM Life for a total of 18.8 billion (16.7 billion as at 31 December 2024).

Net interbank position

Loans to banks

(thousands of euro)	31/12/2025	% impact	31/12/2024	% impact	Abs. Change	% Change
Loans to central banks	**1,097,465**	**28.1%**	**1,017,014**	**30.2%**	**80,451**	**7.9%**
Loans to other banks	**2,801,428**	**71.9%**	**2,345,253**	**69.8%**	**456,175**	**19.5%**
Fixed-term deposits	172,227	4.4%	126,034	3.7%	46,193	36.7%
Repurchase agreements	1,162,114	29.8%	195,841	5.8%	966,273	n.s.
Other loans	1,467,087	37.6%	2,023,378	60.2%	(556,291)	(27.5%)
Total loans (A)	**3,898,893**	**100.0%**	**3,362,267**	**100.0%**	**536,626**	**16.0%**

Due to banks

(thousands of euro)	31/12/2025	% impact	31/12/2024	% impact	Abs. Change	% Change
Due to central banks	**3,003,852**	**45.7%**	**1,784,564**	**28.2%**	**1,219,288**	**68.3%**
Refinancing operations	3,003,852	45.7%	1,784,564	28.2%	1,219,288	68.3%
Due to other banks	**3,569,430**	**54.3%**	**4,548,158**	**71.8%**	**(978,728)**	**(21.5%)**
Current accounts and demand deposits	821,702	12.5%	414,165	6.5%	407,537	98.4%
Fixed-term deposits	148,105	2.3%	218,275	3.4%	(70,170)	(32.1%)
Repurchase agreements	2,165,103	32.9%	3,361,454	53.1%	(1,196,351)	(35.6%)
Other payables	434,520	6.6%	554,264	8.8%	(119,744)	(21.6%)
Total payables (B)	**6,573,282**	**100.0%**	**6,332,722**	**100.0%**	**240,560**	**3.8%**
Mismatch loans/(payables) (A) - (B)	**(2,674,389)**		**(2,970,455)**		**296,066**	**(10.0%)**
Due to central banks: refinancing operations	**(3,003,852)**		**(1,784,564)**		**(1,219,288)**	**68.3%**
Interbank balance (excl. refinancing operations)	**329,463**		**(1,185,891)**		**1,515,354**	**n.s.**
Mismatch towards central banks (excl. refinancing operations)	**1,097,465**		**1,017,014**		**80,451**	**7.9%**
Interbank balance towards other banks	**(768,002)**		**(2,202,905)**		**1,434,903**	**(65.1%)**

Net interbank exposure as at 31 December 2025 amounted to -2,674.4 million, compared to the balance of -2,970.5 million at the end of last year.
Amounts due to central banks amounted to 3,003.9 million and related mainly to two LTRO and MRO refinancing operations, each amounting to 1.5 billion, maturing by February 2026.
If net exposures to central banks are not considered, the net interbank balance towards other banks is negative, and amounts to -768.0 million (-2,202.9 million as at 31 December of last year).

Interests in associates and joint ventures

Interests in companies subject to significant influence as at 31 December 2025 amounted to 1,452.6 million, compared with 1,708.4 million as at 31 December 2024.

The decrease recorded during the year, equal to 255.9 million, includes in detail:

- the portions pertaining to the results recorded by investee companies during the year totalling +120.9 million;
- the effects of the reduction in equity, following the distribution of dividends totalling -61.3 million (of which: Agos Ducato -51.5 million, Vera Assicurazioni -6.9 million, Gardant Liberty Servicing -2.3 million, Etica SGR -0.6 million);
- the net changes pertaining to the Group of valuation reserves and other reserves of associates (+3.7 million);

- the decrease of 316.3 million, deriving from the acquisition of control of Anima Holding, following the transfer, starting from the second quarter of 2025, of the book value of the shareholding in the segment of interests consolidated line-by-line;
- value adjustments for impairment of -2.6 million.

Property, plant and equipment

(thousands of euro)	31/12/2025	31/12/2024	Abs. Change	% Change
Property, plant and equipment used in operations	**2,068,240**	**2,036,727**	**31,513**	**1.5%**
- at cost	774,518	742,360	32,158	4.3%
- at fair value	1,293,722	1,294,367	(645)	0.0%
Property, plant and equipment held for investment purposes	**412,918**	**477,178**	**(64,260)**	**(13.5%)**
- at fair value	412,918	477,178	(64,260)	(13.5%)
Total property, plant and equipment (item 90)	**2,481,158**	**2,513,905**	**(32,747)**	**(1.3%)**
Property, plant and equipment held for sale (item 120)	**145,948**	**301,509**	**(155,561)**	**(51.6%)**
Total property, plant and equipment	**2,627,106**	**2,815,414**	**(188,308)**	**(6.7%)**

The breakdown of property, plant and equipment used in operations is shown in the table below:

Property, plant and equipment used in operations *(thousands of euro)*	**At cost**	**At fair value**	**31/12/2025**	**31/12/2024**
Owned assets	**92,336**	**1,293,722**	**1,386,058**	**1,371,920**
- land	-	911,080	911,080	906,292
- buildings	-	340,088	340,088	335,119
- other	92,336	42,554	134,890	130,509
Rights of use acquired through leases	**682,182**	**-**	**682,182**	**664,807**
- buildings	610,744	-	610,744	619,105
- other	71,438	-	71,438	45,702
Total	**774,518**	**1,293,722**	**2,068,240**	**2,036,727**

The breakdown of property, plant and equipment held for investment purposes is shown in the table below:

Property, plant and equipment held for investment purposes *(thousands of euro)*	**At cost**	**At fair value**	**31/12/2025**	**31/12/2024**
Owned assets	**-**	**412,918**	**412,918**	**477,178**
- land	-	232,171	232,171	277,063
- buildings	-	180,747	180,747	200,115
Total	**-**	**412,918**	**412,918**	**477,178**

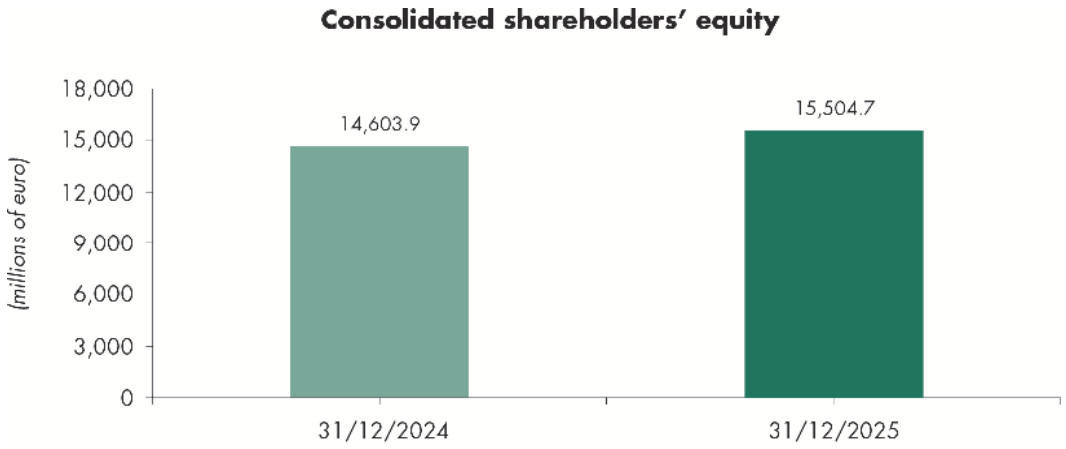
As at 31 December 2025, the total property, plant and equipment held by the Group amounted to 2,627.1 million (2,815.4 million last 31 December) and included assets held for sale of 145.9 million (301.5 million as at 31 December 2024), referring to properties for which sales agreements were defined.
The fair value measurement of property, plant and equipment as at 31 December 2025 resulted in a negative adjustment of 7.3 million, recognised in the income statement. Said impact is mainly attributable to the valuation process carried out annually on properties and refers to properties held for investment purposes.

Liability provisions

As at 31 December, liability provisions amounted to 861.1 million (988.6 million last 31 December) and included the provisions for employee severance pay of 193.8 million (237.8 million at the end of last year), pension funds of 73.0 million (83.5 million as at 31 December 2024), allocations against commitments and guarantees given of 103.6 million (121.3 million at the end of the previous year) and other provisions of 490.7 million (546.0 million at the end of 2024).
The latter include provisions for personnel expenses of 348.5 million (361.7 million as at 31 December 2024) and provisions for legal and tax disputes of 71.2 million (59.9 million at the end of last year).

In the Notes to the consolidated financial statements, "Section 10 - Provisions for risks and charges - Item 100" in Part B liabilities, details are given with regard to the main pending legal proceedings, as well as disputes with the Tax Authorities and disputes and complaints involving customers.

Shareholders' equity and solvency ratios



The Group's consolidated shareholders' equity as at 31 December 2025, including valuation reserves and profit (loss) for the year, amounted to 15,504.7 million, compared to the figure at the end of 2024 of 14,603.9 million, with an increase of 900.7 million.
The main changes refer to the allocation of the profit for 2024, resolved by the Shareholders' Meeting of 30 April 2025 (-907.3 million, taking into account the advance on 2024 dividends paid, totalling 600.6 million), the payment of coupons on Additional Tier 1 instruments (-89.7 million), the payment of the advance on dividends for 2025 approved in November (-691.6 million), the effects on the reserves deriving from the initial consolidation of the Anima Group (-14.5 million), the purchase of own shares carried out by Banco BPM to service the personnel incentive plans, net of allocations made during the year (-3.0 million), the amount of the extraordinary contribution to the "extra-profit reserve" (-140.7 million) and the change in equity instruments recorded during the year (+178.4 million) due to an issue of Additional Tier 1 securities for a nominal amount of 400 million and the early repayment of an Additional Tier 1 issue for a nominal amount of 220.5 million. Lastly, other positive changes were recorded for a total of 2,533.1 million mainly referring to the contribution of the comprehensive income recorded in the year. The latter is positive by 2,532.8 million due to the net profit for the year of 2,082.4 million and the positive change in valuation reserves of +450.8 million, referring in particular to the valuation reserve relating to financial assets measured at fair value through other comprehensive income, as a result of financial market trends observed during the year, and that relating to costs and revenues of a financial nature relating to insurance contracts issued by the Group's insurance companies.

The following table shows the breakdown of valuation reserves:

(thousands of euro)	31/12/2025	31/12/2024
Financial assets measured at fair value through other comprehensive income	42,204	(441,283)
Property, plant and equipment	359,739	351,782
Foreign investment hedges	(1,500)	(1,823)
Cash flow hedges	(9,150)	(663)
Exchange rate differences	12,350	11,976
Financial liabilities designated at fair value through profit and loss (changes to its own credit risk)	(56,130)	(46,559)
Actuarial gains/(losses) on defined benefit pension plans	(54,068)	(59,022)
Share of valuation reserves related to interests in associates and joint ventures carried at equity	(485)	16,806
Revenues or costs of a financial nature relating to insurance contracts issued	(34,437)	(19,627)
Total	**258,523**	**(188,413)**

For more details, please refer to the "Statement of changes in consolidated shareholders' equity" contained in the consolidated financial statements.

The following table provides a reconciliation between the Parent Company's shareholders' equity and profit (loss) with the corresponding consolidated balances.

(thousands of euro)	Shareholders' equity	Net profit (loss) for the year
Balance as at 31/12/2025 as per the Parent Company's financial statements	**15,215,376**	**2,099,219**
Impact of the valuation at equity of associated companies	277,090	46,580
Cancellation of dividends received during the year by associated companies	-	(86,561)
Other consolidation adjustments	12,210	22,749
Balance as at 31/12/2025 as per the consolidated financial statements	**15,504,676**	**2,081,987**

Solvency ratios - reference legislation and standards to follow

With communications dated 22 November 2024 and 22 October 2025, the Bank of Italy confirmed, for 2025 and 2026, Banco BPM Banking Group as an Other Systemically Important Institution (O-SII), establishing the obligation to maintain an O-SII reserve equal to 0.50% of the regulatory requirements.

With communication dated 26 September 2025 and 19 December 2025, the Bank of Italy confirmed the Countercyclical Capital Buffer ratio for exposures to Italian counterparties at zero percent also for the fourth quarter of 2025 and the first quarter of 2026.

The Pillar 2 capital requirement (P2R) for the year 2025 communicated by the European Central Bank through the SREP decision dated 11 December 2024 is equal to 2.25%.

Taking into account the new capital buffer against systemic risk of 0.665%, and the countercyclical capital buffer against exposures to foreign counterparties of 0.071%, the minimum requirements to be met on a consolidated basis as at 31 December 2025 are as follows[1]:

- CET 1 ratio: 9.50%;
- Tier 1 ratio: 11.42%;
- Total Capital ratio: 13.99%.

[1] These requirements, updated as at 31 December 2025, are determined as follows:

- the Pillar I minimum requirement equal to 8% (of which 4.5% CET 1, 1.5% in terms of AT 1 and 2% in terms of Tier 2);
- the P2R requirement communicated by the ECB equal to 2.25% to be met: i) with CET 1 for 1.266%, ii) with AT 1 for 0.422% and iii) with Tier 2 for 0.563%;
- a capital conservation buffer equal to 2.50%, to be met entirely by CET 1;
- the O-SII buffer equal to 0.50% to be met entirely by CET 1;
- the countercyclical capital buffer equal to 0.071% to be met entirely by CET 1;
- the capital buffer against systemic risk (Syrb) equal to 0.665% to be met entirely by CET 1.

It should be noted that the countercyclical capital buffer and the capital buffer against systemic risk are recalculated on a quarterly basis based on the evolution of the exposures considered in the respective calculation bases.

On 30 October 2025, Banco BPM received a notification from the European Central Bank (ECB) of the new SREP decision, containing the results of the annual Supervisory Review and Evaluation Process (SREP). On the basis of the analyses and assessments conducted by the Supervisory Authority, the ECB determined an overall "Pillar 2 Requirement (P2R)" for 2026 of 2.25%, confirming the value applied to 2025. The minimum requirements to be met on a consolidated basis from 1 January 2026 therefore remain unchanged.

Furthermore, 1 January 2025 saw the entry into force of the amendments to Regulation (EU) no. 575/2013 (CRR) introduced by Regulation (EU) no. 2024/1623 of 31 May 2024.
Starting from the reporting date of 31 March 2025, Banco BPM has exercised the option envisaged by Art. 468 of the CRR, which makes it possible to sterilise in the calculation of Common Equity Tier 1 (CET 1) the unrealised gains and losses deriving from the Fair Value through Other Comprehensive Income (OCI) measurement of debt securities issued by Public Administrations and classified under the item "Financial assets measured at fair value through other comprehensive income". This option is granted by the regulations for a transitional period, i.e. 31 December 2025.
It should also be noted that the capital ratios as at 31 December 2025 take into account all the impacts deriving from the business combination of Anima Holding and in particular those resulting from the line-by-line consolidation, including from a prudential perspective, of Anima Holding and its subsidiaries Anima SGR, Anima Alternative SGR, Kairos SGR and Castello SGR.

Taking these important changes into account, the Common Equity Tier 1 ratio (CET 1 ratio) as at 31 December 2025 was 14.32%, compared to 15.05% as at 31 December 2024. The CET 1 ratio calculated without applying the aforementioned transitional rules (fully phased CET 1 ratio) is 13.58%.
This trend is substantially linked to the growth in risk-weighted assets, mainly due to the annual deadline for updating the calculation of operational risk which, starting from 31 December 2025, takes into account the effects of the consolidation of Anima Holding and its subsidiaries.

The phased-in Tier 1 ratio is 16.45% (15.71% fully phased) compared to 17.30% as at 31 December 2024, while the phased-in Total Capital ratio is equal to 19.86% (19.12% fully phased) compared to 20.33% as at 31 December 2024. The decrease in the Total Capital ratio is also due to the repurchase of a Tier 2 subordinated instrument during the year for 350 million.

Considering the requirements in force as at 31 December 2025, the buffer compared to the limit set for the possibility of distributing dividends (Maximum Distributable Amount or MDA buffer) was 482 basis points (compared to 587 basis points as at 31 December 2024).

Liquidity position and leverage

On 1 October 2015, Delegated Regulation (EU) no. 61/2015 entered into force, which requires that banks maintain a specific level of liquidity measured with regard to a short-term time horizon (Liquidity Coverage Ratio, "LCR"). As at 31 December 2025, Banco BPM Group had a consolidated LCR of 147% with respect to the regulatory limit of 100%.

Effective from 30 June 2021, the NSFR, the regulatory structural liquidity indicator, which measures the ratio of stable sources of funding to stable financing requirements, constitutes a regulatory requirement with a minimum of 100%. As at 31 December 2025, Banco BPM Group had a NSFR index of 126%[1].

Lastly, as regards the leverage ratio, the value as at 31 December 2024 was 5.26%.

[1] Management figure.

Consolidated income statement figures

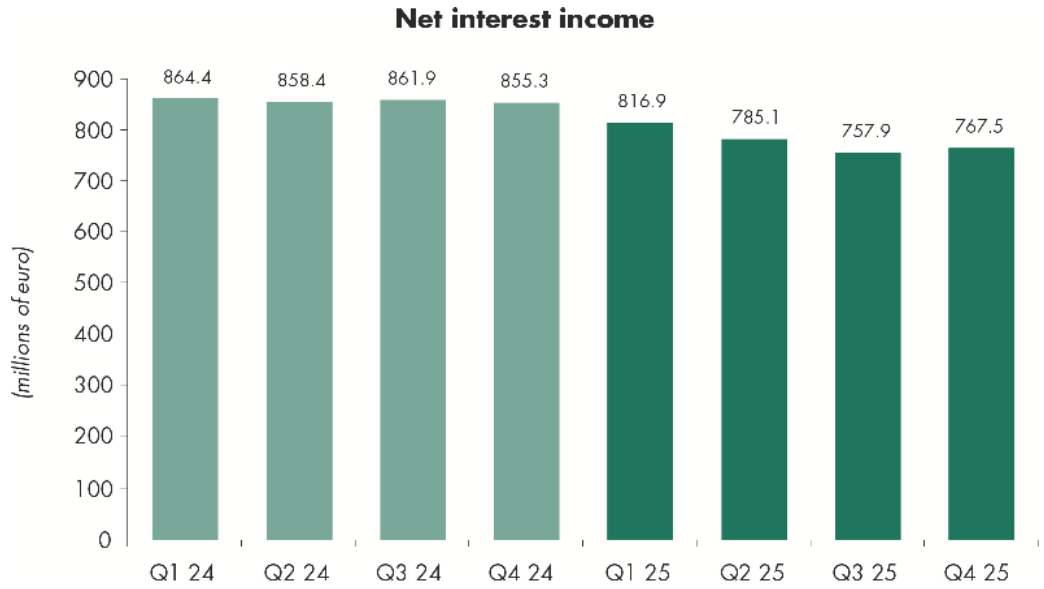
The main income statement items for 2025 are illustrated below.

Operating income

Net interest income

(thousands of euro)	2025	2024	Abs. Change	% Change
Financial assets (securities)	1,299,926	1,119,663	180,263	16.1%
Net interest due to customers	2,880,182	3,464,814	(584,632)	(16.9%)
Net interest due to banks	(17,689)	39,373	(57,062)	n.s.
Securities issued and other financial liabilities at fair value	(842,359)	(700,148)	(142,211)	20.3%
Hedging derivatives (net balance) (*)	4,954	5,148	(194)	(3.8%)
Net interest on other assets/liabilities	(197,523)	(488,805)	291,282	(59.6%)
Total	**3,127,491**	**3,440,045**	**(312,554)**	**(9.1%)**

(*) The item includes the spreads pertaining to the year on derivative contracts hedging financial assets (securities held) and financial liabilities issued.



Net interest income stood at 3,127.5 million, down by 9.1% compared to 2024 (3,440.0 million), mainly due to the contraction in the commercial spread, resulting from the interest rate trend which brought the average 3-month Euribor rate from 3.92% in the first quarter of 2024 to 2.04% in the fourth quarter of 2025.

(thousands of euro)	2025	2024 restated (*)	Abs. Change	% Change
Commercial	2,285,069	2,562,319	(277,250)	(10.8%)
CIB	638,905	674,431	(35,526)	(5.3%)
Asset Management and Insurance	(3,854)	(3,240)	(614)	19.0%
of which: Asset Management	*(1,391)*	*(1,809)*	*418*	*(23.1%)*
of which: Insurance	*(2,463)*	*(1,431)*	*(1,032)*	*72.1%*
Other Partnerships	(16,096)	(8,104)	(7,992)	98.6%
Finance	262,880	18,510	244,370	n.s.
Corporate Centre	(39,413)	196,129	(235,542)	n.s.
Total	**3,127,491**	**3,440,045**	**(312,554)**	**(9.1%)**

(*) The figures relating to the previous year have been restated to reflect the changes introduced to the breakdown of operating segments and to guarantee a like-for-like comparison with the profiling criteria used for 2025. Account was also taken of the amendments to the income statement format. For more details, please refer to the Results by business segment section of this Report.

In terms of sector of economic activity, the reduction recorded for Group net interest income, of 312.6 million, was largely attributable to the business lines relating to the Commercial Network, where the Retail segment recorded a decrease of 257.9 million compared to 2024.
In detail, the net interest income for Commercial (2,285.1 million) decreased by 277.2 million, reflecting the negative contribution of both loans and customer funding. In particular, the average volumes of loans recorded a decline also associated with a reduction in the spread. On the contrary, the (average) volumes of funding increased significantly, but, also in this case, the trend of the spread was of no assistance, as it suffered from the low compressibility of rates on deposits, against a general reduction in market interest rates.
The latter aspect also determined the trend in the net interest income of the CIB, amounting to 638.9 million, in particular the contribution of Corporate went from 662.0 million in the previous year to 630.9 million.

With reference to the Finance operating segment, a marked increase in net interest income was recorded, which stood at 262.9 million (+244.4 million). In fact, the decrease in the contribution of interest income to the securities portfolio was more than offset by the lower (notional) cost of the associated funding.

The contribution to net interest income of the Asset Management and Insurance and Other Partnerships operating segment was fairly negligible, while, with reference to the Corporate Centre, there was a marked decrease, from +196.1 million to -39.4 million. This trend was significantly affected by the worsening of the interest rate risk component.

Gains (losses) on interests in associates and joint ventures carried at equity

(thousands of euro)	2025	2024	Abs. Change	% Change
Agos Ducato	81,650	76,675	4,975	6.5%
Anima Holding (*)	15,196	48,499	(33,303)	(68.7%)
Banco BPM Assicurazioni (**)	-	2,296	(2,296)	n.s.
PiùVera Assicurazioni	3,639	5,189	(1,550)	(29.9%)
Other investee companies	20,426	19,030	1,396	7.3%
Total	**120,911**	**151,689**	**(30,778)**	**(20.3%)**

(*) Company consolidated on a line-by-line basis from the second quarter of 2025.
(**) Company incorporated into the company PiùVera Assicurazioni S.p.A. from 1 November 2025.

Gains on interests in associates and joint ventures carried at equity were equal to 120.9 million, compared to the figure of 151.7 million last year.
In comparison with the figure for the previous year, it should be borne in mind that, following the aforementioned acquisition of control of Anima Holding, the above item includes only the contribution of the investee relating to the first quarter of 2025, equal to 15.2 million. In 2024, the contribution for the entire year had been 48.5 million.
The main contribution to the item in question was provided by consumer credit, channelled from the interest in Agos Ducato, equal to 81.6 million, compared to 76.7 million in 2024.

In terms of sector of economic activity, the decline is largely attributable to the Asset Management and Insurance operating segment (-37.1 million). In fact, starting from April 2025, the valuation at equity of the companies of the

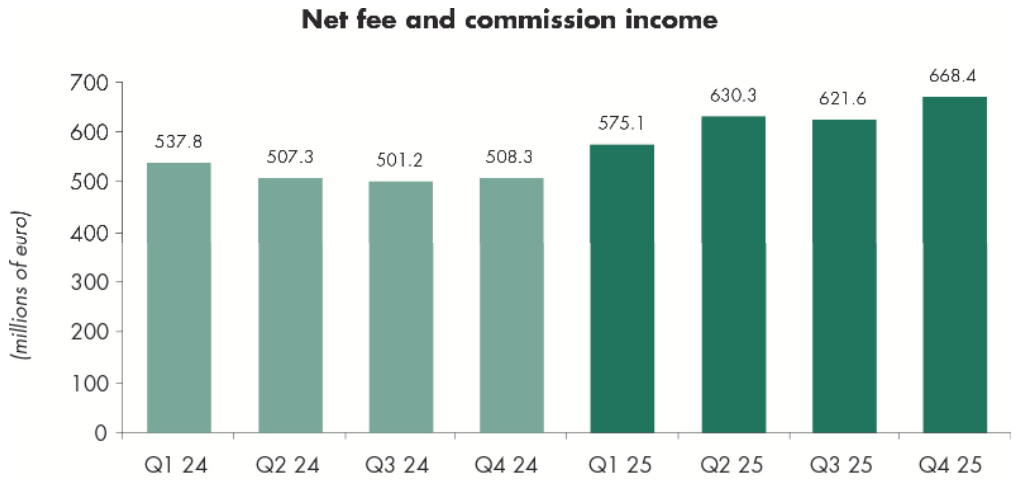
Anima Group ceased, which were consolidated on a line-by-line basis after the successful closure of the public tender offer launched by Banco BPM Group. Therefore, the Anima Group contributed, in this item, only for the first quarter with an amount of 15.2 million.
There was an increase in interests in associates and joint ventures in the Other Partnerships operating segment (+6.3 million), thanks to the contribution of Agos (81.7 million, +5.0 million). The contribution of Numia Holding was also positive (6.7 million), which last year had closed with a loss of 1.8 million, and which offsets the loss of the result of Selmabipiemme Leasing, whose sale was completed in early 2025.

Net fee and commission income

(thousands of euro)	2025	2024 (*)	Abs. Change	% Change
Net fee and commission income Savings products	**1,211,834**	**746,828**	**465,006**	**62.3%**
- Indirect upfront - management	342,604	271,765	70,839	26.1%
- Indirect running - management	487,903	475,063	12,840	2.7%
- Anima - production margin	381,327	-	381,327	n.s.
Net fee and commission income Other	**1,283,444**	**1,307,813**	**(24,369)**	**(1.9%)**
Investment Banking	106,901	93,502	13,399	14.3%
Insurance protection (other)	84,374	63,824	20,550	32.2%
Keeping and management of current accounts	223,432	227,287	(3,855)	(1.7%)
Loans (including consumer credit and factoring) and unsecured loans	578,988	560,521	18,467	3.3%
Collection and payment services, e-money	277,132	331,694	(54,562)	(16.4%)
Other business services	89,539	121,929	(32,390)	(26.6%)
Fee and commission expense on synthetic securitisations	(80,492)	(85,205)	4,713	(5.5%)
Other services	3,570	(5,739)	9,309	n.s.
Total	**2,495,278**	**2,054,641**	**440,637**	**21.4%**

(*) The previous year's figures have been restated to provide a like-for-like comparison. For more details on data comparability, please refer to the content of the Introduction to the "Results" section of this report.

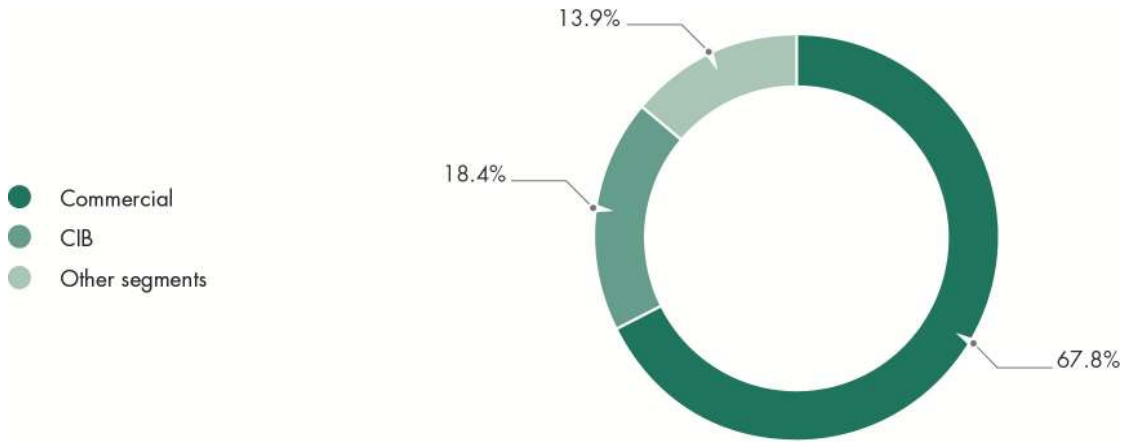
Net fee and commission income in 2025 totalled 2,495.3 million, up by 21.4% compared to the previous year. On a like-for-like basis, i.e. excluding the contribution provided by Anima starting from the beginning of the second quarter, net fee and commission income amounted to 2,114.0 million, an increase of +2.9%.



In greater detail, commissions on savings and investment products showed an increase, on a like-for-like basis, of 11.2%.
The contribution of the commercial bank and other services was slightly down (-1.9% compared to 2024), with an increase in investment banking fees (+13.4 million, +14.3%) and insurance products (+20.6 million, +32.2%) against the lower contribution of fees from e-money and collection and payment services (-54.6 million, -16.4%) and other business services (-32.4 million, -26.6%), the latter mainly due to the reduction in acquisitions of new tax credits resulting from the limitations envisaged by the current regulations.

(thousands of euro)	2025	2024 restated (*)	Abs. Change	% Change
Commercial	1,691,327	1,669,660	21,667	1.3%
CIB	458,026	438,577	19,449	4.4%
Asset Management and Insurance	384,537	1,476	383,061	n.s.
of which: Asset Management	*384,537*	*1,476*	*383,061*	*n.s.*
Finance	43,590	(28,536)	72,126	n.s.
Corporate Centre	(82,202)	(26,536)	(55,666)	209.8%
Total	**2,495,278**	**2,054,641**	**440,637**	**21.4%**

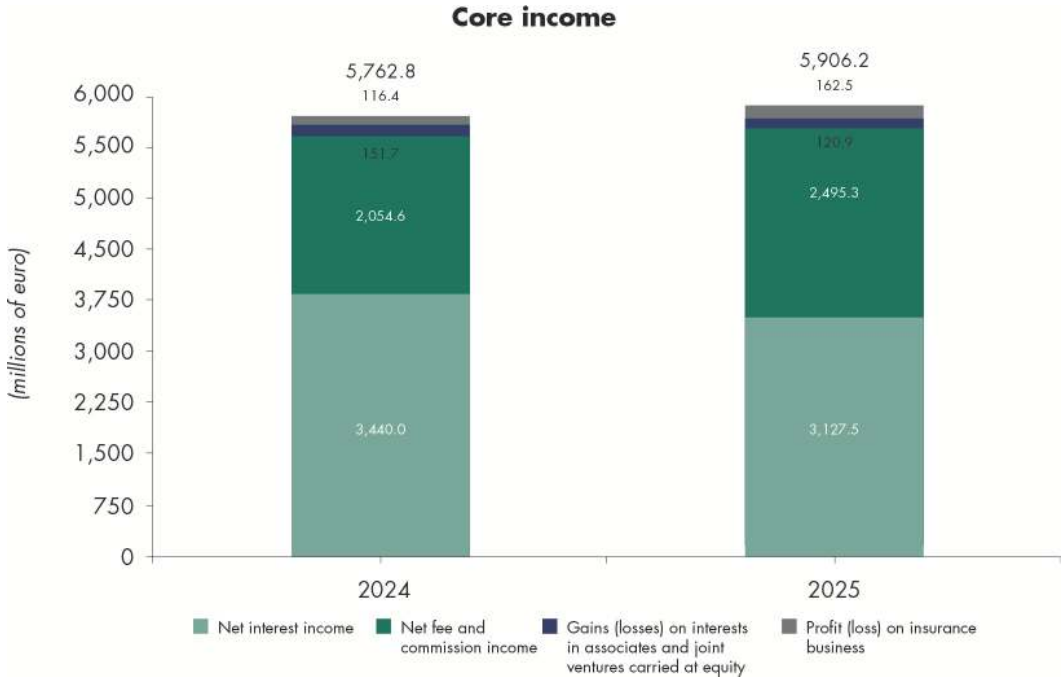
(*) The figures relating to the previous year have been restated to reflect the changes introduced to the breakdown of operating segments and to guarantee a like-for-like comparison with the profiling criteria used for 2025. Account was also taken of the amendments to the income statement format. For more details, please refer to the Results by business segment section of this Report.



In terms of sector of economic activity, the increase recorded in net fee and commission income, which amounted to 2,495.3 million (+440.6 million), is largely due to the Asset Management and Insurance operating segment, which received the contribution of Anima. The latter, in fact, recorded net fee and commission income in the second, third and fourth quarters for a total of 381.3 million. In any event, excluding the contribution of the Anima Group, the item in question increased by 59.3 million, thanks to Commercial (+21.7 million, in particular for asset management and insurance protection products) and to the CIB (+19.4 million, due to the significant contribution of Banca Akros).

The **profit (loss) on insurance business** in 2025 amounted to 162.5 million, compared with 116.4 million in 2024, and included the contribution of Banco BPM Vita, Vera Vita and BBPM Life.

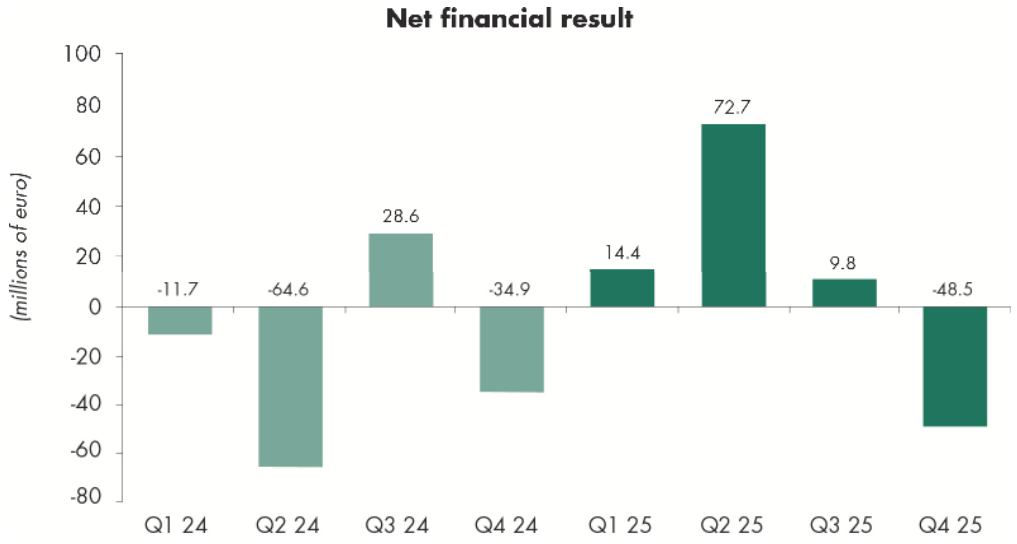
As a result of the trends described, total **core income** therefore amounted to 5,906.2 million, up compared to the 5,762.8 million recorded last year (+2.5%). On a like-for-like basis, core income amounted to 5,561.0 million, a decrease of 3.5% compared to 2024.



Net financial result

(thousands of euro)	2025	2024 (*)	Abs. Change	% Change
Net trading income	242,067	110,208	131,859	119.6%
Gains/losses on disposal of financial assets	(17,126)	41,264	(58,390)	n.s.
Dividends and similar income on financial assets	146,905	34,034	112,871	331.6%
Gains/losses on repurchase of financial liabilities	(4,784)	1,726	(6,510)	n.s.
Fair value gains/losses on hedging derivatives	9,082	(7,013)	16,095	n.s.
Result of assets and liabilities at fair value	(327,785)	(262,801)	(64,984)	24.7%
Total	**48,359**	**(82,582)**	**130,941**	**n.s.**

(*) The previous year's figures have been restated to provide a like-for-like comparison. For more details on data comparability, please refer to the content of the Introduction to the "Results" section of this report.



The **net financial result** for 2025 was positive at 48.4 million, compared to the negative figure of -82.6 million recorded in 2024.

The main positive effects concern i) dividends, which increased from 34.0 million in 2024 to 146.9 million in 2025 (+112.9 million), mainly due to the contribution of the dividend relating to the interest in Banca Monte dei Paschi di Siena of 97.4 million[1]; ii) net trading income, which recorded an increase of 131.9 million.
These effects were offset by the negative impact deriving from the fair value measurement, through profit and loss, of derivative contracts operationally related to the risks of the securities portfolio classified as financial assets at fair value through other comprehensive income, the effect of which is recorded in shareholders' equity (accounting mismatching).

(thousands of euro)	2025	2024 restated (*)	Abs. Change	% Change
Commercial	(32,688)	(42,843)	10,155	(23.7%)
CIB	(5,883)	4,277	(10,160)	n.s.
Asset Management and Insurance	50,220	-	50,220	n.s.
of which: Asset Management	*50,220*	-	*50,220*	*n.s.*
Finance	115,379	227,162	(111,783)	(49.2%)
Corporate Centre	(78,669)	(271,178)	192,509	(71.0%)
Total	**48,359**	**(82,582)**	**130,941**	**n.s.**

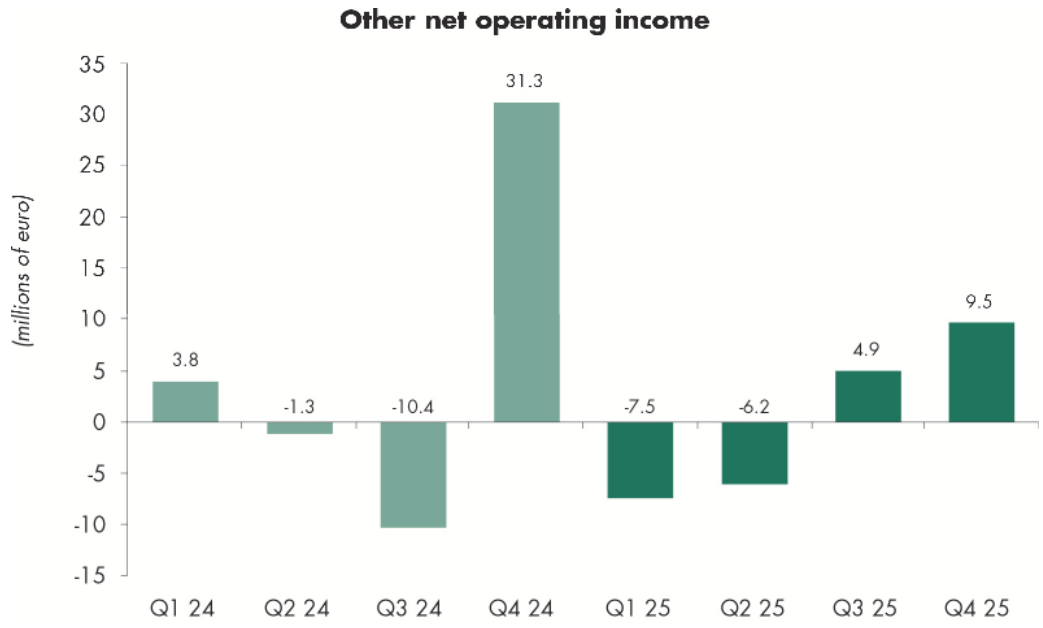
(*) The figures relating to the previous year have been restated to reflect the changes introduced to the breakdown of operating segments and to guarantee a like-for-like comparison with the profiling criteria used for 2025. Account was also taken of the amendments to the income statement format. For more details, please refer to the Results by business segment section of this Report.

In terms of sector of economic activity, the improvement in the item recorded during the year is attributable to the contribution of the Anima Group (included in the Asset Management and Insurance operating sector), thanks to the dividend received by Anima Holding in Banca MPS (43.2 million), which also benefited the Corporate Centre (54.2 million).
The lower cost of certificates, which decreased in terms of volumes and spreads, contributing to improving the result of Commercial (equal to -32.7 million), also had a positive impact on the Net Financial Result. Moreover, again with regard to certificates, the trend in market rates also positively impacted the Corporate Centre, in the interest rate risk component.
On the other hand, the Finance operating segment fell sharply compared to 2024 (115.4 million in 2025 compared to 227.2 million in the previous year), due to the lower contribution of the Parent Company's securities portfolio and operations of Global Markets.

Other net operating income

(thousands of euro)	2025	2024	Abs. Change	% Change
Income on current accounts and loans	5,698	6,269	(571)	(9.1%)
Rental income	17,235	34,673	(17,438)	(50.3%)
Expenses on leased assets	(8,912)	(13,768)	4,856	(35.3%)
Other income and charges	(13,331)	(3,814)	(9,517)	249.5%
Total	**690**	**23,360**	**(22,670)**	**(97.0%)**

[1] Of which 43.2 million for the interest held by Anima Holding.



Other net operating income totalled +0.7 million, compared to +23.4 million in 2024. The decrease recorded by this aggregate mainly refers to the reduction in rental income (-17.4 million) following the sale of properties completed from December 2024 ("Square Project").

(thousands of euro)	2025	2024 restated (*)	Abs. Change	% Change
Commercial	5,432	6,017	(585)	(9.7%)
CIB	141	72	69	95.8%
Asset Management and Insurance	(1,178)	(1,655)	477	(28.8%)
of which: Asset Management	*3,183*	*1*	*3,182*	*n.s.*
of which: Insurance	*(4,361)*	*(1,656)*	*(2,705)*	*163.3%*
Corporate Centre	(3,705)	18,926	(22,631)	n.s.
Total	**690**	**23,360**	**(22,670)**	**(97.0%)**

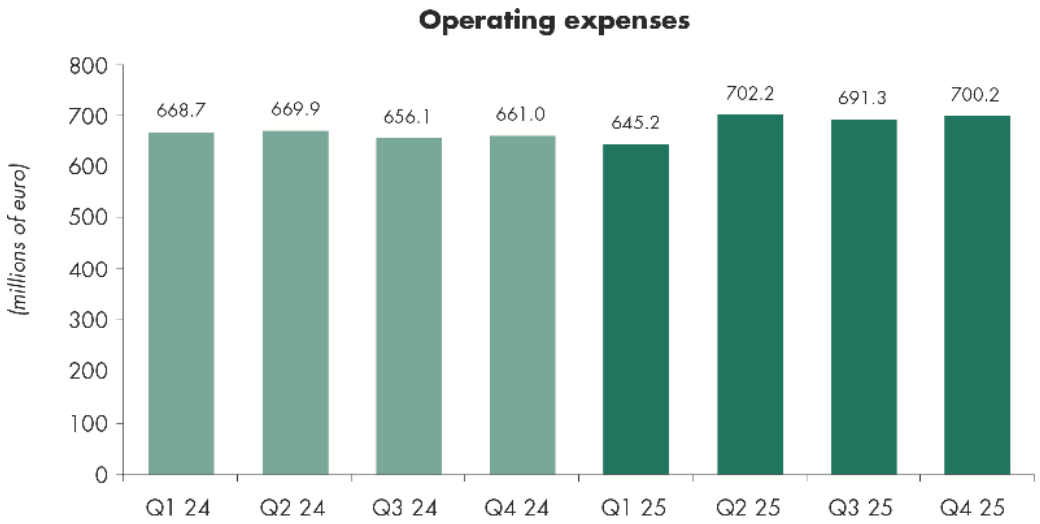
(*) The figures relating to the previous year have been restated to reflect the changes introduced to the breakdown of operating segments and to guarantee a like-for-like comparison with the profiling criteria used for 2025. Account was also taken of the amendments to the income statement format. For more details, please refer to the Results by business segment section of this Report.

In terms of sector of economic activity, the decrease in the item (-22.7 million) is essentially attributable to the Corporate Centre as a result of the aforementioned decrease recorded in rental income.

As a result of the trends described, total **operating income** therefore amounted to 5,955.3 million, up compared to the 5,703.5 million recorded last year (+4.4%). On a like-for-like basis, operating income amounted to 5,562.8 million, down 2.5% compared to 2024.

Operating expenses

(thousands of euro)	2025	2024	Abs. Change	% Change
Personnel expenses	**(1,798,067)**	**(1,745,204)**	**(52,863)**	**3.0%**
Other administrative expenses	**(657,464)**	**(644,781)**	**(12,683)**	**2.0%**
- Taxes and duties	(354,087)	(338,645)	(15,442)	4.6%
- Services and consulting	(351,230)	(323,967)	(27,263)	8.4%
- Property	(68,541)	(63,933)	(4,608)	7.2%
- Postal, telephone and stationery	(20,280)	(19,255)	(1,025)	5.3%
- Maintenance and fees for furniture, machines and systems	(115,021)	(100,545)	(14,476)	14.4%
- Advertising and entertainment	(21,078)	(16,260)	(4,818)	29.6%
- Other administrative expenses	(51,208)	(85,847)	34,639	(40.3%)
- Expense recoveries	323,981	303,671	20,310	6.7%
Value adjustments to property, plant and equipment and intangible assets	**(283,330)**	**(265,715)**	**(17,615)**	**6.6%**
- Value adjustments to property, plant and equipment	(161,555)	(157,293)	(4,262)	2.7%
- Value adjustments to intangible assets	(118,301)	(107,741)	(10,560)	9.8%
- Net write-downs for impairment	(3,474)	(681)	(2,793)	n.s.
Total	**(2,738,861)**	**(2,655,700)**	**(83,161)**	**3.1%**



Personnel expenses, equal to 1,798.1 million, increased by 3.0% compared to 1,745.2 million in 2024. The item includes expenses relating to the companies of the Anima Group of 78.6 million. On a like-for-like basis, the item amounted to 1,719.4 million, down compared to 2024 (-1.5%).
The total number of employees was 18,975 as at 31 December 2025 (of which 165 pertaining to insurance companies and 558 to the Anima Group), compared to the figure, on a like-for-like basis, of 20,028 resources as at 31 December 2024 (of which 150 pertaining to insurance companies and 538 to the Anima Group).

Other administrative expenses[1], equal to 657.5 million, showed an increase of 2.0% compared to the figure for 2024 of 644.8 million, and include the expenses relating to the Anima Group companies of 43.3 million. On a like-for-like basis, there was a decrease of 4.7%.

[1] The aggregate is shown net of some "one-off" operating expenses incurred for the performance of extraordinary transactions that had an impact on the organisational structure of the Group (e.g. acquisition of control of Anima Holding through a public tender offer, streamlining of the branch network) or relate to projects aimed at the integration of business combinations completed in previous years. The item also does not include non-recurring charges incurred to protect the interests of shareholders in relation to the UniCredit public exchange offer. Starting from 2025, these costs are shown, net of the related tax effect, in a separate item of the reclassified income statement entitled "Charges for company restructuring, net of taxes", which also includes the costs relative to the voluntary redundancy incentive schemes for employees close to qualifying for pension rights.

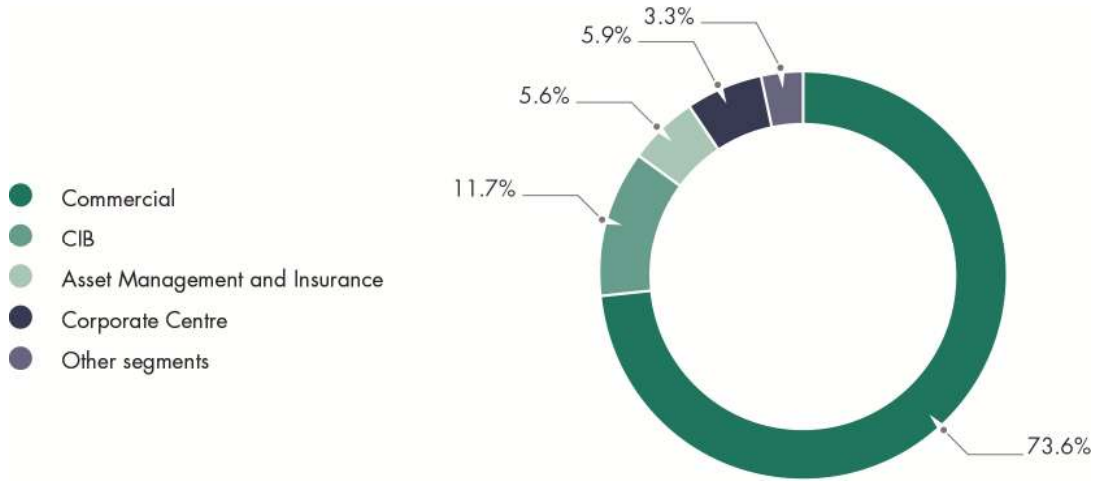
Net value adjustments to property, plant and equipment and intangible assets totalled 283.3 million, compared with 265.7 million in 2024, and included the contribution of the Anima Group companies of 6.8 million.

Total **operating expenses** therefore amounted to 2,738.9 million, up by 3.1% compared to 2,655.7 million in 2024. On a like-for-like basis, excluding charges relating to Anima Group companies of 128.8 million, operating expenses were down by 1.7%.

The **cost/income ratio** for the year was 46.0%, lower than the 46.6% recorded as at 31 December 2024.

(thousands of euro)	2025	2024 restated (*)	Abs. Change	% Change
Commercial	(2,014,710)	(2,002,217)	(12,493)	0.6%
CIB	(321,174)	(300,034)	(21,140)	7.0%
Asset Management and Insurance	(152,087)	(26,441)	(125,646)	n.s.
of which: Asset Management	*(131,959)*	*(2,219)*	*(129,740)*	*n.s.*
of which: Insurance	*(20,128)*	*(24,222)*	*4,094*	*(16.9%)*
Other Partnerships	(2,086)	(2,137)	51	(2.4%)
Finance	(88,458)	(101,762)	13,304	(13.1%)
Corporate Centre	(160,346)	(223,109)	62,763	(28.1%)
Total	**(2,738,861)**	**(2,655,700)**	**(83,161)**	**3.1%**

(*) The figures relating to the previous year have been restated to reflect the changes introduced to the breakdown of operating segments and to guarantee a like-for-like comparison with the profiling criteria used for 2025. Account was also taken of the amendments to the income statement format. For more details, please refer to the Results by business segment section of this Report.



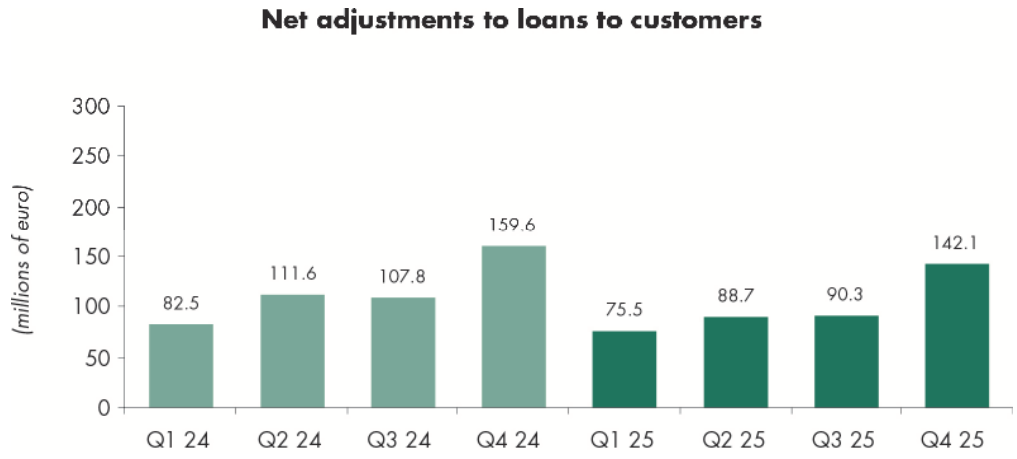
In terms of sector of economic activity, operating expenses, which amounted to 2,738.9 million, were up compared to the previous year due to the consolidation of the Anima Group. Net of the latter's contribution, the expenses would have decreased by 45.6 million. In particular, this reduction is observed both for personnel expenses, due to the gradual reduction in the workforce, and for other administrative expenses, thanks to careful cost control measures. The trend in other administrative expenses of Commercial and the CIB is instead attributable to a different allocation of costs.

Profit (loss) from operations

The **profit from operations** for 2025 stood at 3,216.4 million, up by 5.5% compared to 3,047.8 million in the previous year. On a like-for-like basis, the profit from operations amounted to 2,952.7 million, down 3.1% compared to the previous year.

Adjustments and provisions

(thousands of euro)	2025	2024	Abs. Change	% Change
Net adjustments to loans at AC to customers	**(365,773)**	**(398,042)**	**32,269**	**(8.1%)**
Stage 3	(333,112)	(369,561)	36,449	(9.9%)
Stage 2	(23,497)	(59,661)	36,164	(60.6%)
Stage 1	(11,748)	22,306	(34,054)	n.s.
Acquired or originated impaired	2,584	8,874	(6,290)	(70.9%)
Gains (losses) on disposal of loans	**(28,140)**	**(64,031)**	**35,891**	**(56.1%)**
Gains (losses) from contractual modification without derecognition	**(2,667)**	**598**	**(3,265)**	**n.s.**
Total	**(396,580)**	**(461,475)**	**64,895**	**(14.1%)**



The **cost of loans to customers** in 2025, amounting to 396.6 million, shows a reduction compared to the figure for 2024, which was 461.5 million (-14.1%).
As at 31 December 2025, the cost of credit, measured by the ratio of net value adjustments on loans to net loans, was 40 bps, down with respect to the 46 bps recorded at the end of 2024.
This result was achieved by safeguarding the solid levels of coverage achieved in previous periods.

Net adjustments to securities and other financial assets included net gains of +3.4 million (-8.6 million in 2024).

The result of **fair value gains (losses) on property, plant and equipment** as at 31 December 2025 reported losses of -7.3 million (-54.6 million in 2024).

Net provisions for risks and charges for the year showed net allocations of -2.5 million (net allocations of -22.2 million in 2024).

Total adjustments and provisions therefore amounted to 403.0 million compared to 546.9 million in 2024.

Due to the trends described, the **profit before tax from continuing operations** was 2,813.4 million compared to 2,501.0 million in the previous year (+12.5%). On a like-for-like basis, the profit before tax from continuing operations stood at 2,550.5 million with a 2.0% increase compared to 2024.

The **taxation charge related to profit or loss from continuing operations** was -803.1 million (-788.9 million in 2024).

Profit after tax from continuing operations was therefore 2,010.2 million, a 17.4% increase compared to 1,712.0 million in 2024. On a like-for-like basis, the profit after tax from continuing operations stood at 1,832.2 million with an increase of 7.0% compared to 2024.

Other revenue and cost items

Gains/losses on interests in associates and joint ventures and other investments[1], net of taxes amounted to +2.3 million (+1.8 million as at 31 December 2024).

As at 31 December 2025, the **impact of the purchase price allocation (PPA), net of taxes** amounted to -47.9 million, against -34.9 million in 2024. Starting from the second quarter of 2025, the item in question also included the impacts, totalling -20.3 million, of the acquisition of control of the Anima Group.
This item includes the overall economic impact, net of the related tax effect, of the reversal effects deriving from the allocation of the prices paid with regard to the following transactions:

- business combination between the former Banco Popolare di Verona e Novara Group and the Banca Popolare Italiana Group, which took place in 2007;
- business combination between the former Banco Popolare Group and the Banca Popolare di Milano Group, completed in 2017;
- acquisition of control of Banco BPM Vita in July 2022;
- acquisition of control of Vera Vita (and indirectly of the subsidiary BBPM Life) completed in December 2023;
- acquisition of control of the Anima Group, following the successful conclusion of the public tender offer finalised in April 2025, the reversals of which had economic effect from the second quarter of 2025.

More specifically, the impact on the consolidated income statement for 2025 was -7.9 million on net interest income, of which -4.8 million relating to the Anima Group (linked to the evolution of the different valuations of the financial assets purchased), -53.9 million on other net operating income, of which -24.0 million relating to the Anima Group (due to the amortisation of the intangibles recognised in the PPA) and -7.0 million in the profit (loss) on insurance business.

In the year, **the impact of the change in own credit risk on the issue of Certificates (OCR), net of taxes**, was a positive by 2.7 million (+4.0 million before taxes), compared to the impact recorded in 2024 of +1.2 million (+1.8 million before taxes).

Banking industry charges, net of taxes were charged to the income statement for the year for a total of 9.6 million (14.1 million gross), represented by the amount of the total annual contribution due to the Interbank Deposit Guarantee Fund (FITD), of 7.7 million gross, and the estimated amount of the contribution due to the Guarantee Fund of the Life insurance sector, of 6.3 million gross. In the previous year, the contribution to the FITD, equal to 98.7 million gross, and the annual contribution due to the Guarantee Fund of the Life insurance sector, of 6.4 million gross, were charged to the income statement. The overall impact on the 2024 income statement, net of the related tax effect, amounted to -71.0 million (105.0 million gross).

Charges for company restructuring, net of taxes includes "one-off" operating expenses as they are specifically incurred for the performance of extraordinary transactions that have an impact on the organisational structure of the Group (e.g. acquisition of control of Anima Holding through a public tender offer, streamlining of the branch network) or relate to projects aimed at the integration of business combinations completed in previous years. The item also includes non-recurring expenses incurred to protect the interests of shareholders in relation to the UniCredit public exchange offer, as well as costs relating to the voluntary redundancy incentive schemes for employees close to qualifying for pension rights. The overall impact, net of the related tax effect, amounted to -52.3 million (-76.8 million gross).

Impact of restatement of the Anima share, net of taxes, includes the positive impact deriving from the revaluation of the interest held in Anima Holding before the acquisition of control, resulting from the realignment to its fair value on the date of acquisition of control, equal to a total of 201.8 million net of the related tax effect (205.6 million gross).

[1] The item does not include the positive impact deriving from the revaluation of the interest held in Anima Holding before the acquisition of control, following the realignment of its fair value on the date of acquisition of control, totalling 205.6 million, shown, net of the related tax effect, in a separate item of the reclassified income statement entitled "Impact of restatement of the Anima share, net of taxes".

Impairment of client relationships, goodwill and interests in associates and joint ventures amounted to -4.4 million and refers to the value adjustments recognised on some interests and intangibles.

As a result of the trends described above and taking into account the portion of profit (loss) for the year attributable to non-controlling interests, equal to -20.8 million, 2025 closed with a **net profit** of 2,082.0 million compared to 1,920.4 million in 2024. On a like-for-like basis, the net profit stood at 1,771.3 million.

The **result net of non-recurring items** was 1,858.9 million, up on the previous year (1,690.6 million; +10%).

RESULTS BY BUSINESS SEGMENT

Introduction

According to IFRS 8, companies must provide information enabling users of financial statements to assess the nature and the effects on the financial statements of their business activities and the economic contexts in which they operate. Therefore, it is necessary to highlight the contribution of the various "operating segments" to the formation of the Group's income.
The identification of the "operating segments" of this Section is consistent with the procedures adopted by Company Management to make operating decisions and is based on internal reporting, used for allocating resources to the various segments and analysing their performance, as amended during 2025 following the acquisition of control of the Anima Group.

In greater detail, it should be noted that, following the conclusion of the voluntary public tender offer on all shares of Anima Holding, which led to the creation of the new integrated Life Insurance and Asset Management factory, starting from 2025, the contribution of Anima Holding, previously included in the Other Partnerships operating segment, is shown in the Insurance operating segment, which has been renamed Asset Management and Insurance.
In addition, to ensure a more accurate representation of the performance attributable to Finance operations, the contribution of treasury activities, bond issues placed on institutional markets and management of the Group's Asset and Liability Management, previously included in the Finance operating segment, starting from 2025, it is now shown in the Corporate Centre operating segment.

Therefore, for 2025, the operating segments taken as a reference to provide the segment reporting in question are as follows:

- Commercial;
- Corporate and Investment Banking;
- Asset Management and Insurance;
- Other Partnerships;
- Finance;
- Corporate Centre.

A brief illustration of the breakdown of the various operating segments is provided below:

- The "Commercial" operating segment includes, as mentioned above, the Retail, Institutional and Private segments. More specifically:
  - the "Retail" segment includes the management and marketing of banking and financial products/services and loan brokering, which are mainly aimed at private customers and small businesses. These activities are for the most part carried out by the Parent Company's Commercial Network;
  - the "Institutional" segment includes the management and marketing of banking and financial products/services and loan brokering, which are mainly aimed at bodies and institutions (UCITs, SICAVs, insurance companies, pension funds and banking foundations). Those activities are conducted in an equal amount by the Commercial Network of the Parent Company, for "local institutional" counterparties, and by specialised branches, for "systemically-important institutional" counterparties;
  - the "Private" segment includes the management and marketing of banking and financial products/services and loan brokering, which are mainly aimed at private customers with assets that, individually and/or within their business, amount to at least 1 million. These activities are carried out by the subsidiary Banca Aletti;
- the "Corporate and Investment Banking" operating segment includes, as mentioned above, the Corporate operations of the Commercial Network and the contribution of Banca Akros and its subsidiary Oaklins Italy. More specifically:
  - the "Corporate" segment includes the management and marketing of banking and financial products/services and loan brokering, which are mainly aimed at medium and large-sized companies. These activities are for the most part carried out by the Parent Company's Commercial Network;
  - the "Investment Banking" segment includes the search for solutions for the efficient management of customers' assets and liabilities, also in order to reduce their financial risks, access to regulated markets and support and development of specialised financial services in the Corporate Finance area. These activities are carried out by Banca Akros and by Oaklins Italy;

- the "Asset Management and Insurance" operating segment includes the contribution of the Anima Group companies, Banco BPM Invest SGR, Banco BPM Vita, BBPM Life and Vera Vita, as well as the contribution to the consolidated results of the interest held in PiùVera Assicurazioni, which has incorporated Banco BPM Assicurazioni from 1 November 2025;
- the "Other Partnerships" operating segment includes the contribution of the interests held in Agos Ducato, Alba Leasing, Gardant Liberty Servicing and Numia Group. This operating segment, previously identified as "Strategic Partnerships", has been renamed "Other Partnerships" from 31 December 2025;
- the "Finance" operating segment includes, in addition to the above-cited operations of Global Markets, the activities relating to the securities portfolio owned by the Parent Company;
- in addition to governance and support functions, the "Corporate Centre" operating segment also includes activities relating to the Group's leasing business, equity interests not allocated to "Other Partnerships" and companies operating in the real estate sector. As mentioned above, the Corporate Centre includes the contribution of treasury activities, institutional bond issues and management of the Group's Asset and Liability Management, previously included in the Finance operating segment. Lastly, all the consolidation entries are included in this residual segment.

The tables below provide details of the main income statement and balance sheet figures by segment as at 31 December 2025, compared with the corresponding figures for the previous year.

As envisaged by paragraph 29 of IFRS 8, the figures referring to 2024 have been restated with respect to those published in the Annual Financial Report as at 31 December 2024, to reflect the change introduced in the composition of the operating segments indicated above, so as to allow a like-for-like comparison. More specifically:

- the contribution to the consolidated financial statements of Anima Holding during 2024 referring to the valuation using the equity method, previously included in the Other Partnerships operating segment, is shown in the "Asset Management and Insurance" operating segment;
- the contribution referring to treasury activities, institutional issues and the management of the Group's Asset and Liability Management, previously included in the Finance operating segment, is shown in the "Corporate Centre" operating segment.

In addition, for management purposes, the data referring to 2024 have been restated for a comparison on a like-for-like basis with the profiling criteria used for 2025.

Lastly, the comparative data of the previous year were restated to take account of the amendments to the reclassified income statement format.
More specifically:

- the income items constituting the remuneration of the structuring and risk hedging activities of the certificates, as well as those relating to the remuneration of sales to retail and corporate companies of hedging derivatives, previously shown in the item "Net financial result", are included in the item "Net fee and commission income";
- the impacts of the realignment of intragroup revenues and costs against the different recognition criteria adopted by Banco BPM (up-front recognition of distribution fee and commission income) compared to those adopted by the Group's insurance companies (recognition spread over time of fee and commission expense), previously shown in the item "Profit (loss) on insurance business", are recognised as an adjustment to the item "Net fee and commission income" (and specifically of the Commercial operating segment).

Account was also taken of the changes made, starting from 2025, to the structure of the reclassified income statement, with the aim of ensuring greater alignment between the aggregates highlighted therein and those commented on in the press releases and in the documents presenting the results to the market, as illustrated in the introduction to the "Results" section of this report, to which reference should be made for further details.

In the following sections, at the foot of the income statements of each segment, a reconciliation is provided between the figures published in the Consolidated report on operations for the previous year and those included for comparative purposes.

Results by business segment: summary data

	Group	Commercial	Corporate and Investment Banking	Asset Management and Insurance	of which: Asset Management	of which: Insurance	Other Partnerships	Finance	Corporate Centre
Operating income									
2025	**5,955,251**	3,949,140	1,091,189	611,082	451,745	159,337	84,139	421,849	(202,148)
2024 (*)	**5,703,529**	4,195,153	1,117,357	168,941	48,167	120,774	85,794	217,136	(80,852)
Operating expenses									
2025	**(2,738,861)**	(2,014,710)	(321,174)	(152,087)	(131,959)	(20,128)	(2,086)	(88,458)	(160,346)
2024 (*)	**(2,655,700)**	(2,002,217)	(300,034)	(26,441)	(2,219)	(24,222)	(2,137)	(101,762)	(223,109)
Profit (loss) from operations									
2025	**3,216,390**	1,934,430	770,015	458,995	319,786	139,209	82,053	333,391	(362,494)
2024 (*)	**3,047,829**	2,192,936	817,323	142,500	45,948	96,552	83,657	115,374	(303,961)
Profit (loss) for the year									
2025	**2,081,987**	1,074,078	438,330	470,484	389,641	80,843	85,291	226,505	(212,701)
2024 (*)	**1,920,393**	1,077,486	424,747	106,044	46,763	59,281	44,586	74,076	193,454
Net loans									
2025	**99,713,568**	62,675,085	30,355,915	171,489	171,489	-	-	-	6,511,079
2024 (*)	**99,727,274**	64,477,554	29,448,686	-	-	-	-	-	5,801,034
Direct bank funding									
2025	**137,174,195**	100,705,980	8,955,426	595,529	595,529	-	-	-	26,917,260
2024 (*)	**132,044,065**	97,462,089	8,643,000	-	-	-	-	-	25,938,976

(*) The figures relating to the previous year have been restated to reflect the changes introduced to the breakdown of operating segments and to guarantee a like-for-like comparison with the profiling criteria used for 2025. The changes to the reclassified income statement format, as illustrated in the introduction to the Results section of this report, have been taken into account.

A description of the individual segments is given below, focusing first on the performance of the income statement and then providing a more detailed analysis of the main activities conducted, both commercial and otherwise, dividing them consistently with the internal organisation of the segment in question.

Commercial

	2025	2024 (*)	Abs. Change	% change
Net interest income	2,285,069	2,562,319	(277,250)	(10.8%)
Net fee and commission income	1,691,327	1,669,660	21,667	1.3%
Core income	**3,976,396**	**4,231,979**	**(255,583)**	**(6.0%)**
Net financial result	(32,688)	(42,843)	10,155	(23.7%)
Other net operating income	5,432	6,017	(585)	(9.7%)
Operating income	**3,949,140**	**4,195,153**	**(246,013)**	**(5.9%)**
Personnel expenses	(1,134,469)	(1,176,357)	41,888	(3.6%)
Other administrative expenses	(786,384)	(730,973)	(55,411)	7.6%
Net value adjustments to property, plant and equipment and intangible assets	(93,857)	(94,887)	1,030	(1.1%)
Operating expenses	**(2,014,710)**	**(2,002,217)**	**(12,493)**	**0.6%**
Profit (loss) from operations	**1,934,430**	**2,192,936**	**(258,506)**	**(11.8%)**
Cost of loans to customers	(303,481)	(309,025)	5,544	(1.8%)
Net provisions for risks and charges	10,282	(8,862)	19,144	n.s.
Total adjustments and provisions	**(293,199)**	**(317,887)**	**24,688**	**(7.8%)**
Profit (loss) before tax from continuing operations	**1,641,231**	**1,875,049**	**(233,818)**	**(12.5%)**
Taxation charge related to profit or loss from continuing operations	(533,878)	(624,641)	90,763	(14.5%)
Profit (loss) after tax from continuing operations	**1,107,353**	**1,250,408**	**(143,055)**	**(11.4%)**
Impact of the purchase price allocation (PPA), net of taxes	(17,331)	(20,232)	2,901	(14.3%)
Banking industry charges, net of taxes	(5,770)	(62,779)	57,009	(90.8%)
Charges for company restructuring, net of taxes	(10,174)	(89,911)	79,737	(88.7%)
Parent Company's profit (loss) for the year	**1,074,078**	**1,077,486**	**(3,408)**	**(0.3%)**

(*) The figures relating to the previous year were restated to guarantee a like-for-like comparison with the profiling criteria used for 2025. The changes to the reclassified income statement format, as illustrated in the introduction to the Results section of this report, have been taken into account.

The following table shows the reconciliation of the reclassified income statement of the Commercial operating segment for 2024, with the same statement originally published in the Consolidated report on operations of the previous year.

2024	Income statement 2024	Reclassification of hedging products	Reclassification for realignment of intragroup costs/revenues	Reclassification of restructuring charges	Management reclassifications	Income statement 2024 restated
Net interest income	2,576,854	-	-	-	(14,535)	2,562,319
Net fee and commission income	1,684,272	11,119	(22,944)	-	(2,787)	1,669,660
Core income	**4,261,126**	**11,119**	**(22,944)**	**-**	**(17,322)**	**4,231,979**
Net financial result	(31,724)	(11,119)	-	-	-	(42,843)
Other net operating income	6,019	-	-	-	(2)	6,017
Operating income	**4,235,421**	**-**	**(22,944)**	**-**	**(17,324)**	**4,195,153**
Personnel expenses	(1,176,357)	-	-	-	-	(1,176,357)
Other administrative expenses	(730,973)	-	-	-	-	(730,973)
Net value adjustments to property, plant and equipment and intangible assets	(94,887)	-	-	-	-	(94,887)
Operating expenses	**(2,002,217)**	**-**	**-**	**-**	**-**	**(2,002,217)**
Profit (loss) from operations	**2,233,204**	**-**	**(22,944)**	**-**	**(17,324)**	**2,192,936**
Cost of loans to customers	(308,683)	-	-	-	(342)	(309,025)
Net provisions for risks and charges	(17,836)	-	-	-	8,974	(8,862)
Total adjustments and provisions	**(326,519)**	**-**	**-**	**-**	**8,632**	**(317,887)**
Profit (loss) before tax from continuing operations	**1,906,685**	**-**	**(22,944)**	**-**	**(8,692)**	**1,875,049**
Taxation charge related to profit or loss from continuing operations	(635,600)	-	7,585	-	3,374	(624,641)
Profit (loss) after tax from continuing operations	**1,271,085**	**-**	**(15,359)**	**-**	**(5,318)**	**1,250,408**
Impact of the purchase price allocation (PPA), net of taxes	(20,229)	-	-	-	(3)	(20,232)
Banking industry charges, net of taxes	(62,779)	-	-	-	-	(62,779)
Charges for company restructuring, net of taxes				(89,911)		(89,911)
Charges relating to early retirement incentives, net of taxes	(89,911)	-	-	89,911	-	-
Parent Company's profit (loss) for the year	**1,098,166**	**-**	**(15,359)**	**-**	**(5,321)**	**1,077,486**

Economic performance of the segment

Total core income amounted to 3,976.4 million, recording a decrease of 6.0% compared to the previous year.
In particular, net interest income, amounting to 2,285.1 million, decreased overall by 277.2 million, mainly as a result of the contraction in the margins of Direct Funding in the strict sense, linked to the change in interest rates, which brought the 3-month average Euribor rate from 3.0% in the fourth quarter of 2024 to 2.04% in the fourth quarter of 2025. In fact, the Retail segment, which represents approximately 80% of total funding, shows a downturn, standing at 2,079.1 million (-258 million compared to 2024).
Net fee and commission income, amounting to 1,691.3 million (of which 1,523.9 million relating to Retail), showed an increase of 21.7 million, mainly attributable to the recovery of the indirect funding component; these increases offset the fall in other commissions, in particular those of Transactional Bank services. The Institutional segment (52.1 million) maintained values in line with the previous year, with an increase of 3.6 million; the Private segment instead recorded an increase of 8.8 million.
The net financial result recorded growth, mainly due to the reduction in the cost of funding through certificates, mainly attributable to Retail; other net operating income, on the other hand, was down slightly.
Operating expenses amounted to -2,014.7 million, recording a slight increase, due to other administrative expenses. This increase was mostly offset by the benefits deriving from the reduction in personnel expenses, thanks to the full implementation of the early retirement plan. Also for this item, the Retail portion almost completely represents the aggregate.
There was also a decrease in the cost of loans to customers, equal to -303.5 million (compared to -309.0 million in 2024), thanks to the improvement in the riskiness of the portfolio.
Net provisions for risks and charges recorded a positive balance of 10.3 million, compared to the negative figure of 8.9 million in the previous year. This change is mainly due to write-backs for commitments undertaken and the absence of provisions relating to loan assignment transactions and legal disputes with customers.

The Price Purchase Allocation (PPA) recorded a negative contribution of 17.3 million.
Banking industry charges (net of taxes) of -5.8 million, relating to the contribution to the Interbank Deposit Guarantee Fund (FITD), and charges for company restructuring (net of taxes) of -10.2 million, relating to costs incurred and envisaged for the streamlining of the branch network and for the voluntary redundancy incentive schemes for employees close to qualifying for pension rights, were charged to the income statement for the current year.
As a result of the above, Commercial closed 2025 with a profit of 1,074.1 million, with a contribution of 926.3 million from the "Retail" segment, 118.1 million from the "Institutional" segment and 29.7 million from the "Private" segment.

As illustrated in the introduction, the "Commercial" segment encompasses the management and marketing of banking and financial products/services and loan brokering in the Retail, Institutional and Private segments; more specifically for the Retail segment, the target is primarily individuals and small businesses; the Institutional segment focuses on entities and institutions, while the Private segment's target is individuals, but with assets which, individually and/or at the level of their businesses, are equal to at least 1 million, with activities carried out by the subsidiary Banca Aletti.

More information on the activities managed by the business segment in question is provided below.

Retail

Private Customers

Introduction

During 2025, Banco BPM carried out a complex set of interventions with a view to developing the range of products and services offered, in line with the needs expressed by customers, market dynamics, projects launched in previous years and the evolution of the European regulatory framework.
The first area of note is the continuation of project activities in the e-money sector, entailing the structural renewal of the channel offering, including payment cards and POS, through a strategic partnership with Numia, with a view to standardise the products, introduce innovative solutions and improve the overall experience.
At the same time, the measures envisaged by Regulation (EU) 886/2024 on collection and payment services were implemented, thanks to the introduction of new operating functions and specific communication initiatives.
Another important project regards that undertaken following the new partnership between Banco BPM and the Crédit Agricole Assurances Italia Group, with the consequent rebranding of Vera Assicurazioni and Vera Protezione, which became PiùVera Assicurazioni and PiùVera Protezione.
In terms of the range of products offered, the creation of the MultiProtezione Business product began, linked in particular to the Natural Catastrophes module, following the provisions of Law no. 78 of 27 May 2025, with the consequent obligation for companies to have insurance coverage against damage caused by catastrophe events.
With regard to direct channels, the web and app platforms were further optimised and updated, with the introduction of new services and the continuous improvement of customer use processes.
The Group strengthened its remote sales processes, both online and in self mode, for the majority of the products and services offered, also strengthening direct sales through the Digital Branch.
Significant attention was paid to ESG issues, with particular reference to the 'green' loan products, aimed at both individuals and businesses, confirming Banco BPM's commitment to being a benchmark in the 'green' transition process.
With regard to loans to individuals, attention was focused on the new generations with the "Mutuo You Giovani Green" [Green Mortgage Loan for Young People] for customers under 36, supported by the First Home Guarantee Fund (CONSAP), and the Student Loan, which makes it possible to obtain subsidised financing for a course of study, guaranteed by the "Fondo per il credito ai giovani" [Young People Credit Fund].
Instead, as regards businesses, the Smart Lending service was developed further, to give customers the opportunity to request unsecured mortgage loans in an increasingly easy and complete manner, also with FGPMI (Guarantee Fund for Small and Medium Enterprises) guarantees.
Last but not least, in continuity with the work carried out in previous years, and to ensure that the evolution of customer needs is continuously assessed, the timely monitoring of the Customer Experience continued for almost all stages of the life cycle.

More information on the activities managed by the business segment in question is provided below.

Banco BPM's Private customers include all private individuals, with the exception of Private Banking customers, natural persons who are either Personal, Premium or Universal customers.
In December 2025, Private customers broke down as follows:

Segment	no. of customers with current account	% of customers with current account
Universal	2,294,760	72.9%
Personal	583,048	18.5%
Premium	226,452	7.2%
Other Retail segments	44,669	1.4%
Total Retail customers with a current account (including card accounts)	**3,148,929**	**100.0%**

Products, services and loans for private Retail customers

Current accounts

The commercial offer of funding products, for consumers and non-consumers, has been constantly adapted to the needs expressed by the market and the Group's objectives.
Among others, the objective of expanding the customer base plays a primary role and, in this sense, several acquisition initiatives have been released on Conto You and Conto WeBank accounts, adapted to changing market conditions, both in terms of benchmark and of reference rates.
The transmission of the aforementioned offers took place mainly through the Group's commercial websites, advertising campaigns and other digital communication channels.
Online onboarding, i.e. acquiring customers through online processes, has become a key contribution of primary importance to intercept new customers, also thanks to the continuous improvement of the multi-channel service offered by the Bank.
With regard to maintaining volumes, the closure of some branches during the year led to the need to implement specific retention initiatives to support the Network in this delicate transition phase and not to lose the customer base.
Some interventions related to transactions on current accounts were envisaged, especially starting from 9 October 2025, when the Bank adapted to the new rules dictated by the European Regulation on Instant Payments (Regulation EU 886/2024, which aims to modernise and standardise electronic payments throughout the EU), with the consequent updating of all contractual bases.
This adjustment made 24-hour, 7-day-a-week instant bank transfers (SEPA) in euro mandatory for banks and payment service providers (PSPs), without additional costs compared to ordinary bank transfers, also introducing the mandatory verification of IBAN/name of the payee to increase security and reduce fraud.

E-Money - Payment cards

In 2025, the payments sector went through a phase of profound transformation, driven by three main forces: technological evolution, the increase in demand for digital services and the need to ensure greater inclusiveness in access to financial instruments.
In this competitive scenario, Banco BPM has embarked on a process of renewal aimed at consolidating its position in the payments market, improving the customer experience and aligning itself with the international standards imposed by the main circuits.
The partnership with Numia represents a key element of this process. The objective is twofold: on one hand, to standardise the range of cards and services, and on the other, to introduce innovative solutions that meet the needs of customers, increasingly oriented towards digital, secure and easy-to-use tools. The project with Numia is part of a broader strategy to modernise the product portfolio, rationalise operating costs and strengthen competitiveness with respect to the main players in the sector.

The main characteristics of the new Numia payment cards are as follows:

- Inclusiveness and Accessibility:
  - the new payment cards have an inclusive design, with a side groove that facilitates orientation for customers with visual impairments;
  - this solution allows autonomous use of the card at POS and ATMs, without the need to read words or symbols;
- Innovation and Digitalisation:
  - the PIN (Personal Identification Number) of the new Numia payment card is dematerialised and sent via SMS to the cardholder's mobile phone;
  - compatibility with the main digital payment wallets - Apple, Google, Samsung and Fidesmo: the cards can be loaded into the wallets and used for payments with a smartphone or connected device (ring, bracelet, watch);
  - autonomous management of the card through the Bank's Digital Identity service: the cardholder can control spending, suspend/reactivate the card if necessary or change its limits through the App or home banking.

New Numia Consumer Debit Cards

2025 was the year in which Numia and Banco BPM launched the process of harmonising the products and services offered in the Issuing area, also made necessary by the different operating systems adopted by the Bank and the new Issuer, which led to the release of the first new Numia products.
In July, the placement of the new Numia National and International Consumer Debit cards began, replacing the green debit cards.
In September, the new International Minor Debit Card was made available to holders of a "Let's Bank" account between the ages of 14 and 17: a card designed for young people who often travel abroad and who are increasingly smart.
In August, the campaign to replace Maestro debit cards resumed, with the proposal to migrate to the Numia debit card. The operation enabled the Bank to rationalise the portfolio of debit cards in stock and align the offer to market standards.
At the end of the year, almost 500,000 customers had become cardholders of the new Numia Card; by 2026, all holders of consumer debit cards, over 2 million customers, will be migrated to the new Numia Consumer Debit Card.
With regard to the digital adoption of payment cards, 2025 also confirmed the growth already seen in recent years: from 600 thousand cards digitised in 2024 to over 800 thousand in 2025 and spending through Mobile Wallets increased from 1,400 million in 2024 to over 2,500 million in 2025.
2025 saw substantial continuity of operations and monitoring with the previous year as regards consumer credit and prepaid cards, as well as for the entire commercial perimeter as envisaged by the partnership agreements with Numia. At the same time, activities were launched for the creation of new Numia consumer credit and prepaid products, which will be released starting from the first few months of 2026.

Omnichannel services

Digital Marketing

In 2025, Artificial Intelligence represented the backbone of publishing and content production activities in support of digital communication.
The evolution and consolidation of AI tools have made it possible to further optimise, both in terms of quality and quantity, the creation of content for customers and prospects, making processes more efficient, scalable and consistent with business needs.
Within a structured editorial flow, an even broader, more diversified and data-driven offer of content was developed, able to cover not only commercial needs, but also key topics such as financial education and banking security.
In the field of SEO (Search Engine Optimisation), i.e. the set of strategies and techniques to optimise a website and improve its positioning on search engine results, the goal continued to be to manage digital business in an evolved manner, intercepting every opportunity for growth and anticipating changes in the scenario.
In continuity with the digital evolution process, in 2025 a new partner was chosen as a supplier in the media and digital advertising sector, with the aim of bringing innovation and supporting advertising campaigns from an omnichannel perspective.
All these initiatives have contributed to consolidating a synergistic approach between content, advertising and digital optimisation, to strengthen Banco BPM's digital presence.

Enablers and online sales methods

During the year, activities relating to the evolution of the service model continued, as envisaged by the Strategic Plan. The Digital Identity contract, as a fundamental element of the Digital Bank and Omnichannel model, which enables customers to have all of the tools they need to communicate and interact with the Bank digitally and online, was signed by over 1.85 million customers as at 31 December 2025.
This result was also achieved thanks to the gradual extension of the products in the catalogue for which a Digital Identity is required (for example the Numia National and International Debit Cards).
In addition, from November, the opportunity to obtain a Digital Identity was also extended to those who are not accountholders (such as delegates and carers of fragile individuals) thanks to a new version of the contract.
To encourage greater dissemination of omnichannel digital solutions, the plan for the adoption of digital signatures in the branch continued, with the gradual extension of the products that can be subscribed, including, for example, the Numia National and International Debit Card, Conto You [You Account] and Agos Loans.
The efficiency of web platforms continued through the enhancement of existing functions and the optimisation of processes used by customers.
Starting from October 2025, the web channel was adapted to European legislation (European Regulation EU 2024/886), allowing the execution of instant bank transfers of any type (recurring and for tax deductions). On this occasion, the so-called VOP (Verification of Payee) was introduced, which allows for greater security in payments thanks to the real-time verification of the correct payee/IBAN.
The transfer of the E-money business from Banco BPM to Numia saw the release of the sale of the new international debit card Numia during the year. Customers can independently request the card, activate it and manage its after-sales service directly on the web.
In the coming months, the range will be expanded with credit and prepaid cards, which will replace the current payment instruments.

Onboarding

In the last quarter of 2025, a new application solution was introduced, as an additional security control, which increases control over the validity of contacts (e-mail and telephone), provided by customers during the registration phase. In fraud attempts, it is common for the requestor to activate an e-mail address shortly before starting the onboarding process. To this end, the new application envisages specific controls: in particular, digital contact details (e-mail and mobile number) are analysed and their presence and consistency on the web (internet and social networks) is verified, based on predefined parameters, a "reliability" score is therefore assigned. In addition to the checks on e-mail/mobile phone number and web, a check of the IP address of origin was activated to verify whether its validity.
Online onboarding continues to play a central role in the issue of cards and the development of Banco BPM's customer base, so much so that around 30% of the current accounts opened with Banco BPM during the year originate from online activations.

Accessibility

The process launched in 2022 to ensure the technological accessibility of digital tools continues with constant interventions on platforms and documents for private and corporate customers, in compliance with Italian and European regulations and the Web Content Accessibility Guidelines (WCAG).
The primary objective is to continuously monitor and improve the user-friendliness of the Bank's digital assets, eliminating any barriers and ensuring inclusive access, with particular attention to the needs of people with disabilities or other difficulties.
Significant improvements were introduced in 2025, in particular on the accessibility of transparency documentation and reporting materials. In 2026, the programme will continue with the adaptation of additional documents available on digital channels.
To ensure an increasingly inclusive digital experience, the planning of training initiatives dedicated to the development of advanced skills in the design and management of accessible services and documents will continue.

Mobile banking developments and investments: private customers

During the year, the App for private customers underwent continuous changes.
Among the major features released during 2025, the following are noteworthy:

- new "For you" section: the continuous evolution of Banco BPM apps has focused on strengthening the commercial offer, introducing a new showcase for the mobile channel. The recent introduction of new products and services (Agos, Switcho) and the opportunities resulting from the new partnerships (Numia, CAA) have made it necessary to define a commercial offer model in the digital field. The showcase aims to put the customer's needs at the centre, thanks to a personalised and innovative experience: the space has been designed with captivating graphics and intuitive navigation;
- new product sheets: a process of restyling existing product landings and creating new product sheets was launched;
- account transactions: the App has been enhanced with the graphic identification of brand logos. The service, already available to all customers, was created in collaboration with a leading Fintech (a company specialised in data intelligence solutions for the financial sector and one of the main Fintechs at European level). Banco BPM is one of the first banks in Italy to offer this type of service;
- new instant bank transfer: in compliance with the provisions envisaged by European Legislation (Regulation EU 886/2024 published in the Official Journal of the European Union on 19 March 2024), the app channel was also updated in October 2025 with the introduction of the new instant bank transfer envisaged for all types of bank transfers (including recurring and tax deductions). On this occasion, the so-called VOP (Verification of Payee) was introduced, which allows for greater security in payments thanks to the real-time verification of the correct payee/IBAN;
- video call for fraud: to ascertain that it is actually the customer who has carried out a transaction, in the event that the control systems detect suspicious activities, it may contact the customer via a video call on the App;
- E-money project: the transfer of the E-money business from Banco BPM to Numia saw the release of the sale of the new Numia debit card during the year. Customers can independently request the card, activate it and manage its after-sales service directly on the App. In the coming months, the offer of Numia cards will be expanded with the introduction of credit and prepaid cards, which will replace the current payment instruments sold;
- quick tips - post-transaction banners: new "Quick Tips" commercial banners were introduced, designed to enrich the digital experience and facilitate the subscription of products and services in self mode on the App. The banners are shown to the customer immediately after the execution of an order, proposing solutions that they do not have and offering a direct link to the landing page or service to be activated.

Trading and investment implementations

In 2025, the projects developed on the platforms for private customers as regards trading and investments were focused on:

- redetermination of investment grade OTC bonds: in July, for Webank customers, the criteria for determining the investment grade for pure OTC bonds were revised, expanding the basket of negotiable securities;
- extension of SeDeX trading hours: in September, the trading hours of the SeDeX market were extended;
- new EOM Options: in October, options were introduced on the E-mini S&P 500 with expiry at the end of each month (End Of Month Options).

Also thanks to the "running" activities for the development and updating of the Apps, the percentage of customers operating through mobile channels has increased: as at 31 December 2025, 58.8% of operating accounts had placed purchase and sale orders through the App, 31.8% of trading volumes were mobile (vs. 28.5% in 2024).

Mobile Banking evolution: companies

The YouBusiness Web and YouBusiness App digital platforms also underwent several updates aimed at improving their functionality and regulatory compliance. The implementations made during the year concerned, in particular, the adaptation to the requirements introduced by the new regulations on instant bank transfers, with the aim of ensuring more efficient operations aligned with the required standards.
Thanks to these developments, a greater number of functions integrates the instant payment method with commissions equivalent to an ordinary bank transfer. On this occasion, the so-called VOP (Verification of Payee) was introduced, which allows for greater security in payments thanks to the real-time verification of the correct payee/IBAN.

In addition, specifically for the YouBusiness App, further innovations have been introduced, including:

- the possibility of authorising the advance of invoices directly from a mobile phone;
- an intervention to optimise safety standards, aimed at improving the protection of operating processes.

Small business customers, the reference target of the YouBusiness App, have a coverage of 52.4% (November 2025). In addition, the feedback in the ratings received on the stores (iOS and Android) is very positive.
Among other activities, YouBusiness Web has integrated new functions such as Bulk Payment via Open API, useful for the massive management of payments, and has industrialised the VOC (Voice of Customer) project, which makes it possible to obtain feedback from customers in order to continue to improve the experience.

The table below outlines the trend for customers with multi-channel services:

Product/Service	End of 2025 figures	End of 2024 figures	% Change
No. of customers with the Home Banking service	2,278,318	2,207,222	3.2%
No. of customers with Digital Identity	1,886,681	1,678,061	12.4%
No. of pure digital customers (WeBank)	286,263	280,625	2.0%

% customers making transactions	End of 2025 figures	End of 2024 figures	% Change
% customers making online transactions against total customers making transactions	64.0%	61.2%	+4.6%
% customers making mobile transactions against total customers making online transactions	82.2%	80.1%	+2.7%

Conversational App

2025 saw the strengthening and consolidation of the functions of the Conversational App, with the aim of structurally reducing the volumes of assistance managed by Customer Support & Development (CSD) operators and further strengthening the reactive and proactive relationship model with customers.
The Virtual Assistant (VA) continues to be the central channel for the intelligent management of customer contact, offering support and responses in real time and favouring increasingly simple and effective access to the Bank's assistance and commercial services. In addition, the hand-over functions for Customer Service and the Territorial Network were consolidated, guaranteeing continuity and quality of the omnichannel experience in use.
During the year, a new method of voice interaction was introduced, based on a dedicated voice of the Assistant, which overcomes the previous use of the generic voice deriving from the user's device. This evolution strengthens the identity of the VA, improves the quality and uniformity of the interaction experience and expands the options of using the conversational channel, contributing to the improvement of the customer experience.
In parallel, the transition of the Virtual Assistant to a cloud infrastructure was completed. This technological evolution makes it possible to benefit from greater scalability and flexibility, making it possible to efficiently manage traffic peaks, accelerate the introduction of new functions and support the evolution of the service in a more agile way. The adoption of the cloud is also a fundamental enabler for the continuous innovation of the Conversational App and for the improvement of overall performance.

Customer Support and Development (CSD) and Digital Branch

The CSD - Digital Branch operated in continuity with the development process started in previous years, continuing to consolidate the integrated management model of assistance and commercial support activities. The activities were carried out in line with the Omnichannel Customer Journeys and with the guidelines of the Strategic Plan, contributing to strengthening the relationship with customers belonging to the various business segments.
The CSD - Digital Branch continued to support the Bank's commercial initiatives with an approach oriented towards proactivity and specialisation, favouring more structured management and guaranteeing approximately 54% of commercial activities out of the unit's total in 2025.
Also in this area, the Digital Branch launched a customer revitalisation project aimed at clusters characterised by a low level of relationship and a gradual decline in interactions in the previous 12 months, without the generation of sales documents. The main objective of proactive contact is to re-establish the relationship with the customer, even before proposing commercial initiatives, guaranteeing listening, proximity and continuity over time.

The project combines the evolution of the service model and the enhancement of the customer experience, exploiting the complementarity between digital and physical channels, thanks to collaboration between the Marketing and Commercial departments.
The evolution of digital channels has also enabled the development of a new contact method by sending a notification in the App, which allows the customer to choose whether to start a chat with a consultant of the Digital Branch or set a callback to learn more about a specific initiative. This method aims to make interaction more flexible and improve the effectiveness of commercial initiatives.
During the year, the commercial activities relating to the porting of POS products were finalised, thus successfully completing the process started in 2024. Continuity of debit card replacement transactions was also ensured. The Digital Branch then offered active support to customers interested in advertising campaigns, with particular attention to the area of mortgages and POS, guaranteeing assistance both in the information phase and in the orientation towards the Network.
In terms of assistance, the CSD continued to develop the services offered. In particular, since January 2025, for Banco BPM customers, the CSD has directly managed the entry of cases of disavowels of transactions performed, simplifying the process for the customer and ensuring greater efficiency in case management.
The fraud prevention process was also strengthened through the introduction of video collaboration to support customer identification and protection activities.
In addition, during the year, the unit strengthened the internal training course in the field of Assistance for Corporate customers, with the aim of developing the skills of personnel in managing support for the use of the YouBusiness Web site.
In parallel, support activities for digital self-sales and digital onboarding of Network customers were further consolidated, contributing to more efficient and integrated business continuity. The inbound optimisation process has also promoted the more stable and consistent management of requests, thanks to an increase in digital and self-service solutions and the integration of the various channels, with the support of the Virtual Assistant.

Private Mortgage Loans

In 2025, market conditions encouraged a recovery in the disbursement of residential mortgages. In this context, Banco BPM continues to be a benchmark in the sector, by always maintaining its mortgage products competitive, also through effective commercial and omnichannel marketing initiatives.
At the same time, the Bank maintained its commitment to the redevelopment of residential buildings, with offering mortgages for purchase, construction and renovation, as well as concrete incentives for those who make their property more efficient. The "Green Factor" clause continues to be a core feature, as it offers a discount on the interest rate of -10 bps following work to make the property more energy efficient, which leads to a reduction of energy consumption of at least 30%, or an improvement of at least 2 classes as certified by the comparison between the EPC before the work and that after the work. The promotion for the purchase of properties in energy class A or B, with a discount on the spread of -20 bps is also worth noting.
The focus on the under-36 target also continues with the "Mutuo You Giovani Green" [Green Mortgage Loan for Young People], supported by the Fondo Garanzia Prima Casa [First Home Guarantee Fund] (CONSAP), which has contributed to maintaining a high level of interest in the product.
The focus on the young people target is also confirmed by the Prestito Studenti [Student Loan], which enables deserving students who lack sufficient financial means, to begin or continue a course of study thanks to loan guaranteed by the "Fondo per il credito ai giovani" [Youth Credit Fund] managed by Consap S.p.A..
Starting from December 2025, Banco BPM entered into an agreement with the Department for youth policies and the Universal Civil Service that makes the Student Loan visible through the IO App, at conditions dedicated to all holders of the Carta Giovani Nazionale [National Youth Card].
The Group continued to support customers affected by natural disasters or who found themselves in difficulty in paying their mortgage instalments. 515 suspensions were granted, for a total suspended capital of 3.6 million.

Consumer credit

The disbursement of personal loans and salary-backed loans regarding almost entirely Agos Loan products, the company with which the Bank has a distribution agreement for Consumer Credit products. 2025 was characterised by important innovations, including the release of the digital signature in the branch in June, with a view to sustainability and digitalisation.
In continuity with previous years, with the intention of increasingly expressing its constant proximity and attention to the needs of its customers, the Group has continued to propose recurring initiatives, thanks to which the customers

targeted have been able to benefit from advantageous conditions. Particular attention was paid to employees of companies with current accounts at Banco BPM, to whom a dedicated offer was reserved.

Advances on severance pay for employees of the Public Administration

Banco BPM continued to maintain a high focus on the advance payment of severance pay (TFS) for employees of the Public Administration. The agreements signed with the main Institutions and Professional Associations of the country were confirmed and two new agreements were formalised in 2025.

Investment products

In light of the macroeconomic scenario in 2025, the volumes of assets under management were mostly distributed in asset classes with a predominantly bond component, while maintaining a portion invested in flexible products with a balanced and equity component of between 20% and 30%.
The placement of Mutual investment funds, maintaining the characteristics of an open architecture system, entailed Anima SGR as the main partner.
The main funds in time windows, available in certain pre-established placement periods, include: Anima Traguardo Flessibile 2030, 2031, Anima PrimoPasso PAC 2028, 2029, Anima Obiettivo ESaloGo 2028, which promotes environmental and social characteristics and Anima Megatrend 2030. The offer was completed with investment solutions in PIR Funds, in particular Anima Tricolore Corporate Plus 2030. These issues allowed customers, on one hand, to seize the opportunities resulting from the tax benefits of PIR funds, within the limits envisaged by current legislation, and on the other hand, to benefit from further portfolio diversification given the specific nature of the investments envisaged for this type of Mutual Fund.
In July, the offer of assets under management was expanded with the introduction of three new Asset Management lines of Banca Aletti (for assets exceeding 500 thousand euro) consistent with Art. 8 of the SFDR Regulation.
IT developments continued on the insourcing into Banco BPM Group of the insurance joint ventures in the life and pension sectors, previously stipulated with Cattolica Assicurazioni S.p.A., which, following the acquisition of the latter, were transferred to Assicurazioni Generali S.p.A..
Therefore, the ALLin application was gradually replaced, adopting the new Universo front and back end. In detail, the migration of the BBPM Life portfolio took place in mid-December 2024 and the migration of the Vera Vita portfolio took place in mid-May 2025.
The Group's offer of insurance investment policies continued through Banco BPM Vita, BBPM Life and Vera Vita.
In this context, customers continued to favour the BBPM Life product called Multi Obiettivo Personal. A new policy called BBPM Life Multi Obiettivo Personal Pro was made available in August. It represents a restyling of the M.O.P. policy, made necessary as a result of the new POG regulation and relative target market framework adopted by the Company in order to adapt to the provisions of the IVASS Letter to the Market of 2024.
The Unit-linked policy makes it possible to invest in internal and external Funds, providing a wide range of solutions, and enables the investment to be adapted, where necessary, to changed market conditions in line with the needs of the customer.
Customers were also able to opt for other types of Class I investment policies including: BPMVITA Coupon Plus, for which several specific commercial campaigns were carried out during the year, Vera Vita Rifugio Plus and BPMVITA Accumula 3; this type of product is able to guarantee coverage of the customer's invested capital and a return linked to the segregated funds.
In July, the proposal of Class I policies was integrated with the new Banco BPMVITA Club product, dedicated - given the minimum subscription amount - to constituting a long-term component of the portfolio with an intermediate return between monetary and bond investments.
With regard to Multi-segment policies, the placement of the BPMVITA Personal Insurance product continued, a policy that allows customers, in the medium-term, to build an investment solution compatible with their risk/return profile.
The offer of pension products also continued with an Individual Pension Plan insurance product by Vera Vita, called Pensione Sicura, and with two Open Pension Funds, one by Anima SGR (Arti & Mestieri) and one by Vera Vita.
In line with previous years, the Group issued certificates, meeting customer preferences with products characterised by a financial structure aimed at protecting capital (Equity Protection).
The so-called memory effect mechanisms of periodic coupons with participation in the revaluation of the underlying assets with caps have been added to some structures.
With regard to the underlying assets of the issues, particular attention was paid to the FTSE Mib, Global Select Dividend 100, SMI and Eurostoxx 50 stock market indices, and to a basket of sector indices.

In order to diversify the issuer credit risk and reduce the concentration of the issuer Banco BPM within the portfolios, several issues of certificates of Third-Party Issuers were placed with the Commercial Network.
At the beginning and end of the year, the Bank also issued structured bonds of Third-Party Issuers, with fixed coupons and digital coupons linked to the performance of an underlying equity index, to allow customers to subscribe to a new financial instrument, characterised by protection of the capital on maturity.

Bancassurance Protection

Following the partnership between Banco BPM and the insurance companies Banco BPM Assicurazioni, Vera Assicurazioni and Vera Protezione, belonging to the Crédit Agricole Assurances Italia Group, 2025 was mainly dedicated to preparatory activities for:

- the migration to the new IT systems of the Insurance companies (Banco BPM Assicurazioni in March, Vera Assicurazioni and Vera Protezione in September);
- the rebranding of Vera Assicurazioni and Vera Protezione, which became PiùVera Assicurazioni and PiùVera Protezione (September);
- the merger of Banco BPM Assicurazioni into PiùVera Assicurazioni (November).

With regard to product development, in the first half of the year, activities aimed at managing the MultiProtezione Business product were implemented, in particular relating to the Natural Catastrophes module.
At the end of October, the new "PiùProtezione Prestiti" policy was launched on the Network, a CPI dedicated to private sector employees who take out an Agos personal loan.
In addition, the 2026 product launch plan was shared with the Insurance companies.
With regard to digital channels, discussions with the Insurance companies continued in 2025, regarding the relaunch and strengthening of the same, together with the study of insurance distribution support tools.

Listening to customers

In continuity with the work carried out in previous years, also in 2025, Banco BPM's model of listening to the voice of the customer continued, with the monitoring of the Customer Experience at almost all stages of the financial life cycle. Consumers/end users are directly involved through questionnaires (hereinafter surveys) at different times:

- after subscribing to a product (branch/online);
- after performing a transaction (branch/online);
- after using the assistance service (operator/chatbot);
- at other times in the relationship (Customer Satisfaction, "ad hoc" research).

For the Customer Satisfaction survey, the contact frequency is annual, for the other surveys on average once per quarter. Contact can be made by phone or via the web (e.g. within the digital Web and App platforms of Banco BPM, via e-mail, etc.).

Customer Satisfaction Survey

The Relational Customer Experience, or Customer Satisfaction survey was conducted, and involved around 185 thousand Retail, Private and SME customers. Approximately 80% of the interviews were conducted by phone (CATI method), while the remaining 20% via web questionnaire (CAWI method).
Satisfaction was measured using the Net Promoter Score (NPS), which monitors how likely a customer is to recommend the Bank.
The Customer Satisfaction survey also assesses satisfaction regarding the aspects closer to the branch (e.g. active listening, competence, queuing at the cash desks, availability, etc.).
To continuously monitor the level of service perceived by customers, all results and insights of the Customer Satisfaction survey were published and made available to colleagues in a portal called "La voce del cliente" [The customer's voice], accessible from the company Intranet.

The Customer Feedback Management platform and the Close the loop

Customer feedback is constantly monitored, also thanks to the support of a CFM (Customer Feedback Management) platform, in order to generate results that make it possible to carry out actions, with a view to "continuous improvement" (Close the loop).

Close the loop is a set of two processes (Inner and Outer loop):

- the Inner Loop is a Caring process, which takes place by recontacting individual customers in order to solve the problem and collect useful elements, to be submitted to marketing for the improvement of the processes;
- on the other hand, the Outer Loop is a process of structural improvement, which aims to intervene on platforms, products and services, with increasing priority as the statistical weight of the issues raised by customers increases.

Business Customers

There were approximately 460 thousand Business customers with a current account as at 31 December 2025, of which:

Segment	no. customers with current account	% compared to total businesses
Small Business Operators	145,301	31.6%
Businesses	134,349	29.2%
Companies	40,638	8.9%
Condominium Associations	95,189	20.7%
Other businesses	42,800	9.3%
Public Sector CIM and Third sector	1,394	0.3%
Total	**459,671**	**100.0%**

The distribution of customers (unique customers with current accounts) by turnover level confirms the significant concentration in the class of up to 25 million already recorded in previous years, attesting to the vocation of Banco BPM Group in its relations with medium-sized companies.

Regarding the breakdown of customers by production sector, real estate and commercial activities continued to represent the most significant areas, followed by those related to construction and manufacturing activities.

Production sectors	no. customers with current account	% compared to total businesses
Real estate activities	120,475	26.2%
Wholesale and retail trade, repair of motor vehicles and motorcycles	70,938	15.4%
Manufacturing	46,354	10.1%
Construction	43,780	9.5%
Other service activities	31,817	6.9%
Accommodation and food service activities	27,120	5.9%
Agriculture, forestry and fishing	21,659	4.7%
Professional, scientific and technical activities	21,931	4.8%
Transport and storage	13,711	3.0%
Arts, sports and entertainment	12,096	2.6%
Rental, travel agencies, business support services	11,765	2.6%
Other segments	38,025	8.3%
Total	**459,671**	**100.0%**

The distribution of Business customers includes a significant proportion of small and medium enterprises, for which the Group further strengthened its activities in 2025, thereby confirming its role as the Bank of reference and support for the entrepreneurial fabric in the main areas served.
More specifically, this entailed the offer of dedicated products and services, illustrated below.

Collection and payment services

2025 saw the application of the directives contained in Regulation (EU) 2024/886, with which the European legislator introduced a series of changes with the aim of guaranteeing a faster, safer and more efficient payment system, promoting competitiveness and innovation.
The adjustment was carried out in two subsequent steps. The first, effective from 9 January 2025, saw all the Payment Service Providers (PSP) operating within the European Union, therefore also all the banks of the Group (Banco BPM, Banca Akros and Banca Aletti), implement measures to:

- guarantee the receipt of instant bank transfers for all current accounts, where the receipt of ordinary bank transfers is already present;
- equate the commission applied to the outgoing instant bank transfer to those in place for the ordinary bank transfer initiated by the same channel (therefore exclusively online);
- adopt new "sanction screening" approaches with a view to preventing fraud.

With the second step, effective 9 October 2025, the following new features were introduced:

- restriction for each transfer order, both ordinary and instant, to the prior verification (through the VOP - Verification of Payee service) of the coherence between the personal data of the payee and those recorded by the payee's bank;
- guarantee of the availability of the instant outgoing bank transfer for all current accounts that offer the ordinary bank transfer in order mode and on all channels (electronic, branch, service, etc.);
- possibility of modulating the maximum amounts that can be transferred by instant bank transfer.

All interventions were accompanied by a specific communication plan with the aim of providing customers with all the support needed to use the new functions in a timely manner.
At the same time, an internal training process was activated through dedicated sessions and with the help of specially prepared training material.
The new rules had a significant impact on the operations of customers, who demonstrated full satisfaction with the instantaneous transfer method, now equal to more than 25% of all outgoing orders processed by the Group (from around 4% at the end of 2024).
The growth trend of the pagoPA bills processed continued, confirming the satisfaction with this type of payment, particularly facilitated by the presence of the QR code, the use of which facilitates and simplifies payments, eliminating any possibility of error related to manual entry of the details of the transaction.
Lastly, the migration to the "YouInvoice" Plus platform was completed for customers who subscribe to the electronic invoicing service for the integrated management of the receivable/payable cycle of invoices, as well as their storage in accordance with the law.

E-money - POS and Acquiring

In 2025, the Numia-Banco BPM partnership saw the completion of the migration of the customer stock to Numia. The launch of innovative types of POS has allowed the development and acquisition of new customers, both in the Retail and Corporate areas.
In November, an important marketing campaign was also launched on various national media to launch advantageous offer packages to new merchants and to increase the brand awareness of Numia-Banco BPM.
Furthermore, the Numia-Banco BPM catalogue is currently being prepared for the acceptance of PagoPA payments and the relative migration of the POS of the Entities - Public Administrations segment to Numia.

Loans and lending

The loan products that comprise the various Catalogues seek to meet their main and most frequent requirements: investment, working capital, liquidity, expansion, advances, cash flexibility, unsecured loans.

The growing importance of Sustainability issues within the agendas of Governments and Institutions allows the financial system to take on a leading role in guiding investments towards a low-carbon economy. In this context, Banco BPM, in line with its ESG strategies, intends to be a reference partner for companies in the important process towards green transition.
In this regard, the "Green Transition Approach" financing solution is available, the purpose of which is to support corporate investments with green purposes aligned with the environmental objectives set forth in the EU Taxonomy.

Following the methodology proposed with the "Green Transition Approach", efforts continue to provide support and to promote plants involved in the specific area of producing energy from renewable sources, through business financing solutions.
During 2025, again with the aim of facilitating access for companies to the opportunities for subsidies offered by the Transition Plan 5.0, the Bank maintained a ceiling of 2 billion, making these resources available through the broadest medium-/long-term ordinary and subsidised financing solutions. The Transition Plan 5.0 is an incentive measure established by the Italian Government as part of the Decree to revise the NRRP, whose objective is to support the process of digital and energy transition of companies. The resources allocated by the Government for the "Tax credits" measure under the NRRP/REPOWER funds for 2024 and 2025 amounted to approximately 6.3 billion. Companies with production facilities located in Italy that make new investments in innovation projects that reduce energy consumption can access the incentives, granted in the form of tax credit.
Furthermore, work continued to develop and update the types of loans, with a view to guaranteeing an offer that is always able to meet market needs and at the same time can be successfully distributed.
In this context, in February, the new loan product "Chirografario Impresa Sostenibile" [Unsecured Sustainable Business Loan] was completed, a Sustainability Linked Loan whose special feature is that businesses can obtain a loan without any limitation on what the funds are used for, on condition that they make a real commitment to environmental, social and governance sustainability. The product was created with the aim of being modular and customisable based on the specific needs of the customer, also in consideration of the best product practices at national and international level.
Lastly, the catalogue includes the "Finanziamento Chirografario Tassonomia Green" [Unsecured Green Taxonomy Loan] solution with the aim of supporting green projects/investments of business customers with technical requirements consistent with the EU Taxonomy. Alignment with the Taxonomy (including consistency with the technical screening criteria and compliance with the DSNH principle) is certified by a third party.
With regard to the product initiatives launched with the NRRP Plan, Banco BPM provides support to business customers both in their role as direct beneficiaries and as suppliers of the PA, with particular regard to the need for:

- advance payments of grants or of receivables for supplies to the PA;
- financing of investments;
- guarantees in the form of bank sureties for the advance of some of the contributions of the NRRP (depending on the text of the specific call for tenders) and the issue of guarantees for participation in tenders (in the case of Level 2 calls);
- issues of bank reference letters and statements of financial standing.

In addition, a project was launched to refocus the range of unsecured loans to Condominiums, called Ordinary and Energy Efficiency Condominium Loan, intended to finance the costs of building recovery and energy efficiency of common areas, with a view to relaunching the commercial offer.

Smart Lending

In terms of loans to Businesses, through the digital channel (web platforms), customers continued to be offered short-term loans to be paid in instalments to support business liquidity or to facilitate the payment of taxes/13th month wages.
The implementation of the Smart Lending service continued to give customers the opportunity to request MLT Unsecured Mortgage Loans in an increasingly easy and complete manner, also with FGPMI (Guarantee Fund for Small and Medium Enterprises) guarantees.

Invoice Financing

To improve access to financial services by businesses, considerable progress has been made by extending the type of receivables disposal transactions that may be requested through the YouBusiness Web channel.
Various projects were concluded in the area of advance invoices, aimed at computerising the entire management of notifications to debtors of the credit assignment as well as, for the cases envisaged, on receipt of their acceptance.

Other loans

In synergy with the commercial offer of the e-money area, the following loan products were implemented:

- the "Anticipo Flussi POS" [Advance on POS Flow] loan product was enhanced with functions aimed at making it more flexible and more appealing to user customers;

- the "Finanziamento chirografario con Covenant Commerciali" [Unsecured loan with Commercial Covenants] product was integrated with a new type of covenant linked to cashflows collected from POS, through the terminals sold by Banco BPM.

Other activities to support and increase business loans

The Bank has confirmed its commitment to find ways to support businesses, resulting from various emergency situations. The schemes implemented in 2025 in this regard mostly entailed arrangements related to the prompt implementation of the support measures and subsidies dictated by Laws, Decree Laws and ABI Agreements.
Specifically, the following were updated and made available:

- loans with the Guarantee of the Guarantee Fund for Small and Medium Enterprises (Law 15 December 2023 no. 191, Art. 15-bis - so-called Advances Decree);
- extensions, until 31 December 2031, of the duration of loans backed by the Sace SupportItalia guarantee to make debt for companies more sustainable.

Agrifood

The traditional and consolidated focus on businesses in the "Agrifood" sector continued successfully through the synergistic presence of Agricultural Sales Specialists in all Territorial Departments, to support the Network in the phases of contact and visits to businesses in this sector.
Activities in the primary sector continues to focus on the NRRP tenders for "Agri-solar", "Agri-voltaic" and "Biomethane" Parks, through which the Bank made a modular mix of products from the "Sowing Catalogue" available, able to meet and support investments and advance payment requirements.
In addition, mention should be made of the activities relating to the rural development programmes (RDPs) carried out by the individual regions and supported by the Bank through the "Siamo con Voi al 100%" [We are with You 100%] initiative.
Lastly, in light of the increasingly important focus on issues related to Sustainability, the Environment, and on the leading role that Banco BPM Group plays in supporting the Italian Agricultural Sector, an inter-functional working group was created in 2025, with the aim of exploring and developing concrete projects in the field of sustainable agriculture, to support the agro-ecological transition, the efficiency of resources in agricultural processes consistent with the new market guidelines and national and European regulations.

Subsidised Financing and Guarantee Bodies

Banco BPM continued to disburse subsidised loans to businesses and households, with a view to facilitating access to credit, or to reducing its cost.
These loans feature public guarantees (e.g. Guarantee Fund for SMEs, ISMEA Guarantee Funds, SACE Guarantees, Confidi).
The most significant initiatives in 2025 were as follows:

- the Bank continued to support businesses of all sizes and sectors, through the use of SACE guarantees, aimed at both liquidity needs and investment projects, granted at market conditions. Banco BPM has joined the "SACE Growth" agreement to cover unsecured and mortgage loans to businesses. Transactions involving SACE financial guarantees continued outside the agreement, given pursuant to Art. 6, paragraph 9-bis, of Decree Law no. 269/2003, to support investment and working capital for companies involved in the process of internationalisation, or in the preparation of foreign supplies. In addition, Banco BPM also provides the Archimede guarantee (Art. 1, paragraphs 259-268, Law no. 213/2023), intended to encourage investment in infrastructure, local public services and technological and digital innovation, including projects in industry and in social infrastructure, as well as sustainable transition and circular economy initiatives (sustainable mobility, adaptation to climate change and mitigation of their effects). The SACE guarantee was extended to Unsecured Loan transactions in Italy, through the Surety Policy and the Counter-Guarantee, both to cover contracts for the supply of goods, the provision of services or the execution of works;
- the FGPMI guarantee, referring not only to MLT loans, but also to short-term credit facilities and unsecured loans, allows a more extensive use of risk mitigation tools. The Bank increased its guarantee operations on portfolios of new loans, known as Tranched Cover. These transactions are considered, in accordance with Supervisory Regulations, synthetic securitisations, i.e. transactions in which the transfer of credit risk on the first losses (so-called junior tranches) of the portfolio of loans disbursed is transferred to a guarantor (in this case the FGPMI). A "Sustainable Business" version of the loan product with FGPMI guarantee was also

released, which makes it possible to enhance, incentivize and support companies in their commitment to ESG issues. With these characteristics, the loan is qualified as a "Sustainability Linked Loan" (SLL).

Guarantee instruments for enterprises

Collaboration with the Confidi continues, through the strengthening of commercial relations with the Guarantors operating in the Territories, consolidating the support and assistance provided to the companies in the reference territories and refining the commercial offer.

Other State subsidies for businesses

With regard to other schemes that benefit SMEs, Banco BPM also participates in different initiatives that envisage tax relief (interest rate subsidies or non-repayable grants/plant and equipment grants) dictated by various national and regional regulations, thus confirming its close deep-rooted relationship with the local communities served.
In fact, the Bank grants unsecured loans under the national "Capital Goods" subsidy scheme, made available by the Ministry of Enterprise and Made in Italy, with a view to facilitating access to credit for businesses and increasing the competitiveness of the country's production system.
The subsidy supports investments to purchase or lease machinery, equipment, plants, capital goods for production use and hardware, as well as software and digital technologies. With the disbursement of a plant and equipment grant for investments in capital goods and/or investments in digital technologies (Industry 4.0) and/or green investments.
With the aim of consolidating the Bank's support for the productive fabric and local areas, in 2025 the Bank contributed to various regional subsidy measures.
In the Veneto Region, an agreement was signed with the regional company Veneto Innovazione S.p.A. for the management/granting of subsidised co-financing of the Competitiveness Fund - Transition Section, consisting of a portion of regional funds and a bank portion. The loans are intended to support companies that make investments in technologies envisaged by the "Transition 4.0" measures or oriented towards forms of production with a lower energy and environmental impact, or relating to the green and circular economy.
As regards the Lombardy Region, two important subsidy measures were introduced, managed by the regional company Finlombarda S.p.A., which envisage the granting of a bank loan backed by a regional guarantee at 70%, provided free of charge, and a capital contribution:

- The purpose of the Business Development Measure is to facilitate the activation of investments of SMEs and mid-cap companies (MIDCAP) to help strengthen their production and organisational flexibility, also with a view to dimensional growth and to enhance their relative resilience to endogenous and exogenous shocks, with particular reference to the use of new digital technologies;
- The purpose of the Efficient Business Line measure is to facilitate the activation of projects that involve investments dedicated to energy efficiency, through the implementation of interventions to adapt and/or renew production plants, possibly combined with the use of renewable energy, aimed at reducing the environmental impact of production systems, both through the reduction of energy consumption and through the recovery of energy and/or the capture of greenhouse gases from existing production cycles.

In Piedmont, an agreement was signed with the regional company Finpiemonte S.p.A. for the management/granting of the subsidised co-financing of Regional Law 34/04 LINEA A - MPMI - ARTIGIANATO, comprised by a portion of regional funds and a medium-/long-term bank portion to support new investment, development and consolidation projects and for the related inventory needs of artisan businesses.

Operations also continued with regard to the Puglia Region MiniPIA and MiniPIA TURISMO measures.
With reference to national subsidies for tourism companies, the granting/stipulation of subsidised loans under the FRI Tourism measure included in the National Recovery and Resilience Plan ("NRRP") continued.

Institutional

The coordination and commercial support relating to Institutional customers, the Public Administration, Religious Entities, the Third Sector and Centralised Alliances, has been entrusted to the Institutional Customers, Entities and Third Sector Function, which manages the product range offered, developing suitable distribution channels, evolving the service model and developing dedicated products.
The business offices that the Institutional Customers, Entities and Third Sector Function is comprised by, are as follows:

- Institutional Customers, Religious Entities and the Third Sector, to which the following operating segments report:
  - Institutional Counterparty Managers;
  - Institutional Counterparties (dedicated branch);
  - Third Sector and Religious Institutions;
- Centralised Partnerships with alliances external to the Group;
- Entities and the Public Administration.

Institutional Customers, Religious Entities and the Third Sector

Institutional counterparties are the main "supervised" parties such as Insurance companies and Non-banking finance companies, asset management companies (SGRs), SIMs, open and closed-end Mutual Funds, Bank Foundations, Social Security and Social Welfare Entities and Pension Funds. Furthermore, institutional counterparties also encompass the State, Constitutional Bodies, Central State Entities and several Companies part-owned by the Central Public Administration, in addition to Regional Authorities, Healthcare Organisations and Hospitals and Large Municipalities.

Relations with Institutional Counterparties are monitored through a complete service model, which includes managers and specialised employees (bankers) and a dedicated branch, which handles the transactions of the accounts held by Institutional Counterparties Customers.

The breakdown of Institutional customers by type of SAE (Sector of Economic Activity) is as follows (figures as at 31 December 2025):

Type of Entity by SAE (*)	**% Breakdown**
Mutual Investment Funds, Pension Funds and UCITs	36%
SIMs, SGRs and trust companies	6%
Non-banking (Leasing, Factoring) and Consumer Credit companies	4%
Regions, Healthcare Organisations, Large Municipalities and Companies Co-owned by the Public Administration	7%
Insurance companies	4%
Bank foundations	1%
Central Government and Constitutional Bodies	1%
Social Security and Social Welfare Entities	2%
Other companies and financial intermediaries	39%
Total	**100%**

(*) *Group companies are not included.*

The unit that handles Institutional Counterparties also manages the transactions performed for Banco BPM Group companies.

In 2025, activities related to securitisations continued, within which Banca Akros acted as arranger and Banco BPM, through the banking book reserved to Institutional customers as purchaser of the senior notes, thus implementing a path complementary to the more traditional one of direct loans, to support the real economy. An important boost was given to transactions involving less significant banks which, given the end of the TLTRO, were offered forms of dedicated funding for their disbursements to SMEs (with underlying MCC guarantee) or to Private customers (residential mortgages). The first multi-originator securitisation was also carried out with three national Confidi adopting a new formula, in which each of them is the guarantor of disbursements made by one of the others, following a logic of mutual support to direct lending activities.

During 2025, collaboration with Banco BPM Invest SGR continued, through which the Group promotes products and services regarding the private markets to institutional investors.
The launch of a new fund of funds then led to guidance in contacting Institutional customers based on "reporting merits" criteria.

In the second half of the year, dialogue with Anima SGR began, with a view to identifying areas of synergy in the Institutional Customer segment.

Third Sector and Religious Institutions

Customers belonging to the Third Sector and Religious Entities are represented by Third Sector Entities (TSE) enrolled in the RUNTS (Single National Register of the Third Sector) and non-profit non-enrolled entities, amateur sports associations, Federations recognised by Coni, as well as dioceses, parishes, congregations and religious orders. The segment also includes trade unions and political parties.
The regulatory framework of the Third Sector is evolving, especially with regard to the activation of the RUNTS: in fact, activities related to the census of Third Sector Entities (TSEs) have been implemented, to capture all the peculiarities of the same.

Third Sector and Religious Entities customers are broken down by type of SAE (Sector of Economic Activity)/Legal nature as follows (figures as at 31 December 2025):

Type of Entity by legal nature	% Breakdown
Associations	40%
Foundations	3%
Religious Entities (parishes)	12%
Social Cooperatives	4%
Other entities with or without legal status	41%
Total	**100%**

The Third Sector and Religious Entities represent a central customer segment in terms of interest in ESG issues, and Banco BPM has strengthened its sales efforts towards these customers through a dedicated unit, with specialists in each geographical area of action of Banco BPM.
The most important initiatives of 2025 included:

- the launch of the "100 totems in 100 churches" project in collaboration with the Italian Bishops' Conference (Conferenza Episcopale Italiana, CEI), through the development of new digital equipment to allow the faithful and pilgrims to make their donations in e-money in 100 Italian churches spread throughout the country;
- the support and sponsorship of the 2025 Jubilee, which saw millions of pilgrims travel to Rome and the Vatican over the course of the 12 months;
- the sponsorship of the sixth edition of the "Cantieri Viceversa" laboratory, organised by the National Forum of the Third Sector, to ensure the matching of the demand for and the supply of funds between organisations and TSE;
- sponsorship of the CSVnet conference in Palermo, the European capital of 2025 volunteering work, on the topic "Property confiscated from organised crime";
- the signing of the agreement with the Ministry of Made in Italy relating to the "FRI - Impresa Sociale" loan, with which CDP funds are used to support initiatives with a high social impact implemented by Cooperatives and Social Enterprises;
- the granting of new finance for projects with a social impact (for details on the numbers and methodologies adopted, please refer to the section on Sustainability Statement);
- the management and monitoring of activities relating to the Third Sector Portal, dedicated to customers in this segment, which is directly linked to Banco BPM's institutional website (https://www.bancobpm.it/terzo-settore). Through this site, customers can contact the dedicated specialist office, which provides advice and facilitates opening new accounts;
- the signing of agreements with the most important amateur sports associations at national level such as CSEN, CSI and ANSPI, agreements that envisage dedicated current accounts and lines of credit to support investments.

Additional initiatives and projects with a social impact are described in more detail in the Banco BPM Community Report, to which reference should be made for further details.

Commercial partnerships with allies external to the Group

The Institutional Customers, Entities and Third Sector Function is also tasked with supervising and coordinating the unit dedicated to centrally managing commercial alliances with partners external to Banco BPM Group.

These alliances are regulated by specific commercial partnership agreements, which envisage a range of products addressed exclusively to the customers of the external alliance, through a dual distribution channel:

- "off-site" offer, through external financial advisors;
- branch sales, through dedicated branches, in the financial shops of the commercial ally.

The activity is managed by a dedicated unit, included within the Institutional Customers, Entities and Third Sector Function, which has 8 branches spread across Italy.
Direct supervision through a wholly dedicated unit enables commercial agreements to be constantly developed in view of legislative changes, better economic returns and better supervision of operational risks especially as regards Anti-Money Laundering Legislation.

The market for the off-site offer of banking products and services through the networks of financial advisors belonging to independent groups has strong potential and the organisational model specifically adopted, together with the know-how acquired to date by Banco BPM have lain the groundwork for the further development of this business.

Entities and the Public Administration

Pursuant to EU Regulation no. 549/2013 on the European system of national and regional accounts, Entities and Public Administration, or also Public Sector customers consist of:

- Public Administrations, which in turn include the Central Administrations (State and Constitutional Bodies, Ministries and relative Departments, etc.), Territorial Administrations (Regions and Autonomous Provinces) and Local Administrations (Provinces and Municipalities) and Public Social Security and Welfare Entities;
- Public Companies, namely parties that produce goods and/or services for sale, or which are a public corporation, or which are controlled directly or indirectly by the Public Administrations, under specific laws, decrees or regulations.

The Public Sector function is responsible for managing the segment from a commercial, regulatory and administrative perspective. The activity, in relation to the acquisition of relationships and the management of the Public Administration, is conducted with particular focus on the commitments and critical issues that arise, on the limitations of operational risks, risks of image, of credit and from a commercial perspective.
Banco BPM holds UNI EN ISO 9001:2015 quality certification for the management of treasury and cash services and loans to the Public Administration.

Commercial activities in 2025 entailed providing Public Sector counterparties with products and services able to meet their specific needs. In this regard, increasing attention was paid to activities performed by public investee companies in the water sector, local public transport and the waste disposal cycle sector, due to the clear environmental impacts, based on ESG logic.
The NRRP was the subject of specific focus, given the key role of Public Sector in this context.

Entities and P.A. customers are broken down by type of SAE (Sector of Economic Activity) as follows (figures as at 31 December 2025):

Type of Entity by SAE	% Breakdown
Municipalities - Unions of municipalities	38%
Schools and Universities	20%
Companies Co-Owned and Production Companies of Public Services	25%
Other entities	17%
Total	**100%**

Private

As illustrated in the introduction, the "Private" segment includes the management and marketing of banking and financial products/services and loan brokering aimed at private customers, with assets that, individually and/or within their business, amount to at least 1 million. These activities are carried out by the subsidiary Banca Aletti. More information on the activities managed by the business segment in question is provided below.

The Private Banking Network of Banca Aletti closed the year 2025 with a management value of assets under management (AUM - direct funding, administered and managed assets), including accredited customers, of 30.2 billion, up by 2.2 billion against the end of 2024; the figure does not include the marginal liquidity positions of private customers of Banca Aletti with accounts at Banco BPM. The breakdown of assets by technical form remained in line with that of the previous year: 2025 closed with 49.3% of AUM invested in asset management products, 38.4% invested in administered assets and, the residual portion, equal to 12.3%, represented by forms of direct funding.
The constant fall in ECB interest rates led to lower net interest income and, therefore, a decrease in operating income of the Private segment compared to the figure of the previous year. In fact, in 2025, central banks, in particular the ECB and the Fed, continued to adopt a monetary easing policy with rate cuts, driven by falling inflation although still with geopolitical and commercial risks.
The high quality of the investment portfolios made it possible to close the year 2025 with positive net funding of 953 million. The figure for net managed assets and advisory services was also significant, amounting to 690 million.
The strategies for increasing volumes and expanding the customer base provided positive results, in line with Banco BPM's strategic plan, which envisages an approach increasingly oriented towards cross selling. 2025 confirmed the strategic importance of the synergy model with the Corporate and Business world; in fact, the consolidated partnerships between Private Branches, Corporate Centres and Business Centres have made it possible to collect approximately 703 million in net funding. Synergies were complemented and enhanced by the collaboration with Banca Akros and with Corporate and Investment Banking.
During 2025, the Account Specialist service was disposed of. The initiative involved the migration of around 30 customers and their corresponding assets (around 180 million) to the Brokerage unit of Banca Akros, guaranteeing a more advanced, comprehensive service with more functional operating mechanisms. Customers were informed in advance and the migration was managed ensuring absolute operational continuity.
To support development activities, several events were also organised in 2025, open to customers and new potential customers.
During the year, two events were organised for the launch of new Private Markets, aimed at providing the customers involved with a complete view of the financial market and of the very wide range of Banca Aletti products and services, with a focus on the importance of diversification and alternative products.
Events dedicated to the Network were equally important: to intensify the commercial impulse and forge even deeper collaboration between the Management and the Distribution Network, meetings were organised locally with all the branches of Banca Aletti aimed at identifying new opportunities for growth and development.
The central role of human resources in the Bank's business model was further confirmed through career advancement and refresher courses in the main areas of interest, including qualifying, technical/commercial/soft skills and managerial training.

Corporate and Investment Banking

	2025	2024 (*)	Abs. Change	% change
Net interest income	638,905	674,431	(35,526)	(5.3%)
Net fee and commission income	458,026	438,577	19,449	4.4%
Core income	**1,096,931**	**1,113,008**	**(16,077)**	**(1.4%)**
Net financial result	(5,883)	4,277	(10,160)	n.s.
Other net operating income	141	72	69	95.8%
Operating income	**1,091,189**	**1,117,357**	**(26,168)**	**(2.3%)**
Personnel expenses	(122,938)	(115,138)	(7,800)	6.8%
Other administrative expenses	(193,909)	(180,774)	(13,135)	7.3%
Net value adjustments to property, plant and equipment and intangible assets	(4,327)	(4,122)	(205)	5.0%
Operating expenses	**(321,174)**	**(300,034)**	**(21,140)**	**7.0%**
Profit (loss) from operations	**770,015**	**817,323**	**(47,308)**	**(5.8%)**
Cost of loans to customers	(104,297)	(157,538)	53,241	(33.8%)
Net provisions for risks and charges	(13,062)	(1,375)	(11,687)	n.s.
Total adjustments and provisions	**(117,359)**	**(158,913)**	**41,554**	**(26.1%)**
Profit (loss) before tax from continuing operations	**652,656**	**658,410**	**(5,754)**	**(0.9%)**
Taxation charge related to profit or loss from continuing operations	(210,068)	(218,823)	8,755	(4.0%)
Profit (loss) after tax from continuing operations	**442,588**	**439,587**	**3,001**	**0.7%**
Impact of the purchase price allocation (PPA), net of taxes	(1,108)	(1,563)	455	(29.1%)
Banking industry charges, net of taxes	(343)	(4,727)	4,384	(92.7%)
Charges for company restructuring, net of taxes	(1,607)	(8,550)	6,943	(81.2%)
Impairment of client relationships, goodwill and interests in associates and joint ventures	(1,200)	-	(1,200)	n.s.
Parent Company's profit (loss) for the year	**438,330**	**424,747**	**13,583**	**3.2%**

(*) The figures relating to the previous year were restated to guarantee a like-for-like comparison with the profiling criteria used for 2025. The changes to the income statement format, as described in the Results section of this report, which should be referred to for further details, have been taken into account.

The following table shows the reconciliation of the reclassified income statement of the Corporate and Investment Banking operating segment for 2024 with the same statement originally published in the Consolidated report on operations of the previous year.

2024	Income statement 2024	Reclassification of hedging products	Reclassification of restructuring charges	Management reclassifications	Income statement 2024 restated
Net interest income	660,322	-	-	14,109	674,431
Net fee and commission income	429,328	6,668	-	2,581	438,577
Core income	**1,089,650**	**6,668**	**-**	**16,690**	**1,113,008**
Net financial result	10,945	(6,668)	-	-	4,277
Other net operating income	70	-	-	2	72
Operating income	**1,100,665**	**-**	**-**	**16,692**	**1,117,357**
Personnel expenses	(115,138)	-	-	-	(115,138)
Other administrative expenses	(180,774)	-	-	-	(180,774)
Net value adjustments to property, plant and equipment and intangible assets	(4,122)	-	-	-	(4,122)
Operating expenses	**(300,034)**	**-**	**-**	**-**	**(300,034)**
Profit (loss) from operations	**800,631**	**-**	**-**	**16,692**	**817,323**
Cost of loans to customers	(157,881)	-	-	343	(157,538)
Net provisions for risks and charges	7,599	-	-	(8,974)	(1,375)
Total adjustments and provisions	**(150,282)**	**-**	**-**	**(8,631)**	**(158,913)**
Profit (loss) before tax from continuing operations	**650,349**	**-**	**-**	**8,061**	**658,410**
Taxation charge related to profit or loss from continuing operations	(215,660)	-	-	(3,163)	(218,823)
Profit (loss) after tax from continuing operations	**434,689**	**-**	**-**	**4,898**	**439,587**
Impact of the purchase price allocation (PPA), net of taxes	(1,563)	-	-	-	(1,563)
Banking industry charges, net of taxes	(4,727)	-	-	-	(4,727)
Charges for company restructuring, net of taxes			(8,550)	-	(8,550)
Charges relating to early retirement incentives, net of taxes	(8,550)	-	8,550	-	-
Parent Company's profit (loss) for the year	**419,849**	**-**	**-**	**4,898**	**424,747**

The business line in question includes:

- the **Corporate** segment of the Commercial Network, which handles the management and marketing of banking and financial products/services and loan brokering, which are aimed at medium and large-sized companies;
- **Investment Banking**, represented by Banca Akros and its subsidiary Oaklins Italy, in turn broken down into:
  - Corporate & Structured Products;
  - Corporate Finance;
  - Cross Assets Products & Solutions.

Economic performance of the segment

Net interest income, amounting to 638.9 million, was down by 35.5 million, mainly in the Corporate segment, following the contraction in the commercial spread, linked to the change in interest rates, in particular on direct funding. The reduction in net interest income was partially offset by an increase in fee and commission income, which amounted to 458.0 million (+19.4 million, + 4.4%). Growth was concentrated in the Investment Banking sector, in particular the Corporate & Structured Products Division closed the year with a profit of 43.8 million (+26% compared to 2024), thanks to the Corporate Sales area, which recorded a strong increase in revenues, compared to the previous year, relating to the hedging of the financial risks of the Group's business customers. The positive contribution of the Debt Capital Markets and Securitisation & Structured Solutions areas is also worth noting.
The Cross Asset Products & Solutions Division recorded positive performance, achieving a profit of 24.0 million (+74.5% in 2024), mainly driven by new activities in the Solutions & Financing area (8.0 million) and by the Certificates & Investments area (8.4 million, +16% over 2024). These results offset the decrease in revenues in the Corporate Finance (-11%) and Brokerage (-6%) Divisions.
The Net Financial Result of the business line in question amounted to -5.9 million, down compared to the previous year's figure of -10.2 million, due to the trend in the fair value measurement of the loans of the Corporate segment that did not pass the SPPI test.

Operating expenses, which amounted to -321.2 million, increased by 21.1 million. The increase concerns both personnel expenses, for costs related to the incentive system, and other administrative expenses, especially in the Corporate segment, as a result of the introduction of new cost allocation models.
The cost of credit fell from -157.5 million to -104.3 million, benefiting from an improvement in portfolio risk, largely attributable to the derisking measures and hedging policies completed in recent years.
Net provisions for risks and charges, equal to -13.1 million, recorded an increase of 11.7 million compared to the previous year, mainly attributable to allocations for legal disputes with customers.
Banking industry charges, net of taxes, of -0.3 million, relating to the contribution to the Interbank Deposit Guarantee Fund (-4.7 million in 2024), and allocations for restructuring charges, net of taxes of -1.6 million, were also charged to the segment.
The item "Impairment of client relationships, goodwill and interests in associates and joint ventures" amounted to -1.2 million due to the value adjustment recorded on the interest in Oaklins Italy.
The net result of the business line therefore stood at 438.3 million compared to 424.7 million of the previous year.

More information on the activities managed by the business segment in question is provided below.

Corporate and Investment Banking commercial activities

Evolution of the organisational and commercial model

The development of the organisational and commercial model of the Corporate network[1], launched in January 2023, saw its full implementation in 2025. The guidelines that inspired the evolution of the model, its specialisation and focus, made it possible to achieve the ambitious goals defined in the design phase:

- enhancement of commercial relations with the entire customer base;
- optimisation of the monitoring of the needs of Corporate Customers, through specialised support for highly complex operations;
- promoting the value of territoriality.

There have been many success stories. The specialisation in the Real Estate area through two dedicated Corporate Centres, in Milan and Rome, has made it possible to effectively intercept the specific developments of this business segment in markets still characterised by a high degree of complexity and attractiveness. The specific needs and initiatives that characterise the two aforementioned markets have consequently been understood and met through dedicated specialists, consolidating relationships in the territory and supporting important initiatives.
The Corporate Key Client Centres have consolidated the relationships entrusted to them, sustaining customers in the growth and development paths undertaken thanks to the support of the specialist units of Banco BPM Group such as, for example, Structured Finance and Investment Banking.
The territorial Corporate Centres have fully achieved their objective of providing the best possible support to Corporate customers in their everyday business activities, sustaining their international expansion and the development of new projects also thanks to the synergies with other Group companies.
The Large Corporate Centres have once again supported large national and international companies in an efficient and distinctive manner, consolidating Banco BPM's positioning in this very complex market characterised by a high demand for skills. Through its specialist structures and the other Group companies, Banco BPM has assisted this cluster of customers in their main financing transactions as well as in the Debt Capital Market.
In summary, the dual ambition underlying the evolution of the Corporate model and, more generally, of CIB (Corporate & Investment Banking) as a whole, was fully achieved in 2025.
Banco BPM's Corporate department is in fact recognised as the financial partner of reference both for Mid Corporates and Large Corporates in Italy, thanks to skills and experience that allow it to meet market challenges, benefiting the growth of all Corporate customers, in Italy and worldwide.
This positioning was supported by the positive evolution of the products and services offered, towards an effective completion of the range, which has increased the Bank's appeal and competitiveness in its relationship with all customers. The high level of service emerges clearly and distinctly in its tailor-made solutions, designed to meet the specific, not only financial, needs, of corporate customers.

[1] The Corporate commercial network, divided into 5 Key Client Centres, 16 Territorial Centres, 2 Real Estate Centres, 2 Large Corporate Centres, serves Corporate customers (with group turnover greater than 75 million) and Large Corporate customers (with group turnover of more than 1 billion).

Corporate Customers

Business sectors and geographical distribution

In terms of breakdown by economic sector, a large part of Corporate customers operate in Manufacturing sectors[1].
The share of companies operating in the main Manufacturing sectors out of the total number of Corporate customers is approximately 25%, with a share of approximately 29% of total credit facilities within the Corporate perimeter.
In terms of geographical distribution, the companies served are mainly present in the more economically dynamic regions, characterised by high GDP values and a greater concentration of industries and services.
The territorial spread of the Corporate Network is able to support all types of companies, even in areas with a lesser level of production activities. To date, Banco BPM's Corporate segment encompasses approximately 11.5 thousand individual counterparties[2] with a volume of approximately 37.7 billion in Loans (Cash and Unsecured Loans) and approximately 8.8 billion in Direct Funding[3].

Corporate business strategy

2025 presented itself as a year of transition, marked by a mix of moderate recovery, global uncertainties, changes in consumption and structural pressures on key sectors. Italian Companies operated in a context of weak but positive economic growth (GDP growth of less than 1%; investments partly driven by the NRRP, recovery in consumption), conditioned by a general weakness in global demand, the impacts of US tariffs and Chinese competition.
In short, the more restrictive US trade policies, which impacted global trade, growing geopolitical instability, with repercussions on confidence, energy and procurement costs, and the slowdown in the European economic cycle, were among the factors of greatest tension for Italian companies.
In 2025, the Bank stood alongside its Corporate customers in this scenario characterised by positives and negatives, confirming itself as a solid and reliable financial partner. Banco BPM's support to the business fabric of the country has facilitated Corporate customers to develop a resilient approach to market dynamics, allowing them to seize various opportunities such as:

- developing exports to new countries to diversify their reference markets;
- greater international penetration with direct production structures, especially in the United States due to the duties imposed;
- investments in digitalisation (technology, AI);
- adaptation of its operating models and the supply chain.

To support investments linked to these new market trends and, more generally, to maintain competitiveness, the Bank has been able to offer modern and efficient products and services, updated to meet new needs, guaranteeing that even the most complex requests made by Corporate customers are satisfied, with fast execution and high quality of service.
The value of customer relationships and the "short" supply chain of the commercial network, which is flexible, agile and reactive, have enabled the efficient and effective management of both ordinary and extraordinary problems of Corporate customers[4].
Also the professionalism of Relationship Managers, who have always represented the core of the commercial network and who work in close synergy and coordination with the CIB Units and corporate centres (Structured Finance, Supply Chain Finance, Global Transaction Banking, Investment Banking), has actively contributed to the growth of Italian production excellence.
The above was developed with a focus on environmental issues, relating to what is known as the green transition. The Bank's support in this area is confirmed by the continuous evolution of dedicated financing solutions to support the development of a low-carbon economy in all components of the various supply chains. Sustainability is also a driver for the development of a Company's growth potential and competitiveness, as it generates important business opportunities over time and promotes a stronger reputation (an intangible value that is often underestimated) in its reference market.
In summary, the Group continues to position itself at the forefront to support customers facing the important challenge of the "green transition".

[1] The "Manufacturing" macro-sector also includes the production of motor vehicles.
[2] Approximately 11.5 thousand individual counterparties with one or more Bank products/services such as: credit facilities, loans, current accounts, deposits, collection/payment/e-money services, etc.
[3] Progressive average figures as at December 2025.
[4] These aspects are explored in detail in the following paragraphs dedicated to the specific Corporate activities.

In this specific area, support to companies has entailed the Bank's participation in the structuring of important market transactions characterised by "green" objectives, especially with reference to the production of energy from renewable sources.
In addition to lending activities, Banco BPM also supported its customers in structuring frameworks for the issue of green bonds.
Thanks to the continuous focus on the evolution of sustainable finance by the entire Corporate Network, in 2025, these activities strengthened the Bank's positioning in this specific area.

Offer to Corporate customers

Banco BPM Group has further consolidated its role as benchmark among financial players at national level, in the management of the specific needs of companies in the Corporate segment, also thanks to a deep-rooted commercial structure and the afore-illustrated service model, highly oriented to developing relationships, which are not only commercial, with its Corporate customers.
The Group's commitment is to always guarantee a high level of service to Corporate Customers, supporting them in achieving the objectives they have set, in Italy and worldwide. To pursue this objective, Banco BPM offers a truly complete and competitive range of tailor-made products and services.

Loans and financing solutions to support Corporate customers

In 2025, the range of financing services and solutions already available, dedicated to Corporate customers, was further extended. New solutions were also developed, with the introduction of technical developments, aimed at best supporting the specific needs of Corporate customers.
The development and flexibility of the product range is the result of the constant and profitable dialogue between the Commercial Network and the Customers assisted, which, based on the specific needs identified, enables both the targeted evolution of the solutions offered and the opportunity to develop tailor-made solutions where necessary.

Among the tools and solutions most used by Corporate customers to deal with fluctuating market demand, the offer of loans secured by the various types of guarantees provided by SACE - as part of the agreements entered into with the Bank (SACE Green guarantee, SACE Futuro guarantee, etc.) or not included in the agreements (other types of SACE guarantees that envisage an ad hoc valuation and management in relation to individual transactions) - continued to play an important role in 2025.
The SACE guarantees as a whole seek to provide support (specific to each case) in terms of both making investments and working capital requirements.
In April 2025, Banco BPM signed a new guarantee agreement with SACE: SACE Growth. This agreement represented the evolution of those already in place and guaranteed their continuity (for example SACE Futuro, Green and Archimede for loans of up to 50 million).
The new SACE Growth guarantee marks the definitive evolution of these instruments, with respect to those launched - again by SACE - in the post-pandemic emergency period. Through this new agreement, whose main characteristic lies in its "market" pricing, SACE supports Italian companies by providing the banking system with new guarantees for the loans granted by the latter to its customers.
The focus of this new direction is, therefore, to support the companies most engaged in transactions of strategic importance for the Italian economy in terms of internationalisation, economic security, activation of production and employment processes, as well as of "green" investments and transactions involving infrastructure (including social infrastructure), local public services, technological and digital innovation. All areas in which larger Companies are engaged at the forefront.
In parallel, again during 2025, activities continued, in synergy with the various Bank functions involved, to develop and manage solutions (products, services and tools) in line with the measures envisaged in the National Recovery and Resilience Plan (NRRP).
These include the "Transition Plan 5.0", an incentive measure established by the Italian Government, whose objective is to support the process of digital and energy transition of companies.
In order to facilitate the access of its customers to the opportunities in terms of concessions offered by the Transition Plan 5.0, Banco BPM established a dedicated ceiling of 2 billion for the two-year period 2024-2025.
In the regulatory context attributable to the framework of European "Green New Deal" interventions, acknowledged and implemented by each member state to achieve the neutrality of polluting emissions by 2050, the Bank stands alongside customers who invest in "green projects".

In 2025, this activity was consolidated also thanks to a series of interventions that concerned both the product part and that linked to the enhancement of ESG information (reporting).
In the area of ESG products, 2025 saw the release of a solution dedicated to Companies with ordinary needs, called "Impresa Sostenibile" [Sustainable Business].
This loan is characterised by the presence of specific KSIs - Key Sustainability Indicators - that can be selected for each customer, based on specific sectoral materiality matrices. This feature makes the product suitable for Companies which, despite having undertaken virtuous paths in terms of mitigating the impacts of climate change, have not yet defined specific sustainability reporting.
Lastly, with reference to the interaction platform provided to the Corporate network (Sales4Change), during 2025 some of the activities already developed in previous years were consolidated and the set of information relating to the ESG profile of Corporate Customers was enhanced, with a specific focus on the "Environmental" parameter.

Numia - e-money partnership

During 2025, the strategic partnership with the company Numia was substantially consolidated.
The e-payment instruments offered by this leading Italian player, one of the most advanced and performing, have enjoyed a positive response from the Companies served and from the market, with the consequent acquisition for the Bank of both new customers and transaction volumes.
The objective to provide Companies with technologically-advanced solutions in line with the level of innovation required by the payments market, has therefore been achieved.

Other distinctive commercial activities

Structured finance

The structured finance business recorded excellent performance in 2025.
Thanks both to the growing awareness of Companies of the usefulness of the instruments offered by Structured Finance, and to the increasing inclusion of the Bank in specialised lending transactions, Structured Finance consolidated its mission to provide tailor-made structuring of financing operations to customers with more advanced financial needs and consequently improved its market positioning.
In fact, in 2025, the excellent results of the previous year were surpassed by a wide margin, both with reference to the amount of loans taken out and total commissions collected. This new milestone was achieved by virtue of the growing participation of Banco BPM in club loans, but also and above all thanks to the increasingly proactive approach of the commercial networks as a whole, combined with the fact that customers are progressively becoming aware of the strategic value of these transactions, and to the increasing consolidation in the area of specialist financing for institutional investors.
In 2025, according to all the performance metrics considered, Structured Finance achieved the best result since the establishment of Banco BPM Group.

Specifically:

- Corporate Lending activities recorded an increase, both in the number of transactions closed and in returns, measured on the dual component of commission and net interest income. In this regard, Structured Finance contributed to consolidating the role and reputation of the Group as one of the leading Italian financial operators, taking part in most of the significant transactions in terms of size and strategic scope;
- the activities carried out for Financial Sponsors, an area in which Banco BPM has a leadership position in the SME segment, marked a year of growth, mostly thanks to primary transactions and to large-scale transactions, area on which the Bank decided to operate more actively in 2024. The dedicated team, established in 2023 to seize the opportunities relating to the new smaller institutional operators, achieved a decidedly encouraging result in 2025, suggesting excellent prospects for the years to come;
- Project Finance activities achieved the greatest increase in all management parameters, thus confirming the performance of the last few years, achieved thanks to the consolidation of relations with several operators and the commercial policy adopted. In 2025, Banco BPM organised several infrastructure and energy production projects with leading roles, demonstrating the expertise it has gained in this area;
- Real Estate activities achieved excellent performance, thus confirming the growth path started in previous years. The most significant operating area is that with institutional investors, although during the year there was also a significant improvement as regards non-institutional counterparties. In this context, we have seen an increase in the level of competitiveness which, however, has not changed the Bank's positioning. In 2025,

the new projects were also joined by several refinancing operations of high-performance assets already in the portfolio, an activity that is expected to continue in the years to come.

Around 260 Structured Finance transactions were concluded in 2025, for a total subscribed amount of over 9.5 billion.
Of these, around 130 transactions for over 6.2 billion in loans subscribed, relate to Corporate Lending. The following categories, in terms of numbers and relative volumes, are Leveraged transactions (around 60 transactions, for around 1 billion), Real Estate transactions (over 40 transactions, for around 1.3 million), and lastly Project Finance transactions (around 30, for a total of around 1 billion).
In general, Structured Finance has been confirmed as an important driver for the development of relationships with the most dynamic and sophisticated customers of Banco BPM Group.

Global Transaction Banking

Dedicated network, foreign merchandise unit, guarantees and international payments

2025 was considered a year of great complexity on a global geopolitical level, with constantly changing international dynamics and widespread uncertainty that involved the main global markets. Despite this complex scenario, international trade recorded a positive trend, which saw Italy as a leader in growth, both in terms of imports and exports. In this context, GTB stood out for its ability to strengthen and increase its market shares, particularly in the International Guarantees sector, confirming a leading role in global trade.
GTB's specialist network made a decisive contribution to these results: the "Client & Sales" unit - established in 2024 and responsible for managing both the network of Foreign Specialists and the colleagues of Financial Institutions - has consolidated a shared and integrated vision in relations with customers, whether they are foreign companies or banks. In particular, the approximately 60 "Sales" specialists strategically located throughout the country have worked with commitment and determination, successfully pursuing their pre-established growth objectives. The professionalism and adaptability of colleagues have made it possible to face the challenges posed by a constantly evolving international context, always placing the needs of customers at the centre.
The training provided by the "Sales" specialists was consolidated, both within the Bank, thanks to the collaboration with the Academy unit, and externally through participation in the Carint Master's course at Milan's Università Cattolica, addressed to students interested in internationalisation topics.

During 2025, Banco BPM placed particular importance on strengthening international relations and developing business opportunities for its customers, promoting strategic initiatives directed towards the internationalisation of companies. With this in mind, conferences were organised in May in the cities of Milan and Verona, in collaboration with IICCI - The Indo-Italian Chamber of Commerce and Industry.
These events, addressed to a selected audience of entrepreneurs, aimed to bring Italian customers closer to the Indian market, presided over by the Representative Office in Mumbai, which has stood out for its ability to consolidate relations with the main local banking groups. The conferences also provided the ideal context to illustrate the service model offered by Global Transaction Banking to the public, highlighting the specialist skills developed in supporting international transactions. By presenting concrete examples and best practices in the field of Trade Finance, the Bank was able to highlight its ability to accompany and advise companies wishing to successfully deal with foreign markets.
In terms of operational support, Banco BPM Group also has foreign-goods units located throughout the country. More specifically, in Milan, Verona, Modena, Bergamo and Lucca.
Specifically, the aforementioned units handle operations in documentary credits and documented remittances, involving around 90 people.

The "International Payments & Guarantees" unit, which encompasses international payments and the management of international guarantees, has seen a significant increase in business volumes relating to international guarantees issued in the last three years. The unit, with offices in Milan, Novara and Legnano, operates throughout the country. The common objective is to provide customers with a high-added value service, which guarantees consistent returns in terms of commission income, while at the same time carefully and promptly monitoring all technical-operational areas.
In addition to the activities relating to the already mentioned issue of guarantees, the presence of the international payments unit, within Global Transaction Banking, allows for more efficient interaction with commercial network units, with particular reference to the closing of foreign transactions.

Financial Institutions

During 2025, the Financial Institutions Group (FIG) continued to hold, in continuity with previous years, both meetings with representatives of foreign banks in offices, and missions abroad to strengthen relations with counterparties in those countries. In line with its primary mission, the main objective in participating in these meetings, both in Italy and abroad, was to assess the maintenance and/or development of adequate credit facilities on foreign banks to support the import/export activities of its customers.
Credit risk assessments on "foreign countries" and "foreign banks" were carried out in synergy with the "Banks, Institutions, Entities and Public Sector" office, maintaining constant internal dialogue and monitoring the financial and socio-political performance of credit institutions and foreign countries. Financial Institutions Group represented Banco BPM during the annual meetings of the multilateral bank Asian Development Bank, held in May 2025 in Milan, with its own stand, where it was possible to organise individual meetings with foreign banks from all over the world participating in the event. Again in 2025, participation in trade facilitation programmes relating to the main supranational banks such as the Asian Development Bank, the European Bank for Reconstruction and Development, and the International Finance Corporation (World Bank) was maintained, with which we have historically collaborated to enhance trade finance operations. Relations with new potential supranational entities were also developed, such as the African Development Bank and the Company for Promotion and Participation for Economic Cooperation (Proparco), in order to expand our capacity to support customers operating in these reference markets.
The membership of the major banking associations dedicated to the world of trade finance was confirmed: BAFT (Bankers Association for Finance and Trade) and ITFA (International Trade and Forfaiting Association). The Representative Offices in Hong Kong and Mumbai provided fundamental support for our Correspondent Banking activities in 2025 as well. Thanks to their constant oversight in relations with banks in Asia and the Indian subcontinent, they enable close relations to be maintained with the banking entities of these geographical areas and feedback and information to be obtained in real time.

Foreign Products and Services - Interactive channels

With regard to the interactive channels with both information and order functions, used by corporate customers that operate and/or intend to operate abroad, we draw attention to:

- YouWorld - an information platform that allows companies to access a comprehensive and constantly updated set of information on foreign trade (e.g. political-institutional framework of countries, customs and tax regulations, contractual obligations, calls for tenders, professional lists) and references of potential foreign suppliers or buyers (organised by country, type of goods or services offered). A total of around 750 companies were using the service as at December 2025;
- YouTrade Finance - a portal that enables goods operations to be managed online (international guarantees - already operational, documentary credits - operational for the import phase), simplifying and optimising the bank-customer relationship, and able to guarantee maximum security (i.e. the use of digital signatures) through guided procedures. Approximately 450 customers use the service.

Agreements with leading institutions

In order to expand the support to customers that operate in the complex field of internationalisation, Banco BPM has joined numerous associations through its managers specialised in Foreign Operations and Trade Finance (including ICC Italia International Chamber of Commerce and Credimpex Italia). The bank also operates with Euler Hermes and SACE.

Trade and Export Finance

The "Trade and Export Finance" unit encompasses:

- export finance activities, in collaboration with SACE/SIMEST/Euler Hermes/international private insurers, to support exports of leading national industries;
- international structured finance transactions with international industrial groups that have significant business activities or trade with Italy;
- loans to the main energy and commodity traders, to promote trade with Italy;
- international project finance transactions with a particular focus on energy transition and new industrial transition sectors.

During 2025, the dedicated desk, established in 2019, continued to develop buyer credit transactions through the Buyer's Credit tool with SACE insurance coverage and, at the same time, to promote the development of international project finance with the support of ECA or Private Risk Insurance.
Several important international transactions were completed, both as regards export finance and project finance, as well as commodity and international corporate finance, creating new trade relations and consolidating existing relations with industrial groups active in International markets, focusing in particular on Africa, the Middle East and Europe.
An area in expansion is the sustainable transition of industries and the energy sector.

Supply chain finance

During 2025, Banco BPM further consolidated its presence in the services sector relating to the non-recourse purchase of trade and tax receivables and incentives, held by its Customers vis-à-vis both businesses, and the Public Administration, scaling down the purchase of tax credit relating to Decree Law 34/2020, known as the "Super Ecobonus", due to a partial renewal of the subsidy for 2025, with more complex accessibility characteristics.
The activity, attributable to the world of Supply Chain Finance, to which the initiatives described above refer, represents a strategic drive that Banco BPM intends to reserve to this business segment, aimed primarily at supporting production chains, by optimising company working capital.
The experience acquired by the Group in this area is demonstrated above all by its ability to enter into customised agreements with leading Companies that wish to optimise the opportunities available to manage supply credit/debt, while at the same time offering effective financial services to their suppliers.
In this context, the Digital Supply Chain represents a key initiative within the Bank's business plan, as it is considered a strategic factor for the expansion of the Bank's presence in the Business world.
In order to increase the effectiveness of the services offered, they were organised into separate reference areas, so as to enable a specific commercial proposition towards customers to be developed, by defining new specialised commercial lines and infrastructural governance for all the business areas of the Supply Chain Finance Function. Market positioning was further consolidated specifically by purchasing tax receivables, such as VAT and IRES assignments by Corporate counterparties, where the Italian Revenue Agency is the assigned debtor. The volumes recorded have shown remarkable results.
Lastly, the transition underway with the Digital Supply Chain referred to above, entails the adoption of a digital platform whose launch has been postponed to the second quarter of 2026, after having performed a pilot phase involving a limited number of customers/transactions.

Industry coverage and lending

The Industry Coverage & Lending (ICL) unit, part of the Corporate function, plays a strategic role in monitoring sector and market dynamics, providing specialist skills to support the realisation of complex business opportunities with counterparties and customers of the Corporate Network. The activity focuses on developing and strengthening relations with Corporate customers, enhancing knowledge of the relevant sectors and providing the Network with an integrated range of products and services with a highly specialised content, calibrated to the needs of customers and consistent with economic and regulatory developments (e.g. NRRP). Particular focus, for example, is dedicated to the energy and utilities sectors, considered fundamental drivers for decarbonisation and the development of sustainable infrastructure. In these areas, the Bank proposes itself as a reference partner for strategic investments, encouraging the adoption of business models oriented towards green transition and digitalisation.
The ICL unit contributes to the management of transactions characterised by distinctive elements with respect to standard ones, usually on medium/long-term horizons, assisting the Corporate Network in all phases: from preliminary analyses to the preparation of documentation, as well as providing support in liaising with the loan functions and coordinating with other internal units; in this context, over 90 lending transactions were supported for a value of over 1.4 billion.
This oversight makes it possible to offer targeted solutions with high added value, strengthening the Bank's ability to respond to the challenges of the various economic sectors and to seize opportunities for sustainable growth, helping to generate sustainable value, consolidating strategic relationships in the most critical sectors for the country's competitiveness and strengthening the Group's positioning as a leader in innovation and finance for the energy transition.

Synergy with Banca Akros

In 2025, the Bank continued to enjoy significant synergy with Banca Akros, which specialises in Capital Markets and Investment Banking, in providing support to corporate customers, in particular:

- in the management of interest rate, exchange rate and commodity risks;
- in the distribution of securitisation products, mainly relating to transactions in the energy and vehicle rental sectors;
- in the origination, structuring and placement of new bond issues for medium-large companies, which, to meet their funding needs combine the issue of bonds with bank loans using the primary market;
- in the origination and execution of M&A and Equity Capital Markets advisory transactions.

Synergy with Banca Aletti

In continuity with previous years, and with a view to developing synergies within the Group, the Corporate function, in collaboration with Banca Aletti, continued with the initiative called "Insieme" Project in 2025, extending the scope of the target. The objective is to develop Customers and Private assets through Corporate channels, enhancing the relationships already existing within the Group.

ESG culture and promotion of Sustainable Finance

Among the initiatives to support the dissemination of a financial culture with relation to ESG to the general public, some contributions published in the CIB section of the Banco BPM commercial website are worth mentioning.
In continuity with previous years, 2025 also saw the participation of CIB top management in round tables and conferences focused on ESG issues in the economic and financial spheres.

In line with the ESG integration and professional development objectives set out in the strategic plan, the Corporate commercial network is constantly trained with respect to elements of changes (regulatory evolution, development of the product range) and to points of attention that are functional to providing advice to support the green transition. The commitment to training is strongly connected to the achievement of commercial objectives with regard to green disbursements in the Corporate segment.
During 2025, following the expansion of the product range, an ad-hoc training module was dedicated to the commercial network on the "Sustainable Business" product. A number of targeted sessions were also held, with the aim of disseminating the issues related to the objectives of the Net Zero Banking Alliance on the priority sectors identified by the Group.

Initiatives for corporate customers

The consolidation of the Corporate service model also made it possible to maximise the involvement of its customers, through meetings that saw Banco BPM as a proactive partner and aggregator.
On these occasions, a large number of top management or strategic figures was involved, with the aim of encouraging discussion and the development of relationships in environments other than those typical of the bank-company relationship.
These occasions regarded sporting, cultural and charity events (e.g. AIRC Charity dinner), local training and/or promotional events.

With regard to the Investment Banking operations carried out by Banca Akros and its subsidiary Oaklins Italy, the main initiatives carried out during the year for the main business segments are illustrated below.

Corporate & Structured Products

During the year, the commercial coverage and development activities of Corporate & Financial Institutions customers, in relation to the specialist products and services offered by the (C&SP) Division of Banca Akros, continued successfully, in coordination with the Parent Company.

Corporate Sales

Thanks to the service model that envisages, for hedging products, sales staff and specialists to support the Parent Company's managers, transactions on financial risk hedging instruments were effectively monitored, with particular attention to customer service and development for both retail and corporate areas. During the year, cash flows on derivative products amounted to a total notional value of around 7.5 billion for exchange rate and commodity risk hedges, up 7% compared to last year, and around 5.8 billion for interest rate risk hedges, up by 35% on the underlying loans at floating rate, mainly disbursed by the Parent Company. Operating income recorded for exchange rate activities (spot, forwards and options) and in commodities, rose by 24%. A marked growth of around 45% was posted for income from interest rate hedges, both for corporate customers and for businesses, in a market characterised by significant volatility.
Thanks to sales staff and specialists located in Banco BPM's Corporate Centres and Territorial Departments in Italy, the unit has forged solid commercial relationships with its customers, providing services with high added value, in a market context characterised by strong competition from major Italian and foreign banks.
Banca Akros continued to develop new activities, services and technical hedging solutions on interest rate and exchange rate risks, confirming its status as a benchmark operator in terms of innovation to the benefit of the customer; in addition, it improved its portfolio of products for financial risk management for companies by including instruments that allow them to hedge the risk of fluctuations in interest and exchange rates which, both nationally and internationally, represent one of the main risks that companies have had to deal with in recent times. It also continued to support companies in managing the risk of movement of commodities related to fluctuations in oil and its derivatives as well as in precious and base metals.

Debt Capital Market (DCM)

In the corporate issuers segment, Banca Akros participated in the placement of bond issues with institutional investors for the following corporate issuers: ENI, ENEL, Hera, SEA, Autostrade per l'Italia, Terna, Aeroporti di Roma, Cassa Depositi e Prestiti, Avolta-Dufry, Italgas, Snam, Mundys, Inwit, ASTM and IGD.
In addition, again for corporate issuers, the DCM participated as Joint Bookrunner in High-Yield bonds of the following companies: doValue, Lottomatica, Engineering, Rekeep, Prelios, Fibercop, Sammontana, Gruppo San Donato and Maticmind.
In the agency world, Akros structured the EMTN issue programme of Finlombarda S.p.A. and managed the private placement of 50 million.
Banca Akros also participated in three public offerings of sale with direct distribution on the MOT intended for the general public in Italy and qualified investors abroad. These were the Green Bond issue of Dolomiti Energia S.p.A. for 300 million, the issue of TIP S.p.A. for 110 million and the SLB issue of Maire Tecnimont S.p.A. for 275 million.
In the Financial Institutions segment, Banca Akros participated, as Joint-Bookrunner, in the placement of the following bond issues of the Parent Company Banco BPM, placed with institutional customers: Senior Preferred Social Bond maturing in 2030 of 500 million, Covered Social Bond maturing in 2029 of 750 million, Additional Tier 1 of 400 million, Tier 2 maturing in 2036 of 500 million, Senior Non-Preferred maturing in 2031 of 500 million.
In addition, Banca Akros participated as Joint Bookrunner in the placement of Class A1 of 420 million of the Sunrise 2025-1 securitisation and that of the entire capital structure of the Sunrise 2025-2 securitisation of 940 million, both originated by Agos Ducato S.p.A.
Lastly, Banca Akros participated as Co-Dealer in the issue of BTP Più by the MEF (15 billion) and collaborated with the Global Markets unit of Banco BPM in the placement of BTP Italia (9 billion) and BTP Valore (16.5 billion) in which Banco BPM acted as Dealer.

Securitisation & Structured Solutions

In the Securitisation & Structuring Solutions segment, and with particular regard to performing securitisations, we draw attention to the participation of the Bank, as Joint Arranger, in the securitisation transactions: "Sunrise 2025-1" and "Sunrise 2025-2", two consumer credit securitisations originated by Agos Ducato, amounting to approximately 1,100 million and 960 million respectively.
Banca Akros also assisted Alba Leasing S.p.A., as Joint Arranger, in the securitisation of loans deriving from "Alba 15 SPV S.r.l." lease agreements, for an amount of approximately 906 million, and assisted Banca Popolare Pugliese S.C.p.A., as Arranger, in the securitisation of loans deriving from residential mortgage loans "BPP DF SPV S.r.l." to natural persons, for an amount of approximately 110 million.

The Bank also acted as Arranger in the securitisation of loans originated by Banca di Cividale S.p.A. (Sparkasse Group) and deriving from residential mortgage loans, "Civitas SPV S.r.l." for an amount of approximately 200 million, and in the increase of the securitisation of loans originated by Banca Valsabbina in 2023 and deriving from residential mortgage loans, "Golem SPV S.r.l." for an amount of approximately 150 million.
In the performing corporate securitisation segment, the Bank acted as Arranger in two important transactions: the revolving securitisation of 38 million in trade receivables deriving from the supply of electricity originated by a leading operator in the sector and the revolving securitisation of trade receivables originated by a company operating in the distribution of electricity, telephony and internet services for a total revolving amount of 40 million.
The Bank also supported the Parent Company in entering a revolving securitisation programme of long-term vehicle rental fees originated by a leading operator in the sector.

Brokerage and financial research activities

Brokerage activities

In 2025, Banca Akros maintained a leading position in brokerage on Italian markets, confirming it as the third largest operator in the equity segment in terms of volumes brokered on behalf of third parties, with a market share of 8.61%, and strengthening its role as a benchmark for domestic and international institutional customers.
With reference to bond products, the Bank was in second place overall in third-party brokerage, with a market share of 23.16%, confirming its structural leadership in fixed income markets and a particularly significant presence on EuroMOT, where Banca Akros is firmly at the top of the ranking in terms of turnover.
We also draw attention to the growing contribution of transactions at alternative execution venues, in particular Equiduct, where Banca Akros holds a market share close to total trades on Italian shares on behalf of third parties, and in the Vorvel Certificates market, which recorded a particularly sustained growth in overall volumes during the year.

Specialist and corporate brokerage activities

During 2025, specialist and corporate brokerage activities continued to represent a central element of the Bank's range of services to support listed companies. Existing mandates remained at high and well diversified levels between Euronext Milan, STAR segment and Euronext Growth Milan, despite a still selective market context for companies with lower capitalisation.
The combined action of supporting liquidity, monitoring the quality of the book and continuous dialogue with the market has made it possible to consolidate relations with issuers, strengthening the Bank's positioning as a reference partner in the corporate brokerage segment.

Financial research and marketing activities

Also in 2025, financial research played a fundamental role in supporting brokerage activities and in generating investment ideas for institutional customers. The high number of publications, daily comments and fundamental analysis reports contributed to strengthening the Bank's visibility with Italian and foreign investors, in a context characterised by a growing demand for high value-added content and greater selectivity in allocation choices.
Marketing activities took the form of numerous events, conferences and roadshows, both in Italy and abroad, confirming the role of research as a distinctive element of Banca Akros' offer.

Corporate Finance

M&A

M&A activities on medium-sized enterprises were affected by macroeconomic issues, as well as by the changed geopolitical contexts, which influenced the execution of the mandates in the "pipeline"; nevertheless, Banca Akros has intensified its focus on its M&A activities, acquiring new "sell side" and "buy side" assignments with business and corporate customers, family businesses and Private Equity funds.

ECM

With regard to Equity Capital Markets, the Bank further strengthened its positioning in Italy, despite a market context that continued to be challenging and characterised by the absence of significant IPOs, by only two guaranteed share capital increases, a lower number of ABB transactions compared to last year and a growing delisting trend.

In particular, Banca Akros acted as Co-Global Coordinator in the capital increase of Italgas, the largest share capital increase of the year in Italy, and as Co-Bookrunner in the share capital increase of AVIO. In both transactions, Banca Akros was the only Italian bank involved in the underwriting and guarantee consortium, alongside only international banks. In addition, Banca Akros ranked first in terms of the number of public tender offers completed in 2025 on the EGM and EXM markets, acting both as Financial Advisor and Coordinator, confirming its position as market leader in delistings (4 and 10 times out of 28, respectively, public tender offer transactions concluded in 2025). Lastly, Banca Akros acted as Sole Bookrunner in the Accelerated Bookbuilding Offer performed by First Capital on Orsero shares.

Cross Asset Products & Solutions

The Cross Asset Products & Solutions unit contributes to developing commercial activities, with particular reference to domestic and foreign "non-captive" customers, including institutional customers, eligible counterparties, private funds, sovereign funds and family offices, through the sale of products, services and solutions, including investment solutions, with a view to achieving the best commercial and economic results.

During 2025, the commercial coverage and development activities of all Financial Institutions customers in relation to the specialist products and services offered by Banca Akros, in coordination with the Parent Company, continued successfully.

In particular, activities on financial risk hedging instruments were effectively monitored, leading to an increase in generalised flows both on the portion of derivatives and on cash in Equity and Fixed Income.
Thanks to the Sales figures, the unit has consolidated important commercial relationships with institutional customers, providing high value-added services such as credit strategy activities aimed at providing customers with advanced credit analysis tools, through the preparation of Credit Comments, Relative Value trading ideas, macro Outlook and periodic Best Picks.
Similarly, the activities carried out by the Solutions & Financing unit played a central role in 2025, with transactions characterised by greater operational complexity making participation in the New Products and Markets Committee necessary.

As regards the core business of trading in the secondary bond market, the cash flows from institutional customers in the segments of Government, Supranational and Agency securities, as well as from Corporate and Financial issuers, rose significantly with respect to the previous year, thanks to the significant commercial efforts made and to the consolidation of the "BTP Specialist" status by Banco BPM.

The distribution of issues on the primary bond market to institutional investors was significant, with the active participation in the placement of medium/long-term bonds of leading Financial and Corporate issuers, as well as the placement of several issues of the Ministry for the Economy and Finance, as previously illustrated.
In parallel with the usual activity of promotion, design and distribution of investment certificates on non-captive networks, the Certificates & Investments unit has also managed the placement of investment certificates and bonds of third-party issuers on the Group's commercial networks since October 2025.
In fact, Banca Akros provided support activities for the structuring of certificates issued and placed by Banco BPM for approximately 1.3 billion. The activity of origination and exclusive placement with the Group's networks of certificates and bonds of third-party issuers provided a great boost. These transactions, for which Banca Akros acted as Head of Placement, totalled over 1.4 billion in volumes placed (+342% compared to 2024).
With regard to the marketing and distribution activities of directly listed certificates issued by Banco BPM, in 2025, 54 certificates were issued in 5 different tranches, while the stock of outstanding certificates at year end was 116 products. During the year, exchanges were carried out for a total value of approximately 64 million, in line with 2024.
All products issued and listed directly were characterised by conditional capital protection on maturity.

Asset Management and Insurance

	2025	*of which: Asset Management*	*of which: Insurance*	2024 (*)	*of which: Asset Management*	*of which: Insurance*	Abs. Change	% change
Net interest income	(3,854)	*(1,391)*	*(2,463)*	(3,240)	(1,809)	(1,431)	(614)	19.0%
Gains (losses) on interests in associates and joint ventures carried at equity	18,835	*15,196*	*3,639*	55,984	48,499	7,485	(37,149)	(66.4%)
Net fee and commission income	384,537	*384,537*	-	1,476	1,476	-	383,061	n.s.
Profit (loss) on insurance business	162,522	-	*162,522*	116,376	-	116,376	46,146	39.7%
Core income	**562,040**	***398,342***	***163,698***	**170,596**	**48,166**	**122,430**	**391,444**	**229.5%**
Net financial result	50,220	*50,220*	-	-	-	-	50,220	n.s.
Other net operating income	(1,178)	*3,183*	*(4,361)*	(1,655)	1	(1,656)	477	(28.8%)
Operating income	**611,082**	***451,745***	***159,337***	**168,941**	**48,167**	**120,774**	**442,141**	**261.7%**
Personnel expenses	(85,639)	*(80,674)*	*(4,965)*	(5,509)	(1,256)	(4,253)	(80,130)	n.s.
Other administrative expenses	(58,087)	*(44,382)*	*(13,705)*	(20,602)	(899)	(19,703)	(37,485)	181.9%
Net value adjustments to property, plant and equipment and intangible assets	(8,361)	*(6,903)*	*(1,458)*	(330)	(64)	(266)	(8,031)	n.s.
Operating expenses	**(152,087)**	***(131,959)***	***(20,128)***	**(26,441)**	**(2,219)**	**(24,222)**	**(125,646)**	**n.s.**
Profit (loss) from operations	**458,995**	***319,786***	***139,209***	**142,500**	**45,948**	**96,552**	**316,495**	**222.1%**
Cost of loans to customers	(1,107)	*(1,107)*	-	-	-	-	(1,107)	n.s.
Net provisions for risks and charges	113	*319*	*(206)*	444	-	444	(331)	(74.5%)
Total adjustments and provisions	**(994)**	***(788)***	***(206)***	**444**	**-**	**444**	**(1,438)**	**n.s.**
Profit (loss) before tax from continuing operations	**458,001**	***318,998***	***139,003***	**142,944**	**45,948**	**96,996**	**315,057**	**220.4%**
Taxation charge related to profit or loss from continuing operations	(122,792)	*(84,744)*	*(38,048)*	(26,657)	815	(27,472)	(96,135)	360.6%
Profit (loss) after tax from continuing operations	**335,209**	***234,254***	***100,955***	**116,287**	**46,763**	**69,524**	**218,922**	**188.3%**
Impact of the purchase price allocation (PPA), net of taxes	(29,480)	*(20,280)*	*(9,200)*	(12,580)	-	(12,580)	(16,900)	134.3%
Banking industry charges, net of taxes	(3,530)	-	*(3,530)*	(3,505)	-	(3,505)	(25)	0.7%
Charges for company restructuring, net of taxes	(12,450)	*(5,068)*	*(7,382)*	-	-	-	(12,450)	n.s.
Impact of restatement of the Anima share, net of taxes	201,831	*201,831*	-	-	-	-	201,831	n.s.
Bancassurance impacts, net of taxes	-	-	-	5,842	-	5,842	(5,842)	n.s.
Impairment of client relationships, goodwill and interests in associates and joint ventures	(600)	*(600)*	-	-	-	-	(600)	n.s.
Profit (loss) attributable to non-controlling interests	(20,496)	*(20,496)*	-	-	-	-	(20,496)	n.s.
Parent Company's profit (loss) for the year	**470,484**	***389,641***	***80,843***	**106,044**	**46,763**	**59,281**	**364,440**	**343.7%**

(*) The figures for the previous year have been restated to reflect the changes introduced in the composition of the operating segments in 2025. The changes to the income statement format, as described in the Results section of this report, which should be referred to for further details, have been taken into account.

The following table shows the reconciliation of the reclassified income statement of the Asst Management and Insurance operating segment for 2024, with the same statement originally published in the Consolidated report on operations of the previous year.

2024	Income statement Insurance segment 2024	Anima Group contribution (management figure)	Banco BPM Invest SGR contribution	Reclassification for realignment of intragroup costs/revenues	Reclassification of PPA Insurance from Corporate Centre	Income statement 2024 restated
Net interest income	(1,431)	(1,789)	(20)	-	-	(3,240)
Gains (losses) on interests in associates and joint ventures carried at equity	7,485	48,499	-	-	-	55,984
Net fee and commission income	-	-	1,476	-	-	1,476
Profit (loss) on insurance business	93,432	-	-	22,944	-	116,376
Core income	**99,486**	**46,710**	**1,456**	**22,944**	**-**	**170,596**
Other net operating income	(1,656)	-	1	-	-	(1,655)
Operating income	**97,830**	**46,710**	**1,457**	**22,944**	**-**	**168,941**
Personnel expenses	(4,253)	(353)	(903)	-	-	(5,509)
Other administrative expenses	(19,703)	(140)	(759)	-	-	(20,602)
Net value adjustments to property, plant and equipment and intangible assets	(266)	(8)	(56)	-	-	(330)
Operating expenses	**(24,222)**	**(501)**	**(1,718)**	**-**	**-**	**(26,441)**
Profit (loss) from operations	**73,608**	**46,209**	**(261)**	**22,944**	**-**	**142,500**
Net provisions for risks and charges	444	-	-	-	-	444
Total adjustments and provisions	**444**	**-**	**-**	**-**	**-**	**444**
Profit (loss) before tax from continuing operations	**74,052**	**46,209**	**(261)**	**22,944**	**-**	**142,944**
Taxation charge related to profit or loss from continuing operations	(19,887)	754	61	-	-	(26,657)
Profit (loss) after tax from continuing operations	**54,165**	**46,963**	**(200)**	**22,944**	**-**	**116,287**
Impact of the purchase price allocation (PPA), net of taxes	-	-	-	-	(12,580)	(12,580)
Banking industry charges, net of taxes	(3,505)	-	-	-	-	(3,505)
Bancassurance impacts, net of taxes	5,842	-	-	-	-	5,842
Parent Company's profit (loss) for the year	**56,502**	**46,963**	**(200)**	**22,944**	**(12,580)**	**106,044**

The Asset Management and Insurance operating segment includes the contribution of the Anima Group companies, Banco BPM Invest SGR, Banco BPM Vita, BBPM Life and Vera Vita, as well as the contribution to the consolidated results of the interest held in Più Vera Assicurazioni, which has incorporated Banco BPM Assicurazioni from 1 November 2025.
The composition of the above-mentioned sector represents the result of the creation of the new integrated Life Insurance and Asset Management factory, following the conclusion of the voluntary public tender offer on all the shares of Anima Holding: starting from 2025, the contribution of Anima Holding, previously included in the Other Partnerships operating segment, is shown in the Insurance operating segment, which has therefore been renamed Asset Management and Insurance.

In fact, it should be noted that Anima Group companies have been consolidated on a line-by-line basis since the second quarter of 2025, while in 2024 and in the first quarter of 2025 the contribution of the Anima Group was measured using the equity method; for these reasons the comparison of this operating segment with the previous year cannot be like-for-like.

Economic performance of the segment

Operating income amounted to 611.1 million, with the Anima Group recording net fee and commission income of 381.3 million (Invest SGR stood at 3.2 million) and a net financial result of 50.2 million, almost entirely due to the dividend deriving from the interest held in Banca MPS.
The net result of insurance business was up compared to 2024, standing at 162.5 million (+46.1 million compared to 2024), thanks to the contribution of Banco BPM Vita (+18.5 million) and BBPM Life (+24.4 million). This performance was also supported by the growth in the Group's gross production, with particular reference to Banco BPM Vita and

BBPM Life, which recorded very positive performance at 4,116 million, up significantly compared to 2024 (equal to 3,357 million).
The result of interests in associates and joint ventures carried at equity amounted to 18.8 million, of which 15.2 million due to the contribution of Anima in the first quarter of 2025 and 3.6 million to the contribution of PiùVera Assicurazioni (including the result of Banco BPM Assicurazioni).
Operating expenses amounted to 152.1 million, of which 128.8 million relating to the Anima Group. Costs relating to the insurance segment were down (equal to -4.1 million), mainly due to lower administrative expenses.
The impact of the PPA for the segment in question was -29.5 million, due to the line-by-line consolidation of the Anima Group (-20.3 million); on the other hand, banking industry charges net of taxes in the Insurance segment were stable (-3.5 million).
Charges for company restructuring, net of taxes, amounted to -12.4 million, mainly relating to costs for the integration of insurance companies and for the acquisition of control of Anima Holding through a public tender offer.
The income statement for the segment benefitted from the positive impact resulting from the revaluation of the interest held in Anima Holding before the acquisition of control, resulting from the realignment at fair value at the date of acquisition of control, equal to a total of 201.8 million net of the related tax effect.
After the recognition of taxes of -122.8 million and a profit attributable to non-controlling interests of -20.5 million, the profit for the year of the Asset Management and Insurance operating segment closed at 470.5 million.

More information on the activities managed by the business segment in question is provided below.

Asset management

The asset management business

The Italian asset management market recorded total assets of 2,636.4 billion, up by 127.5 billion compared to 2,508.9 billion recorded at the end of 2024 (source: Quarterly map as at 31 December 2025 published by Assogestioni).
As at 31 December 2025, the balance of assets under management was a positive 38.2 billion (a positive figure of 33.1 billion as at 31 December 2024). In particular, collective portfolio management recorded positive inflows from the beginning of the year of 21.5 billion and portfolio management recorded a positive 16.7 billion.

The contribution of the Anima Group

The Anima Group is active in the establishment, development, promotion and management of financial products under the Anima, Gestielle and Kairos brands, as well as in the provision of individual management services for retail, private and institutional customers and in the management of alternative so-called illiquid products, in particular of private capital funds and real estate funds addressed mostly to institutional customers.
Anima Holding is listed on the Electronic Stock Exchange, organised and managed by Borsa Italiana S.p.A.

As at 31 December 2025, the total assets under management and administration of the Anima Group amounted to 212.3 billion (of which 1.1 billion in assets under administration), an increase of 8.3 billion (+4.1%) compared to AuM as at 31 December 2024 (204.2 billion).
This change is mainly attributable, for 7.4 billion, to the positive performance of the financial markets, as well as to positive net funding in the period of 0.9 billion.

The Anima Holding Group closed 2025 with a net profit of 266.7 million (229.9 million as at 31 December 2024).
The positive trend in income generated by product management activities, mainly represented by management and incentive fees (where contractually envisaged), which represent the majority of the revenues of the Anima Group, contributed to this result.
In greater detail, net management fees, equal to 363.9 million, recorded an increase of 25.1 million (+7%) compared to the previous year; incentive fees, amounting to 82.3 million (125.3 million as at 31 December 2024), were instead down by approximately 43 million. Other revenues, which include charge-backs for fixed fees and other commissions, amounted to 69.6 million (66 million as at 31 December 2024).
Dividends collected from the interest held in Banca Monte dei Paschi di Siena, amounting to 43.2 million, also contributed to revenues for the year.

As regards operating expenses, the aggregate amounted to 155.6 million (139.9 million as at 31 December 2024), mainly due to the increase in personnel costs, equal to 98.7 million, up by 12.6 million compared to the figure as at 31 December 2024, following the increase in the number of resources at the Anima Group. Administrative costs, amounting to 56.9 million as at 31 December 2025, were approximately 3 million higher than the previous year.

Insurance

The Life insurance market in Italy

From the beginning of the year to November (latest ANIA update available), new individual life business premiums in Italy totalled 87.2 billion, 8.4% higher than in the same period of 2024.
Focusing only on the bancassurance channel, including non-EU companies, in which Banco BPM Group operates, at the end of November 2025, premiums written reached 59.6 billion, approximately 8% higher than in the same period of the previous year.
With regard to product innovation, from the beginning of the year until the end of November 2025, 99 new IBIPs products were placed on the Italian insurance market, of which 31% were revaluable products, 37% multi-segment, 19% unit-linked, 10% pure risk and 2% pension products (source: Prometeia). Within the Bancassurance channel alone, a total of 42 new products had been created by the end of November, i.e. just under half of the products placed on the market. Specifically, 29% of these were revaluable products, 33% multi-segment, 33% unit-linked and a residual 5% pure risk products.

Analysing premiums by class, in November 2025, new class I premiums were down (-8.2%) compared to the same month in 2024, and amounted to 3.2 billion, corresponding to 67% of the new business of the entire channel; from January, the premiums of these policies amounted to 42.4 billion, up by 1.0% compared to the same period of 2024.
The remaining portion of new business is essentially represented by the unit-linked segment, which in November 2025 recorded growth compared to the same month in 2024 (+21.5%), amounting to 1.6 billion; from the beginning of the year, the volume reached 16.9 billion, with an annual increase of 32.2%.
From January, the portfolio of new business relating to class V policies amounted to 72 million, more than halved compared to the same period of 2024, while new premiums/contributions resulting from the management of open pension funds (class VI) reached the amount of 93 million (63% of the new business of this class) with an annual increase of 31.9%.

The contribution of the Group's insurance companies

The mission of the Banco BPM Vita insurance group is to develop the range of insurance products offered to Banco BPM Group customers.
On average, the performance of almost all asset classes was positive during the year (shares, corporate bonds and government bonds), with the exception of some inevitable phases of volatility.
Segregated Funds maintained their expected profitability for the year, also thanks to the tactical transactions carried out.
The financial choices were made on the basis of the recommendations of the ALM and Investments Committees, the asset diversification promoted by the Board of Directors and the ALM indicators, with a view to a correct balance of the Portfolios. The Company's Risk Appetite and therefore the restrictions relating to capital absorption were taken into consideration.

Group gross production recorded a positive trend, standing at 4,116 million (up compared to the 2024 figure of 3,357 million).
Analysing the figure at individual Company level, an increase in the production of Banco BPM Vita emerges, which recorded premiums of 1,723 million (1,365 million as at 31 December 2024), driven by the positive performance of traditional products whose premiums amounted to 1,677 million.
Vera Vita recorded premiums of 665 million, down compared to December 2024, which stood at 842 million. Also in this case, production was concentrated on traditional products, which amounted to 628 million.
BBPM Life contributed 1,728 million to total premium income (1,150 million as at 31 December 2024), referring entirely to Class III products.

With regard to the Non-Life business, total premium income of approximately 3 million was recorded, referring entirely to Accident and Health products, in run-off. The figure was therefore down compared to the previous year, confirming the extremely marginal contribution of this business line.

In this context, for Banco BPM Vita, 2025 was certainly a year with a wealth of initiatives, both in terms of product innovation and marketing, and commercial actions to support the dissemination of insurance products in response to market trends. Of the initiatives put in place to support the sales network and the respective customers segments served, one of the most important was the streamlining and gradual unification of the product catalogue of the Companies, in addition to implementing specific actions to support customers, to identify new requirements and the best offer to meet them through the revaluable and multi-segment products in the range.

During 2025, Banco BPM Vita continued to make a diversified range of products available to Banco BPM and Banca Aletti customers in the area of asset and investment management.
In particular, with revaluable products, the Group continued to meet customer expectations, in line with market trends and the opportunities offered by the economic scenario.
The initiatives set in place to support the sales network included the implementation of various and prolonged commercial campaigns, as well as training activities to support the sale of targeted revaluable products.

In greater detail, during the year, with Banco BPM Vita Coupon Plus, a revaluable policy marketed since the beginning of July 2023, Banco BPM Vita continued to support the value sought by the customer, in line with market trends and the relative opportunities offered, also through price concessions: starting from January 2025 and until June, Coupon Plus was placed with a loading discount for both Banca Aletti and Banco BPM. Subsequently, an agreement was drawn up, reserved to Banca Aletti, to continue to offer the product in a manner adapted to the specific target of customers.
In addition, starting from July, a new "Club" revaluable product was marketed for "Premium" and "Private" customers.
The Company has continued to diligently carry out the usual activities of verification, control and maintenance of existing products.

The subsidiary Vera Vita, on the other hand, continued to distribute the revaluable product, Vera Vita Rifugio Plus, created in the second half of 2024, which features three segregated funds.
Lastly, with reference to BBPM Life, the distribution of the Class III product "Multi-Obiettivo Personal" (MOP) continued; in addition, a new class III insurance solution called "BA^3 Insurance" was created, which offers Banca Aletti customers the option of integrating insurance characteristics with the flexibility of a modern investment.

Lastly, during the year, the companies continued with the integration of risks and sustainability factors into the insurance, investment, risk management and corporate governance processes, with the aim of contributing to the dissemination of a culture of social responsibility.

Other Partnerships

	2025	2024 (*)	Abs. Change	% change
Net interest income	(16,096)	(8,104)	(7,992)	98.6%
Gains (losses) on interests in associates and joint ventures carried at equity	100,235	93,898	6,337	6.7%
Core income	**84,139**	**85,794**	**(1,655)**	**(1.9%)**
Operating income	**84,139**	**85,794**	**(1,655)**	**(1.9%)**
Personnel expenses	(1,706)	(1,505)	(201)	13.4%
Other administrative expenses	(346)	(599)	253	(42.2%)
Net value adjustments to property, plant and equipment and intangible assets	(34)	(33)	(1)	3.0%
Operating expenses	**(2,086)**	**(2,137)**	**51**	**(2.4%)**
Profit (loss) from operations	**82,053**	**83,657**	**(1,604)**	**(1.9%)**
Profit (loss) before tax from continuing operations	**82,053**	**83,657**	**(1,604)**	**(1.9%)**
Taxation charge related to profit or loss from continuing operations	6,001	3,375	2,626	77.8%
Profit (loss) after tax from continuing operations	**88,054**	**87,032**	**1,022**	**1.2%**
Charges for company restructuring, net of taxes	(134)	-	(134)	n.s.
Impairment of client relationships, goodwill and interests in associates and joint ventures	(2,629)	(42,446)	39,817	(93.8%)
Parent Company's profit (loss) for the year	**85,291**	**44,586**	**40,705**	**91.3%**

(*) The figures for the previous year have been restated to reflect the changes introduced in the composition of the operating segments in 2025. The changes to the income statement format, as described in the Results section of this report, which should be referred to for further details, have been taken into account.

The following table shows the reconciliation of the reclassified income statement of the Other Partnerships operating segment for 2024, with the same statement originally published in the Consolidated report on operations of the previous year.

2024	Income statement 2024	Reversal of Anima Group contribution (management figure)	Income statement 2024 restated
Net interest income	(9,893)	1,789	(8,104)
Gains (losses) on interests in associates and joint ventures carried at equity	142,397	(48,499)	93,898
Core income	**132,504**	**(46,710)**	**85,794**
Operating income	**132,504**	**(46,710)**	**85,794**
Personnel expenses	(1,858)	353	(1,505)
Other administrative expenses	(739)	140	(599)
Net value adjustments to property, plant and equipment and intangible assets	(41)	8	(33)
Operating expenses	**(2,638)**	**501**	**(2,137)**
Profit (loss) from operations	**129,866**	**(46,209)**	**83,657**
Profit (loss) before tax from continuing operations	**129,866**	**(46,209)**	**83,657**
Taxation charge related to profit or loss from continuing operations	4,129	(754)	3,375
Profit (loss) after tax from continuing operations	**133,995**	**(46,963)**	**87,032**
Impairment of client relationships, goodwill and interests in associates and joint ventures	(42,446)	-	(42,446)
Parent Company's profit (loss) for the year	**91,549**	**(46,963)**	**44,586**

The contributions to the consolidated financial statements of the interests held in Agos Ducato, Alba Leasing, Gardant Liberty Servicing and Numia Group are included within the Other Partnerships segment.

Economic performance of the segment

The operating income of the segment in question amounted to 84.1 million, substantially stable compared to the previous year. In particular, against a decrease in net interest income, due to the figurative expense related to the book value of the interest in Numia, gains (losses) on interests in associates and joint ventures carried at equity increased by 6.3 million, standing at 100.2 million. Note the positive contribution of Agos Ducato (81.6 million, +5.0 million) and Numia (6.7 million).

Operating expenses were stable, while Impairment of client relationships, goodwill and interests in associates and joint ventures recorded a charge of -2.6 million for the value adjustment recorded on the interest in Gardant Liberty Servicing (in the previous year, adjustments of 42.4 million were recorded).
After taxes, the profit came to 85.3 million.
More information on the activities and performance recorded in 2025 by the investees Agos Ducato and Numia Group is provided below.

Agos Ducato

Agos Ducato is a leading financial company in the consumer credit sector, present in Italy for over thirty years. Since 2008, following the partnership agreements, 61% of the company's share capital is held by Crédit Agricole, through the subsidiary Crédit Agricole Personal Finance & Mobility, and 39% by Banco BPM.
The company, which has around 2,000 employees, distributes its products through a network of around 250 branches and single-mandate agencies, through the banking channel consisting of the branches of Banco BPM and Crédit Agricole Italia and, lastly, through distribution agreements with the main chains specialised in electronics, in the supply of household equipment and in the distribution of motor vehicles and motorcycles. The specific areas of operations concern personal loans, special purpose loans, credit cards, salary-backed loans and a wide range of insurance services.
Banco BPM has a distribution agreement in place expiring on 28 June 2034.
The total stock of loans outstanding as at 31 December 2025 amounted to 18,532 million, of which performing loans for 17,744 million.
The total volume of new loans in 2025 amounted to 8,262 million, up by approximately 3.1% compared to the 2024 figure, with a market share at the end of 2025 which stood at 13.2%. In detail, new personal loans amounted to 4,468 million, special purpose loans amounted to 3,394 million (of which 1,235 million referred to cars/motorcycles) and salary-backed loans amounted to 283 million.
In 2025, the Banco BPM network placed personal loans for an amount of 1,184 million, credit cards for 123 million and salary-backed loans for 62 million.
Total net revenues were 911 million, up 8.3% compared to the previous year. The total cost of risk, which amounted to 297 million, was 1.59%, up from 1.39% in 2024, which had benefited from non-recurring write-backs. Operating expenses amounted to 315 million, with a cost-income ratio of 34.6%, an improvement compared to 37.4% in 2024.
The consolidated net profit for the year of Agos Ducato as at 31 December 2025 amounted to 203 million, up compared to 190 million in the previous year.

Numia Group

In September 2024, Banco BPM together with Numia Group, BCC Iccrea Group and FSI completed a transaction relating to a strategic partnership, which led to creation of the second largest national player in the e-money sector. Numia Group, which holds the entire share capital of Numia (a company authorised to issue electronic money and provide payment services - IMEL), is 42.86% owned by FSI and by Banco BPM and BCC Banca Iccrea for 28.57% each.
Numia is the second largest domestic payments hub on the market, able to offer all e-money services, both in terms of acquiring and issuing, currently available on the market, guaranteeing full management of the entire operating chain. Numia operates mainly through distribution agreements signed with partner banks and, to a lesser extent, through a direct model for the acquiring component only. In particular, in the acquiring sphere, Numia provides the services needed to enable the acceptance of electronic payments to merchants, while in the issuing sphere, the main services offered by Numia entail the procurement, issue and management of payment cards. In addition, for both lines of business, Numia provides a wide range of value-added services.
As at 31 December 2025, Numia actually manages over 380 thousand POS, more than 8.1 million payment cards and over 107 billion in transactions, with a market share in excess of 10% and with a distribution share which - thanks to the Banco BPM, BCC Iccrea Group and other local banks network - as a whole, represents almost 20% of bank branches in Italy.
Banco BPM has a ten-year distribution agreement in place, automatically renewable from year to year, as regards the distribution and placement of Numia e-money products both in the acquiring and issuing spheres.
During 2025, the strategic investment aimed at strengthening the technological infrastructure through the implementation of a new IT platform dedicated to the management of electronic payment transactions able to guarantee greater security of data and financial transactions became effective, alongside the optimisation of authorisation times and transaction accounting, as well as greater scalability to support the increase in operating volumes and the

possibility of integration with external systems. This investment confirms Numia's desire to strengthen its competitive position in the payment services market, in line with the technological and regulatory standards of the sector.
In 2025, Numia recorded both an increase in revenues, driven by an increasing use of electronic payment methods and by the contribution of extraordinary acquisitions, and an increase in operating expenses to support the process of integrating acquisition transactions and for the continuous investment in technologies aimed at further supporting customers, also through the expansion of its own range of commercial solutions for the benefit of customers.
As at 31 December 2025, Numia Group achieved net revenues of 315 million at consolidated level (up from 183 million in 2024), an EBITDA of 121 million (up from 61 million in 2024) and a net profit for the year of 22 million (compared to a loss of 6 million in the previous year).

Finance

	2025	2024 (*)	Abs. Change	% change
Net interest income	262,880	18,510	244,370	n.s.
Net fee and commission income	43,590	27,416	16,174	59.0%
Core income	**306,470**	**45,926**	**260,544**	**n.s.**
Net financial result	115,379	171,210	(55,831)	(32.6%)
Operating income	**421,849**	**217,136**	**204,713**	**94.3%**
Personnel expenses	(10,033)	(13,841)	3,808	(27.5%)
Other administrative expenses	(78,097)	(87,562)	9,465	(10.8%)
Net value adjustments to property, plant and equipment and intangible assets	(328)	(359)	31	(8.6%)
Operating expenses	**(88,458)**	**(101,762)**	**13,304**	**(13.1%)**
Profit (loss) from operations	**333,391**	**115,374**	**218,017**	**189.0%**
Net adjustments to securities and other financial assets	(1,017)	(2,200)	1,183	(53.8%)
Total adjustments and provisions	**(1,017)**	**(2,200)**	**1,183**	**(53.8%)**
Profit (loss) before tax from continuing operations	**332,374**	**113,174**	**219,200**	**193.7%**
Taxation charge related to profit or loss from continuing operations	(105,400)	(38,027)	(67,373)	177.2%
Profit (loss) after tax from continuing operations	**226,974**	**75,147**	**151,827**	**202.0%**
Charges for company restructuring, net of taxes	(469)	(1,071)	602	(56,2%)
Parent Company's profit (loss) for the year	**226,505**	**74,076**	**152,429**	**205.8%**

(*) The figures for the previous year have been restated to reflect the changes introduced in the composition of the operating segments in 2025. The changes to the income statement format, as described in the Results section of this report, which should be referred to for further details, have been taken into account.

The following table shows the reconciliation of the reclassified income statement of the Finance operating segment for 2024, with the same statement originally published in the Consolidated report on operations of the previous year.

2024	Income statement 2024	Reclassification of hedging products	Reclassification of fee and commission income on structuring and risk hedging	Reclassification of restructuring charges	Reversal of treasury contribution (management data)	Reversal of contribution of institutional issues (management data)	Reversal of ALM contribution (management data)	Income statement 2024 restated
Net interest income	130,093	-	-	-	14,346	154,590	(280,519)	18,510
Net fee and commission income	(32,456)	17,763	38,189	-	3,920	-	-	27,416
Core income	**97,637**	**17,763**	**38,189**	**-**	**18,266**	**154,590**	**(280,519)**	**45,926**
Net financial result	20,397	(17,763)	(38,189)	-	(13,051)	-	219,816	171,210
Operating income	**118,034**	**-**	**-**	**-**	**5,215**	**154,590**	**(60,703)**	**217,136**
Personnel expenses	(18,166)	-	-	-	-	2,305	2,020	(13,841)
Other administrative expenses	(109,616)	-	-	-	-	9,447	12,607	(87,562)
Net value adjustments to property, plant and equipment and intangible assets	(507)	-	-	-	-	84	64	(359)
Operating expenses	**(128,289)**	**-**	**-**	**-**	**-**	**11,836**	**14,691**	**(101,762)**
Profit (loss) from operations	**(10,255)**	**-**	**-**	**-**	**5,215**	**166,426**	**(46,012)**	**115,374**
Net adjustments to securities and other financial assets	(2,200)	-	-	-	-	-	-	(2,200)
Total adjustments and provisions	**(2,200)**	**-**	**-**	**-**	**-**	**-**	**-**	**(2,200)**
Profit (loss) before tax from continuing operations	**(12,455)**	**-**	**-**	**-**	**5,215**	**166,426**	**(46,012)**	**113,174**
Taxation charge related to profit or loss from continuing operations	3,383	-	-	-	(1,724)	(54,968)	15,282	(38,027)
Profit (loss) after tax from continuing operations	**(9,072)**	**-**	**-**	**-**	**3,491**	**111,458**	**(30,730)**	**75,147**
Charges for company restructuring, net of taxes		-	-	(1,405)	-	178	156	(1,071)
Charges relating to early retirement incentives, net of taxes	(1,405)	-	-	1,405	-	-	-	-
Parent Company's profit (loss) for the year	**(10,477)**	**-**	**-**	**-**	**3,491**	**111,636**	**(30,574)**	**74,076**

The Finance business line is the segment that includes the operations of Global Markets and the activities relating to the securities portfolio owned by the Parent Company.

Economic performance of the segment

The net interest income of the segment in question amounted to 262.9 million, up significantly compared to the previous year, which closed at 18.5 million, mainly due to the decline recorded in the (figurative) cost of funding, which more than offset the decrease in interest income of the securities portfolio, also considering the trend in market rates.
On the contrary, the net financial result showed a decrease of 55.8 million due to the lower contribution deriving from the trading activities of the securities portfolio of the Parent Company and from Global Markets.
Lastly, there was an improvement in operating expenses, equal to 88.5 million.
As a result of the performance described, after taxes of 105.4 million, the operating segment in question closed 2025 with a profit of 226.5 million.

More information on the activities managed by the business segment in question is provided below.

The Parent Company coordinates and oversees the management policies of its structural asset and liability items, as well as those of the other Group companies, to optimise available capital, identify adequate funding strategies and transactions for the Group, through action on domestic and international markets, as well as to monitor liquidity requirements and dynamics, and the management of portfolios of securities and of other financial instruments held by the Group.

Banking Book

Management of Proprietary Portfolios

Regarding the management of financial instruments under assets, in 2025 the strategies briefly described below were followed.

Positions in the HTCS category

In 2025, the Parent Company's HTCS business model portfolio recorded an increase of around 1.9 billion, from 13.6 billion to 15.5 billion. The increase is entirely attributable to the government component of the portfolio: Italian and French government bonds recorded an increase in volumes for a total of 2.7 billion, Spanish and German bonds recorded more contained increases, while a reduction in the volumes invested was recorded by US government bonds. The overall effect on interest rate risk exposure translates into an increase in sensitivity of 1.25 million per basis point; the duration is around 2.4 years.
The component of domestic government bonds amounted to approximately 2.9 billion as at 31 December 2025.
In a market context characterised by historically low spreads and a single significant episode of volatility, attributable to the uncertainties resulting from the new US tariff regime, the management of investments in non-government bonds recorded in the HTCS portfolio continued in line with the previous year. By only marginally reducing the nominal amount invested, efforts were focused on the selection of instruments which, despite having high credit quality, offered returns that met the objectives of contribution to the Bank's interest margin, profitability that was increased by the successful tactical management of interest rate risk. With respect to the end of last year, this strategy meant that both the credit sensitivity (approximately -1.5 million bps) and the average bond maturity (just under 5 and a half years) were substantially unchanged, while the marginal increase in interest rate sensitivity (from around -400 thousand bps to around -550 thousand) was attributable to an opportunistic positioning in correspondence with the relative maximums reached by risk-free returns at the end of 2025: an increase in hedging against interest rate risk is an option if risk-free returns were to fall at the beginning of 2026.

Positions in the HTC accounting category

Consistent with that carried out in the HTCS business model, in 2025 the HTC portfolio of the Parent Company's Banking Book was increased from a nominal 27.6 billion to 30.6 billion, with a consequent increase in exposure to interest rate risk. Also in this case, this increase was almost entirely focused on the Government Bonds component. The share of bonds issued by the Italian Treasury stood at 11.8 billion at the end of 2025, with a positive delta of around 1.2 billion compared to 2024.

The management of the non-government component recognised in HTC also continued in line with the previous year. To take advantage of the positive slope of both the credit and interest rate curves, it was decided to invest in maturities higher than those of the bonds already recognised in this accounting category. The new investments increased the average maturity by approximately 6 months, making it slightly longer than 5 years and increased credit sensitivity by approximately 100 thousand per bp, while both the nominal amount invested and the credit quality, particularly high, remained substantially unchanged compared to the previous year. Despite the increase in the nominal percentage hedged against interest rate risk through derivatives, the sensitivity to interest rate risk at the end of the year was also higher than that of the previous year following the opportunistic positioning already described with reference to just over 200 million in investments recorded in HTCS. It should also be noted that the subscription of private placements characterised by fix to floater coupons continued.
The share of ESG issues on the total portfolio (HTC+HTCS) of non-government securities held by the Parent Company rose during the year, bringing it to around 40%.

Proprietary Trading

Positions in the HFT category

As regards trading activities, it should be noted that the approach taken at the beginning of 2025 was substantially the same with respect to the previous year, namely with a mainly tactical allocation to various asset classes, containing the Var and favouring intraday operations, spread positions and purchase of options equally divided between equity, currency, bond and precious metals segments; the continuous change in market sentiment, the political and geopolitical tensions in the old continent and the trade "war" caused by tariffs led to unintuitive market dynamics and short-term trends on the currency front, with a single persistent note relating to the appreciation of the equity segment, especially in the Technological and precious metals fields.

Global Markets

Market making activities in the fixed income segment recorded strong growth in volumes compared to 2024, especially with reference to Italian government bonds, where the activity of Specialists in Government bonds, which started in November 2024, has strengthened the visibility of Banco BPM with institutional customers, making it possible to significantly increase market share. Starting from 2025, in its role as Primary Dealer, Banco BPM has been committed to guaranteeing liquidity and stability to the government bond market, by subscribing shares of the primary market (auctions) and actively trading on the secondary market (MTS).
As regards the non-government bond market (financials and corporate), trading volumes with customers remained in line with 2024, despite the strong shift of flows from the secondary market to the primary market that characterised 2025.
Products structured for interest rate hedging offered to corporate and business customers recorded an increase in volumes compared to 2024, continuing the trend that began the previous year. The percentage of unwinding and restructuring transactions of existing hedges increased, but the commercial boost also led to a significant increase in new hedging transactions. The growth in volumes of exchange rate and commodity hedging was less pronounced, segments in which the level of activity is usually related to market volatility.
The interest of institutional customers in bond options increased, with a consequent increase in transactions not only on BTPs, but also on German and French government bonds.
During 2025, Banco BPM joined the Italian Emissions Trading Register, in order to operate within the European Emissions Trading System (EU ETS).
With reference to structured investment products, 2025 saw a significant increase in the volumes placed (to the extent of around 30%), with greater diversification of the types of instruments distributed through external networks and the greater use of third-party issuers (in particular in the first and fourth quarter).
Likewise, the volumes traded on the secondary Certificates market (EuroTLX and Vorvel) recorded a significant increase, particularly in the first quarter (there was only a moderate decline in April following Liberation Day and the natural decline in volumes in August).
Volumes traded with institutional customers on OTC equity options were up slightly compared to the previous year.
During the year, Financial Engineering activities focused on the integration of proprietary pricing models within risk management systems, allowing the expansion of the payoffs available for the Front Office, in particular on credit asset classes and interest rates. The development of quantitative trading strategies and the implementation of listing systems on regulated markets also continued.

Corporate Centre

	2025	2024 (*)	Abs. Change	% change
Net interest income	(39,413)	196,129	(235,542)	n.s.
Gains (losses) on interests in associates and joint ventures carried at equity	1,841	1,807	34	1.9%
Net fee and commission income	(82,202)	(82,488)	286	(0.3%)
Financial margin	**(119,774)**	**115,448**	**(235,222)**	**n.s.**
Net financial result	(78,669)	(215,226)	136,557	(63.4%)
Other net operating income	(3,705)	18,926	(22,631)	n.s.
Operating income	**(202,148)**	**(80,852)**	**(121,296)**	**150.0%**
Personnel expenses	(443,282)	(432,854)	(10,428)	2.4%
Other administrative expenses	459,359	375,729	83,630	22.3%
Net value adjustments to property, plant and equipment and intangible assets	(176,423)	(165,984)	(10,439)	6.3%
Operating expenses	**(160,346)**	**(223,109)**	**62,763**	**(28.1%)**
Profit (loss) from operations	**(362,494)**	**(303,961)**	**(58,533)**	**19.3%**
Cost of loans to customers	12,305	5,088	7,217	141.8%
Net adjustments to securities and other financial assets	4,426	(6,367)	10,793	n.s.
Fair value gains (losses) on property, plant and equipment	(7,291)	(54,627)	47,336	(86.7%)
Net provisions for risks and charges	120	(12,399)	12,519	n.s.
Total adjustments and provisions	**9,560**	**(68,305)**	**77,865**	**n.s.**
Profit (loss) before tax from continuing operations	**(352,934)**	**(372,266)**	**19,332**	**(5.2%)**
Taxation charge related to profit or loss from continuing operations	162,998	115,846	47,152	40.7%
Profit (loss) after tax from continuing operations	**(189,936)**	**(256,420)**	**66,484**	**(25.9%)**
Gains (losses) on interests in associates and joint ventures and other investments, net of taxes	2,271	1,760	511	29.0%
Impact of the purchase price allocation (PPA), net of taxes	10	(523)	533	n.s.
Impact of the change in own credit risk on the issue of certificates (OCR), net of taxes	2,683	1,213	1,470	121.2%
Charges for company restructuring, net of taxes	(27,429)	(42,336)	14,907	(35.2%)
E-money impact, net of taxes	-	493,125	(493,125)	n.s.
Bancassurance impacts, net of taxes	-	(3,376)	3,376	n.s.
Profit (loss) attributable to non-controlling interests	(300)	11	(311)	n.s.
Parent Company's profit (loss) for the year	**(212,701)**	**193,454**	**(406,155)**	**n.s.**

(*) The figures relating to the previous year have been restated to reflect the changes introduced to the breakdown of operating segments and to guarantee a like-for-like comparison with the profiling criteria used for 2025. The changes to the income statement format, as described in the Results section of this report, which should be referred to for further details, have been taken into account.

The following table shows the reconciliation of the reclassified income statement of the Corporate Centre operating segment for 2024, with the same statement originally published in the Consolidated report on operations of the previous year.

2024	Income statement 2024	Reclass. Gains (losses) on disposal of interests in associates and joint ventures and other investments	Reclassification of restructuring charges	Reversal of Banco BPM Invest SGR contribution	Reclassification of treasury contribution (management data)	Reclassification of contribution of institutional issues (management data)	Reclassification of ALM contribution (management data)	Reclassification of PPA Insurance	Other management reclassifications	Income statement 2024 restated
Net interest income	84,100	-	-	20	(14,346)	(154,590)	280,519	-	426	196,129
Gains (losses) on interests in associates and joint ventures carried at equity	1,807	-	-	-	-	-	-	-	-	1,807
Net fee and commission income	(77,298)	-	-	(1,476)	(3,920)	-	-	-	206	(82,488)
Core income	**8,609**	**-**	**-**	**(1,456)**	**(18,266)**	**(154,590)**	**280,519**	**-**	**632**	**115,448**
Net financial result	(8,461)	-	-	-	13,051	-	(219,816)	-	-	(215,226)
Other net operating income	18,927	-	-	(1)	-	-	-	-	-	18,926
Operating income	**19,075**	**-**	**-**	**(1,457)**	**(5,215)**	**(154,590)**	**60,703**	**-**	**632**	**(80,852)**
Personnel expenses	(429,432)	-	-	903	-	(2,305)	(2,020)	-	-	(432,854)
Other administrative expenses	397,024	-	-	759	-	(9,447)	(12,607)	-	-	375,729
Net value adjustments to property, plant and equipment and intangible assets	(165,892)	-	-	56	-	(84)	(64)	-	-	(165,984)
Operating expenses	**(198,300)**	**-**	**-**	**1,718**	**-**	**(11,836)**	**(14,691)**	**-**	**-**	**(223,109)**
Profit (loss) from operations	**(179,225)**	**-**	**-**	**261**	**(5,215)**	**(166,426)**	**46,012**	**-**	**632**	**(303,961)**
Cost of loans to customers	5,089	-	-	-	-	-	-	-	(1)	5,088
Net adjustments to securities and other financial assets	(6,367)	-	-	-	-	-	-	-	-	(6,367)
Fair value gains (losses) on property, plant and equipment	(54,627)	-	-	-	-	-	-	-	-	(54,627)
Net provisions for risks and charges	(12,399)	-	-	-	-	-	-	-	-	(12,399)
Total adjustments and provisions	**(68,304)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(1)**	**(68,305)**
Profit (loss) before tax from continuing operations	**(247,529)**	**-**	**-**	**261**	**(5,215)**	**(166,426)**	**46,012**	**-**	**631**	**(372,266)**
Taxation charge related to profit or loss from continuing operations	74,041	667	-	(61)	1,724	54,968	(15,282)	-	(211)	115,846
Profit (loss) after tax from continuing operations	**(173,488)**	**667**	**-**	**200**	**(3,491)**	**(111,458)**	**30,730**	**-**	**420**	**(256,420)**
Gains (losses) on interests in associates and joint ventures and other investments, net of taxes	2,427	(667)	-	-	-	-	-	-	-	1,760
Impact of the purchase price allocation (PPA), net of taxes	(13,106)	-	-	-	-	-	-	12,580	3	(523)
Impact of the change in own credit risk on the issue of certificates (OCR), net of taxes	1,213	-	-	-	-	-	-	-	-	1,213
Charges for company restructuring, net of taxes		-	(42,002)	-	-	(178)	(156)	-	-	(42,336)
Charges relating to early retirement incentives, net of taxes	(42,002)	-	42,002	-	-	-	-	-	-	-
E-money impact, net of taxes	493,125	-	-	-	-	-	-	-	-	493,125
Bancassurance impacts, net of taxes	(3,376)	-	-	-	-	-	-	-	-	(3,376)
Profit (loss) attributable to non-controlling interests	11	-	-	-	-	-	-	-	-	11
Parent Company's profit (loss) for the year	**264,804**	**-**	**-**	**200**	**(3,491)**	**(111,636)**	**30,574**	**12,580**	**423**	**193,454**

Contributions to the consolidated financial statements that are not represented in the other lines of business are included within the Corporate Centre business line. More specifically, the Corporate Centre includes the contribution of treasury activities, institutional bond issues and management of the Group's Asset and Liability Management, previously included in the Finance operating segment. It also includes the financial contributions of the Group's real estate companies, of the run-off activities relating to the Group's leasing business, as well as the centralised management of governance and support functions for the entire Group.

Economic performance of the segment

Net interest income closed 2025 at -39.4 million, down sharply compared to the previous year, which closed with a positive balance of 196.1 million. The interest rate risk component, which is negatively affected by the trend in market rates, largely explains the performance of this item.
On the contrary, the other revenue items that make up the aggregate of operating income amounted to a total of -162.7 million, an improvement of +114.2 million compared to 2024, especially due to the contribution of the net financial result. The latter, in fact, benefited from the decrease in the cost of certificates, due to the trend in market rates, and the dividends relating to the interest held by the Parent Company in Banca MPS (54.2 million).
Overall, operating expenses were down significantly, standing at 160.3 million (a decrease of 62.8 million), due to the effect of the reclassifications to the other operating segments of the Group.
There was a marked improvement in the aggregate of adjustments and provisions, a positive 9.6 million. Last year, on the other hand, this item had recorded a net expense of 68.3 million, largely due to value adjustments made on properties.
Charges for company restructuring, net of taxes, of 27.4 million were charged to the operating segment in question, compared to the figure of 42.3 million last year.
As a result of the above performance, the Corporate Centre closed 2025 with a negative result of -212.7 million.

More information on the main activities managed by the business segment in question is provided below.

Group Treasury

The Bank's liquidity position during the year was characterised by a constant surplus of liquidity, which led to usage in the ECB Deposit Facility for a daily average (including public holidays) of approximately 6.4 billion.
Geopolitical tensions also affected foreign exchange transactions in 2025. The main focus was on managing the impacts on customers in the best possible way by offering a meticulous and timely service.
During the year, the Money Markets Desk's forex swap activities strengthened, reaching an average monthly turnover of around 12 billion in nominal terms (equivalent value in euro), an increase of approximately 20% compared to the previous year.
Funding activities aimed at seizing market opportunities at Cassa Compensazione & Garanzia amounted on average to around 6.5 billion in volumes traded, in line with 2024. Operations with the other Central Counterparties, Eurex Clearing AG and LCH SA, allowed Banco BPM to further increase funding by using most of the Eurozone government bonds. This contributed to reducing operational and counterparty risks, as well as guaranteeing access to European markets, able to cover almost the entire breakdown of the government bonds portfolio. The average volumes recorded in 2025 for the two foreign clearing houses amounted to approximately 12.7 billion for LCH and 2.2 billion for Eurex (the increase with counterparty LCH is due to greater opportunities following the transfer of the securities custodian in October 2024).
Overall secured financing activity through the three central clearing houses on proprietary assets reported total daily average funding of approximately 21.4 billion. Lending activities, including medium/long-term transactions, amounted to approximately 8.8 billion on average, up compared to 2024 due to greater opportunities for the use of excess liquidity, also resulting from greater funding activity.
To complete funding activities, Long-Term bilateral Repo operations were carried out, which over the year as a whole contributed to medium/long-term funding for a total of 1.5 billion in new transactions performed using ABS and retained covered bonds. The total outstanding of Long-Term Repos amounted to 9.3 billion at the end of 2025.
Moving on to the portfolio of government bonds in US dollars, 2025 saw a gradual reduction in the USD repo rate curve on all the main maturities, confirming an accommodative approach to monetary policy by the Federal Reserve. To fund US government bonds, a decision was made to adopt a diversification strategy for maturities with a view to making the funding of said portfolio, which on average stood at 2.9 billion (in euro), as efficient as possible.
Collateral optimisation activities continued through open securities lending transactions as well as collateral switching.

Lastly, limited operations on Overnight Index Swap derivatives on the electronic platform were recorded, with a variable parameter of €STR with a short-term time horizon, carried out with the aim of seizing market opportunities.
Concluding with Forex operations, trading activities in FX Spot continued with good results, both in terms of profit and volume, with an increase in retrocessions to the networks against commercial activity.

Funding and Capital Management

The Group's liquidity position remained solid throughout 2025; during the year, liquidity indicators - LCR and NSFR - remained well above the Group's Risk Appetite Framework objectives.

With regard to public bond issues, five bond placements were made totalling 2.65 billion. In detail, the following were issued:

- in January, a Senior Social Preferred bond for an amount of 500 million, with a 5-year maturity and a fixed coupon of 3.375%;
- in March, a Social Covered Bond for an amount of 750 million, with a 4.5-year maturity and a fixed coupon of 2.625%;
- in May, an Additional Tier 1 security for an amount of 400 million, perpetual (with the possibility of early redemption after 5 years from the issue date), with a fixed coupon of 6.25% until November 2030 and subsequently a 5-year Euro swap rate increased by a spread of 406.6 bps;
- in July, a Tier 2 Reset Note for an amount of 500 million, maturing in January 2036 (with the possibility of early redemption in January 2031), with a fixed coupon of 4% until January 2031 and subsequently, until maturity, a 5-year Euro swap rate increased by a spread of 180 bps;
- in October, the first European Senior Non-Preferred Green Bond for an amount of 500 million, with a 6-year maturity, a fixed coupon of 3.125% for the first 5 years and subsequently until maturity, a 3-month Euribor floating rate +90 bps (with the possibility of early redemption from October 2030).

Furthermore, it should be noted that, together with the European Senior Non-Preferred Green Bond issued in October, the Bank made a public repurchase offer relating to the Senior Non-Preferred Bond XS2530053789 for a maximum amount equal to the nominal value of 500 million. At the end of the offer period, Banco BPM fully accepted the offers received, repurchasing roughly 216.4 million of the security.

Lastly, as regards the optimisation of RWAs, note that in 2025, the following synthetic securitisation transactions were finalised:

- synthetic securitisation "Clint": transaction concluded in March with market investors and which entails hedging of the junior tranche of an initial portfolio, net of retention, of around 2.5 billion in performing loans disbursed to Mid Corporate Plus and Large Corporate;
- synthetic securitisation "Gregory": transaction concluded in March with market investors and which entails hedging of the mezzanine tranche of an initial portfolio, net of retention, of around 2.2 billion in performing loans disbursed to Small Businesses, Mid Corporate and Mid Corporate Plus;
- synthetic securitisation "Sean": transaction concluded in November with market investors and which entails hedging of the junior tranche of an initial portfolio, net of retention, of around 2.9 billion in performing loans disbursed to Mid Corporate Plus and Large Corporate.

The guarantees on the hedged tranches were issued through the subscription by investors of securities issued by the special purpose entities which, with the relative income, granted limited recourse loans to the Bank.
In addition, we draw attention to six tranched cover transactions performed pursuant to Italian Ministerial Decree of 14 November 2017, as amended and supplemented by Italian Ministerial Decree of 21 June 2019, characterised by the release by the Guarantee Fund for Small and Medium Enterprises of a direct personal guarantee to cover the junior tranche of portfolios of new disbursements to SMEs and MID CAPs, for an amount of approximately 300 million each.

ALM

The management of interest rate risk in the Banking Book is carried out centrally by the Parent Company within a specific delegated department, and the primary objective of management decisions is to mitigate the rebalancing of the dynamics of economic value volatility with the volatility of net interest income as the rate curve of monetary and financial market in general changes, in accordance with the provisions of specific regulations (BCBS, CRR/CRD, EBA and the Bank of Italy).

The Group utilises an integrated Asset & Liability Management (ALM) system with the aim of calculating the risk measurements that also include the use of behavioural models and measures, and management is primarily based on a "natural hedge" model, which tends to pursue a natural compensation of the risks generated by the gaps in liabilities and assets, integrated with the use of hedging derivatives/optimisation. The items for which hedges are present are above all those on-demand, bond issues, mortgage loans and the securities portfolio.

Real Estate Sector

As at 31 December 2025, the total book value of the Group's real estate assets amounted to 1.8 billion (2.0 billion as at 31 December of last year).
Group operations in the real estate sector are addressed to the management of operating properties (head office and branches) and the enhancement, development and disposal of non-operating properties. More specifically, in 2025 the Group focused on increasing the efficiency of the spaces occupied and on reducing their management costs, continuing with the market rationalisation plan that envisages the release of third-party properties and empty or only partially occupied ones.

Furthermore, during the year, various energy efficiency initiatives were carried out, with a view to reducing consumption in line with that stated in the Strategic Plan. These initiatives concerned both the large offices and the branches to ensure better comfort and the rational use of energy, confirming the objective of purchasing 100% of its electricity needs from renewable sources.

The activity relating to enhancing and marketing non-operating properties is part of an Italian real estate market which recorded investments of approximately 12.4 billion (source Dils) in 2025, also thanks to a fourth quarter which provided a contribution of approximately 4.3 billion (the best quarter in the last four years), with an increase of 23% YoY and of 25% for the fourth quarter alone, driven above all by retail, hotels and logistics.

In greater detail, Retail recorded a reversal of the trend compared to the post-pandemic years with 3.4 billion in investments (+39% on 2024) in all the main segments (outlets, high street, shopping centres).
Similarly, Hospitality has become the second most important asset class, sustained by the prospect of upgrading in the Luxury segment with 2.4 billion in investments (+30% over 2024), the best result since 2019. The capital was directed mainly towards the main cities, with Rome in the forefront, thanks to over 650 million invested, and towards the country's most important tourist destinations.
The Logistics segment also recorded positive results, with transactions growing for the seventh consecutive year.
The Offices sector showed particularly solid performance in the fourth quarter, with investments of approximately 800 million, up by 20% compared to the same period of 2024 and the best quarterly result of the past three years. Overall, 2025 closed with volumes of 1.9 billion, down 14% YoY, reflecting a market that continues to be selective but dynamic in higher quality transactions. Milan is confirmed as the main hub in terms of attracting capital, with over 70% of investments, followed by Rome with around 20% of the national total. The strong acceleration observed in the fourth quarter was mainly driven by core transactions on iconic assets.
The Living sector has now consolidated its position among the asset classes preferred by investors, returning to levels in line with 2022, the year that recorded the best performance in the sector. In the last quarter, investments reached approximately 330 million, bringing the total from the beginning of the year to over 1 billion, with an increase of over 70% compared to 2024. Milan is confirmed as the main destination for residential investment in Italy, with a share of 66% of the capital, followed by Turin, Rome and Bologna. The performance of the sector was mainly driven by Student Housing which, YoY, doubled its investment volume.
The Alternatives sector (Healthcare, senior living, sports infrastructure and social real estate) confirms its attractiveness for investors, with a total annual volume exceeding 1.5 billion, of which over 600 million recorded in the fourth quarter alone, marking the best result of the past five years. In the last quarter, investments in the Healthcare segment reached approximately 390 million.
Lastly, unlike agricultural land, the market for building land to be developed in 2025, showed signs of growth and interest; sales of building areas rose, driven by factors such as the increase in renovation costs, urban regeneration and the NRRP, although the overall framework of the construction sector is down due to reduced bonuses, with a growing focus on innovation and sustainability.

In this context, the Group has signed 56 deeds for approximately 26 million; the sales commitments signed in 2025 amounted to 48 million. The total commitments outstanding at the end of 2025 amounted to approximately 92.5 million.

With regard to the NPE sector, the Group has signed 17 deeds for approximately 30.6 million and sales commitments amounted to approximately 5 million.
It should also be noted that, in 2024, Banco BPM had approved a transfer of a portfolio of over 330 owned properties, almost exclusively non-operating assets, for a total value of approximately 295 million ("Square" Project). The sale is planned in several tranches, the first, for a value of 70.7 million, was completed in December 2024; during 2025, additional transfers of 172.6 million were completed and the remainder is expected by June 2026.

In terms of leases, the performance of commercial leases showed more moderate growth compared to the peaks of 2024, with average rent increases estimated at around 4-6% in large cities, driven by strong demand and low supply, especially in sectors such as retail and offices, with Milan seeing a slowdown in the growth of residential rents, while commercial investment continued to play a central role.
At Group level, work continued for the purpose of "generating income" from free space, mainly in properties used as headquarters, or large office buildings.

SUSTAINABILITY RESULTS

In continuity with its history and tradition, Banco BPM pursues sustainable business development, fully expressing its vocation to support the community and the central role of people, embracing the interests and values of all stakeholders - customers, in particular families and small and medium-sized companies, suppliers, shareholders, employees and non-employed staff and the entire local community - in full compliance with the growth path outlined in the Strategic Plan, in which Environmental, Social and Governance (ESG) factors constitute a cornerstone across the board with respect to other main objectives and integrate the traditional equity, financial and income components of corporate sustainability.

Governance of sustainability issues

Corporate bodies

Banco BPM Group is divided into several Companies, including Banco BPM acting as Parent Company and therefore exercising management, coordination and control activities over all the other Group Companies. Banco BPM adopts the "traditional" management and control model: the strategic supervision function, also from the perspective of sustainable success, and the management function are attributed to the Board of Directors, while the control function is assigned to the Board of Statutory Auditors. Both bodies are appointed by the Shareholders' Meeting. In order to ensure that sustainability issues are monitored, Banco BPM has defined a consistent corporate strategy, approved by the Board of Directors and implemented by the Chief Executive Officer, the Co-General Managers and their direct reports, also adopting an effective governance model. With reference to ESG issues, the Sustainability Board Committee supports the Board of Directors in defining and approving the Group's strategic guidelines, also monitoring the Group's activities in this area in accordance with the strategic guidelines. To monitor sustainability issues, a specific managerial committee has also been established, called the "ESG Committee" — chaired by the CEO — which has proposal-making tasks in order to define the Group's social responsibility model and to supervise the implementation of the company strategies and initiatives regarding Environmental, Social and Governance matters.

Operational coordination

To further strengthen the implementation of the sustainability strategy, in 2024 the "Transition and Sustainability" function was established to report directly to the Co-General Manager - Chief Financial Officer, responsible for integrating sustainability issues into strategies, governance processes and into the operational areas of the financial conglomerate, also through continuous collaboration and coordination with the company functions and the companies that oversee the businesses in which the Group operates, each for its own scope of responsibility. The development of a methodological framework that identifies the best metrics and indicators (Key Sustainability Indicators) used to summarise the Group's sustainability profile and to allow monitoring and reporting activities, is under the responsibility of Transition and Sustainability. In addition, this function supports the development of products and services to fulfil the Group's ESG ambitions, also thanks to its contribution to providing intense internal and external training activities and in developing company regulations that facilitate the orderly and consistent execution of the relative business processes. Lastly, Transition and Sustainability contributes to dialogue on ESG issues with all stakeholders, also with a view to obtaining ESG ratings that accurately reflect the current and prospective sustainability profile of Banco BPM.

Main processes to analyse ESG drivers

The Banco BPM framework for the assessment of drivers linked to ESG issues, in particular climate and environmental issues, consists of three closely interconnected elements: (i) Business Environment Scan (BES), which analyses the current and future operating context in the short-, medium- and long-term, the results of which provide input for (ii) the Materiality Assessment (MA), through which the impact of ESG factors - deriving from the transmission channels identified in the portfolios of loans, securities and real estate used as collateral and in customer deposits - on the Group's operations (in particular, on traditional risks - credit, market, operational, liquidity, etc. - and on performance) is assessed and (iii) transition plans (TP) towards a more resilient, inclusive and sustainable economic system, also required by the EBA guidelines on ESG risks. In addition, the components of the ESG framework are also consistent with other company processes that consider ESG drivers, including, for example, credit policies, the Risk Appetite Framework (RAF) and Remuneration Policies.

This framework also includes the double materiality assessment (DMA), required by the CSRD for disclosure purposes through Sustainability Statement (SS), which in 2025 was evolved in line with the evidence and methodologies of the aforementioned processes, where possible applying the same data and analytical approaches used to assess materiality. The double materiality assessment is the strategic process that identifies and assesses the sustainability issues relevant to disclosure, considering material impacts, risks and opportunities for people and the environment along the entire upstream and downstream value chain, to support the communities and territories served, also through the involvement of important stakeholders. In particular, in 2025 the double materiality assessment of the financial conglomerate also benefited from the integration of the results of the same assessment applied to the Anima group, carried out by adopting a consistent approach, and involved the extension and completion of the asset management services and products offered to customers.

Incentive systems

The incentive systems of Banco BPM Group are structured to support the pursuit of strategic objectives and to foster the creation of value in the medium/long-term, promoting behaviour that facilitates the containment of the risks assumed (including legal and reputational risks) and customer protection and loyalty, with attention to the management of conflicts of interest. Personnel performance is assessed, guaranteeing gender neutrality, on the basis of indicators (KPIs) that integrate economic-financial, capital and risk objectives with environmental, social and governance (ESG) factors, in order to encourage balanced management, oriented towards sustainable development. By way of example, with regard to the position of Chief Executive Officer, 20% of short-term variable remuneration (Short-Term Incentive Plan) relates to the area of sustainability, while 15% of the long-term variable component (Long-Term Incentive Plan), relates to the Strategic Plan objectives referring to the People Strategy and Green, Social & Sustainable bond issues.

Results and ambitions

Main results for 2025 and strategic objectives[1]

Area	Key Sustainability Indicator	Unit	Final balance 2024	Final balance 2025	Reference period	Target
Environment	New medium/long-term Low-Carbon loans	€ million	5,712	7,594	2027	7,000
	Direct energy consumption	Thousands of Gigajoules	486	466	2027	<472
	Scope 1&2 Market-based emissions	Tonnes of CO2 equivalent	10,994	10,670	2027	10,900
	Direct exposure in the Carbon sector	€ million	0.8	0	2027	0
Social	New disbursements to the Third Sector	€ million	257 (202 MLT)	313 (236 MLT)	2027	255[2]
	Gender equality in managerial roles	%	30.7%	33.0%	2027	36%
	Contributions for social and environmental projects	€ million	6.3	6.7[3]	Average 2025-27	>5.0
	ESG Factory training for Companies	Hours	1,804	1,048	Cumulative 2025-27	>3,000
	Internal training on ESG issues	Thousands of hours	178	233	2027	200
	Hires to ensure generational turnover	Unit	n.c.	480	Cumulative 2025-26	800
ESG Finance	ESG Bond issues	€ million	1,500	1,750	Cumulative 2025-27	5,000
	ESG Bond investments – % Share of Corporate Banking Book	%	35.0%	40.0%	2027	40%
	ESG Bond issues as Joint Bookrunner or Joint Lead Manager	€ million	9,396	9,675	Cumulative 2025-27	19,500

Main findings of the processes to analyse ESG drivers

The Business Environment Scan processes, the Materiality Assessment of ESG drivers and the double materiality assessment apply a scoring methodology, conditioned by the most recent climate scenarios available and transversal to the transmission channels with respect to traditional risks. The materiality of the climate and environmental drivers

[1] They do not include the Anima Group.
[2] Overall target on all loans to the Third Sector.
[3] Environmental projects, towards the community, account for 6%.

is assessed taking account of operations in the management segments (Corporate, SME and Individuals portfolios), in the sectors of economic activity (NACE/ATECO codes) and in the territories where its customers operate, considering the location both of production assets and of real estate used as collateral and owned. The output of these activities feeds the Key Performance Indicator (KPI) and Key Risk Indicator (KRI) estimation models, through which the Group determines the potential impacts of the manifestation of material ESG risk factors on the business model (products sold and services offered), performance (profitability and financial) and exposure to risks (including business, credit and counterparty, banking and trading book market, operational and legal, liquidity, funding and reputational). The assessment made it possible to launch a monitoring process that is able to identify the most effective actions to intervene if a material deviation from the path outlined to achieve the targets is detected, promptly mitigating potential negative impacts on risk exposure and seizing any business opportunities.
In 2025, the results of the application of the ESG framework showed a material but limited exposure of Banco BPM to climate drivers, while the other environmental drivers were not material. In particular, the weighted average assessment of overall exposure to ESG drivers stood at an "average" level for all climate factors. The Group, therefore, integrated the assessments regarding in particular transition and physical climate risk, but in general all ESG drivers, including a series of detailed analyses, providing a complete methodological overview and an analytical representation for each individual risk driver, in order to be able to examine all the characterising elements considered most significant. These detailed analyses showed some clusters of operations characterised by greater relevance ("high" and "very high" score) in terms of exposure to ESG drivers by type of counterparty, sector of economic activity and geographical area. The main clusters in focus were, with respect to climate mitigation drivers, the highest emitting sectors in the Net-Zero area (see below) and the energy-intensive sectors (metallurgy) with Corporate customers and residential mortgage exposures with poor energy performance, while with respect to the territorial distribution of Banco BPM were SMEs and individuals located in the regions of Emilia-Romagna, Tuscany and Liguria for acute physical hazards and Veneto and Liguria for chronic physical hazards.

Product and service offering

The assessment of the traditional financial, equity and economic components at the time of disbursement and throughout the life of loans and products offered by the Group is integrated with the assessment of the complementary environmental, social and governance components in order to determine the overall corporate sustainability of customers. The ambition to support the transition of customers towards a more resilient and sustainable economy is achieved, from a loan brokering perspective, both by offering products aimed at financing specific "green" projects, and by encouraging companies to implement virtuous behaviour thanks to the liquidity made available through the most flexible "Sustainability-Linked Loans", which envisage better economic conditions subject to the achievement of certain sustainable objectives. The commitment in this direction is demonstrated by the above-mentioned new medium/long-term Low-Carbon loans which, in 2025, reached 7.6 billion, almost 2 billion more than the previous year.

The offer is complemented by dedicated bancassurance solutions, such as CAT/NAT policies, which ensure protection against catastrophic events, responding to the growing needs of asset security and protection. A concrete example of an innovative environmental sustainability practice is a commercial proposal dedicated to SMEs that need liquidity to carry out work to prevent or mitigate the potential damage from adverse climate events to which they are exposed. If, on the basis of specific requirements in this area, the business owner also requests to be covered by the Group's catastrophe policy, the premium is reduced thanks to the lower forward-looking exposure to risk. In addition, the bancassurance products offered are accompanied by innovative investment products, designed to integrate the traditional financial component with ESG sustainability factors - i.e. environmental, social and governance criteria - thus encouraging responsible and informed choices by customers.

The Group's sustainability strategy also encompasses numerous inclusion initiatives linked to its strong local roots, some examples of which are provided below:

- Loans to the third sector, for which Banco BPM is one of the market leaders, in support of local communities;
- Subsidised finance measures assisted by the Guarantee Fund for SMEs;
- Financial solutions for young people and students;
- Support measures for customers affected by extraordinary natural disasters;
- Measures to support women who are victims of violence or in temporary economic difficulty;
- Financial support, in collaboration with various foundations and associations, to prevent cases of usury against families in a situation of serious debt.

Net-Zero path and other environmental issues

In line with its objective of aligning the loan and investment portfolio (banking book) with the achievement of the net zero emissions target by 2050, in line with the science-based paths aligned with the EU Green Deal, in May 2025, Banco BPM published the Net-Zero Transition Plans, which outline the short-term actions already in place, and any medium-long-term actions to be activated to achieve the 2030 targets, which Banco BPM set and published in August 2024 for the five highest emitting sectors (Automotive, Cement, Coal, Oil & Gas and Power Generation) present in the aforementioned portfolios. Considering that Scope 3 emissions - calculated by adopting a methodology compliant with the Global GHG Accounting and Reporting Standard, developed by the Partnership for Carbon Accounting Financials (PCAF) - are relevant only for Automotive and Oil & Gas counterparties, the five previously mentioned sectors are representative of approximately 70% of the total emissions financed by the Group relevant to Net-Zero.
In accordance with the product and service offering, Banco BPM's Net-Zero strategy, expressed in the main business processes, is based on the development of a commercial offer and investment decisions that are able to fully meet the needs of customers who have to decarbonise production processes and make consumption more energy efficient. The progress made by customers in these areas is assessed through the application of so-called "physical WACI" metrics (Weighted-Average Carbon Intensity), which represent the average, weighted by use, of the ratio of total greenhouse gas emissions (GHG) of each financed counterparty and the quantity of output that generated these emissions, summarised through the use of a typical metric of the business sector to which they belong.

The following table shows the 2030 targets of each of the 4 highest emitting sectors identified by the Bank, expressed in terms of the percentage reduction, compared to the end of 2022, of the weighted average emission intensity of its loan and securities portfolios in the banking book.

Sector	Reference metric	2022 (base year)	TARGET Δ % 2030 vs 2022	Monitoring as at 31/12/2025	Δ % 2025 vs 2022
Automotive (Scope 1, 2 & 3)	Tonnes of CO_2e per billion passenger-kilometres travelled by vehicles sold	0.45	-48%	0.42	-7%
Cement (Scope 1 & 2)	Tonnes of CO_2e per tonne of cement product	0.50	-23%	0.36	-27%
Oil & Gas (Scope 1, 2 & 3)	Grams of CO_2e per Megajoule of oil/natural gas product produced or distributed	60.7	-14%	58.8	-3%
Power Generation (Scope 1 & 2)	Tonnes of CO_2e per megawatt-hour of energy produced	0.17	-56%	0.08	-55%

As regards the carbon-based sectors, Banco BPM opted for the application of a run-off strategy by 2026, which was already completed as at 31 December 2025, thus reaching the Strategic Plan target one year in advance. In addition, with regard to Banco BPM Group's own emissions, energy efficiency and consumption containment activities continue, which have also been gradually extended to the Anima group.

With respect to the most relevant climate and environmental issues, it should be noted that Delegated Regulation (EU) 2026/73 simplifies the European Taxonomy and taxonomy reporting. The approved reform intervenes on the technical structure of the reporting templates, significantly reducing their complexity, for example by eliminating the numerous annexes relating to Gas and Nuclear Power, of little significance for the Banco BPM financial conglomerate, summarised in some specific lines of the new proposed templates. In particular, as regards the Green Asset Ratio, the new template provides for the exclusion from the denominator of components that cannot be aligned with the taxonomy, in particular for Banco BPM, exposures to SMEs not subject to reporting obligations and that do not produce voluntary reporting. For these reasons, Banco BPM opted to apply the aforementioned Regulation already in the 2025 Sustainability Statement, obtaining the following most relevant KSIs:

Taxonomy KPI	Turnover		CapEx	
	2024 (pro-forma)	2025	2024 (pro-forma)	2025
Green Asset Ratio	7.8%	9.2%	8.7%	10.5%
Insurance investment KPI	0.8%	1.9%	1.5%	3.3%
Green Investment Ratio	n.a.	5.9%	n.a.	10.5%

ESG Training

Banco BPM confirms its firm commitment to promoting training on ESG issues, aware of the strategic importance that they have for sustainable development and for the creation of long-term value. Through refresher programmes and dedicated courses, the Bank constantly invests in enhancing the skills of employees, so that they can fully understand the challenges and opportunities related to sustainability. This approach aims to integrate ESG principles into the corporate culture, making them an integral part of daily decision-making processes.
At the same time, Banco BPM is actively committed to spreading ESG awareness also to external stakeholders, including customers, suppliers and local communities. Through the "ESG Factory" initiative, seminars, workshops and information initiatives are organised to raise awareness and involve all players in the supply chain. This synergy between internal and external training contributes to strengthening the Group's reputation as a benchmark in the sphere of sustainability.
In 2025, Banco BPM's commitment was demonstrated by the provision of 1,048 hours dedicated to training for companies through the "ESG Factory", 233 thousand hours of internal training on ESG issues, both surpassing the annual objective of the Strategic Plan, and 8,251 hours of training for the community to raise ESG awareness and for financial education, achieving over double the Plan's objective.

ESG Bond issues

Banco BPM consistently works to secure funds on financial markets to channel towards specific sustainable activities through the placement of Green, Social and Sustainability bond issues. These issues are made by applying the Group's Green, Social and Sustainability Bonds Framework, aligned with the ICMA Principles, published in 2021 and updated in 2023, to include new asset categories and European Taxonomy-alignment. In 2025, Banco BPM also published its European Green Bond Factsheet, becoming one of the first European financial issuers and the first in Italy to adopt a document fully aligned with Regulation (EU) 2023/2361.
With regard to Green Bonds, the proceeds are allocated to initiatives that include sustainable construction, renewable energy, energy efficiency, clean mobility, water infrastructure, sustainable agriculture, manufacture of organic basic chemicals, prevention and control of pollution and SACE Green Guarantee financing. Social Bonds , on the other hand, focus on supporting SMEs operating in disadvantaged areas, public entities and the Third Sector, as well as healthcare infrastructure; Sustainability-Linked Loans disbursed to SMEs to promote sustainable transition and CONSAP mortgages for fragile categories are also included. In order to ensure full alignment with the Group's ESG strategy, activities related to fossil fuels, nuclear energy, controversial weapons, tobacco and gambling are excluded from the framework.
The Group publishes a detailed annual report on the allocation of income and impacts. From 2021 to the end of 2025, under the Framework, 12 bonds for a total value of 7.5 billion were issued, divided between Green Bonds (4.5 billion) and Social Bonds (3 billion). In particular, in October 2025, the first European Green Bond was issued for a nominal amount of 500 million, aimed at refinancing mortgages for the purchase of buildings with characteristics aligned with the European Taxonomy.

Employees

The management and development of employees is a core strategic objective of the Group, which has promoted a comprehensive set of initiatives dedicated to training, skill enhancement, diversity and inclusion and organisational well-being, while maintaining rigorous control as regards health and safety, in compliance with the UNI ISO 45001 standard. The process of promoting women in managerial roles also continues, with their presence rising to 33% at the end of 2025, alongside the generational turnover plan, which in 2025 saw the hiring of 480 new resources out of a total target of 800 by 2026.
During the year, over 147 thousand training days (including the aforementioned ESG training) were provided, exceeding the set objectives. The courses covered both specialist areas - such as health and safety, anti-corruption, privacy, cybersecurity and anti-money laundering - and cross-functional and managerial skills, increasingly important

in a banking context characterised by digital transformation and organisational change. These initiatives were accompanied by innovative programmes dedicated to stress management, the prevention of aggression and work-life balance.
The new agreement on remote working has further strengthened the work-life balance, allowing head office personnel to work 38% of their hours remotely. At the same time, the Group confirmed a structured welfare system, which includes supplementary health care, insurance coverage, parenting support services, supplementary pension and care for fragile family members, as well as initiatives for psychological well-being. Particular attention was paid to diversity and inclusion through campaigns to raise awareness, the strengthening of protected whistle-blowing channels and initiatives aimed at preventing discrimination and harassment.

Customers and Communities

Banco BPM continued to strengthen stakeholder engagement, by combining listening, digital innovation, protection and inclusiveness. Dialogue with customers was supported by a structured model for collecting and managing feedback, which involved around 185 thousand customers in 2025, allowing targeted interventions on the customer experience and the transparent and effective management of complaints.
Significant improvements were also introduced to increase the clarity and accessibility of documentation and processes, also for people with disabilities, thanks to the establishment of the "ESG Accessibility and Inclusiveness" working group and the development of the DOT Programme, which has promoted the digitalisation and simplification of the customer experience. The privacy and IT security management system continued to guarantee high data protection standards, with a model consistent with the main European regulations (PSD2, GDPR, EBA Guidelines, DORA, etc.), focusing on prevention, continuous monitoring and integrated incident response. Training courses for personnel and information campaigns for customers were also carried out. No serious cybersecurity incidents were recorded in 2025, confirming the effectiveness of the technological and training controls adopted.
With regard to Artificial Intelligence, Banco BPM has introduced Guidelines that outline a framework compliant with the new AI Act, structuring governance and risk assessment. The Bank has also equipped itself with machine learning models for credit, marketing and risk management. At the same time, the Group has launched a structured process for the adoption of Generative Artificial Intelligence, thanks to the activation of projects oriented towards the development of solutions to support internal activities. This initiative meets the objective of consolidating the skills necessary to effectively manage this new and complex technology within the organisation, as well as reaping the first benefits in terms of operational efficiency and process optimisation.
Lastly, the Group has strengthened its role as a social player in the local area, supporting communities, families and non-profit organisations through partnerships, dedicated financial products and sponsorships and donations. In 2025, 313 million in new loans were disbursed to the Third Sector (of which 236 were medium/long-term) and 166 social initiatives were supported, for a total of 6.7 million sponsorships and donations, with particular attention to inclusion, combating gender-based violence, fighting poverty and educational programmes. In addition to financial support, Banco BPM promoted the direct involvement of people through corporate volunteering, with 18 days of volunteering for a total of 1,663 hours dedicated to environmental and social activities, further strengthening the bond with local communities.

Sustainability management performance indicators

Below are the definitions of the sustainability performance indicators used in this section, with separate evidence of those based on financial metrics, which can be classified as alternative performance measures according to ESMA guidelines.

Sustainability performance indicator based on financial metrics

- **New medium/long-term Low-Carbon loans**: new medium/long-term loans disbursed by the Group during the year, aimed at supporting the environmental transition towards an economy with zero net carbon dioxide emissions and/or to counterparties operating in sectors with low transition risk;
- **New disbursements to the Third Sector**: amount of "social" loans disbursed to counterparties operating in non-profit businesses identified on the basis of the relevant business segmentation;
- **ESG Bond issues**: amount of issues by the Bank of Green and Social funding instruments finalised during the year and placed within the Green, Social & Sustainability Bonds Framework defined by the Group. This aggregate also includes placements of European Green Bonds (EUGB) issued in accordance with the

European Green Bond Standards, the proceeds of which are used for the financing or refinancing of eligible green loans aligned with the EU Taxonomy, as defined in the specific Factsheet published by the Group;
- **ESG Bond investments - % Share of Corporate Banking Book**: indicator that monitors the percentage of ESG bonds calculated on the nominal management aggregate of the banking book portfolio of non-governmental Corporate securities managed by the Parent Company's Finance function. Therefore, supranational securities, securities in the commercial portfolio and GACS senior notes do not fall within this scope;
- **ESG Bond issues as Joint Bookrunner or Joint Lead Manager**: amount of issues of ESG funding instruments placed by third-party companies and/or Banco BPM, in which Banca Akros S.p.A. acted as Joint Bookrunner/Lead Manager;
- **Contributions for social and environmental projects**: amount of disbursements in the form of sponsorships or donations to local communities, voluntary associations and non-profit organisations.

Other sustainability performance indicators

- **Scope 1&2 Market-based emissions:** representation in terms of CO_2 equivalent emissions of all forms of energy consumption and climate-altering gases at Group level (excluding electricity from renewable sources, self-consumption from photovoltaic panels and HFC gas leakages, not under the direct control of the organisation);
- **Hires to ensure generational turnover:** number of hires progressively from 2025 to the end of 2026, which contribute to generational turnover (new hires on permanent contracts or apprenticeships with a level other than Executive and the stabilisation of resources with a fixed-term contract and a grade other than Executive, through permanent contracts or apprenticeships);
- **Gender equality in managerial roles:** number of women with codified responsibilities out of the total number of managers;
- **ESG Factory training for Companies:** training hours dedicated to companies to accompany their sustainable transition;
- **Internal training on ESG issues:** hours of training on ESG issues delivered to Group employees.

***

For all details and specifications regarding the sustainability results described in this summary section, please refer to the overall Sustainability Statement.

RISK MANAGEMENT

Capital adequacy and main risks

The current level of own funds and of risk-weighted assets means that Banco BPM Group is easily able to comply with both the regulatory thresholds and the specific thresholds required by the Supervisory Authority on conclusion of the Supervisory Review and Evaluation Process (SREP).
In order to provide its management team, stakeholders and the Supervisory Authority with a complete and informed disclosure, which confirms the adequacy of its own funds, Banco BPM Group assesses its capital situation from a current and future perspective, both as regards Pillar I and Pillar II.
The Group's capital adequacy is substantiated in the continuous monitoring and management of capital ratios, so as to verify compliance with regulatory limits and ensure the maintenance of the minimum levels of capitalisation required by the Supervisory Authority, also leveraging the Risk Appetite Framework (RAF).

Credit risks

Credit risk is managed by means of a portfolio VaR risk estimation model, which is applied on a monthly basis to credit and financial exposures of Group banks to estimate the relative economic capital.
As regards the processes and the tools used to manage and control the quality of the loan portfolio pertaining to Corporate and Retail customers, a key element is represented by internal ratings calculated by models that are differentiated and estimated specifically for each customer segment.
Note that the internal rating is not applied for regulatory purposes to the perimeter of Banca Akros, to which the standardised regulatory approach is applied. Therefore, in operational applications, including the quantification of economic capital and the calculation of the Expected Credit Loss under IFRS 9, proxies with average values are used. Instead, the internal rating is used for Banca Akros as part of the loan granting process for customers in common with the Parent Company.

Financial risks

With regard to counterparty risk, the Group uses, both for supervisory reporting purposes and for internal management purposes, standardised methods to calculate exposures on the entire reference scope relating to derivatives and securities financing transactions (repurchase agreements and securities lending).
As regards derivative transactions, exposure to counterparty risk is calculated on the basis of the SA-CCR approach (Standardised Approach for Counterparty Credit Risk) (Ref. EU Regulation 2019/876), which makes it possible to better reflect the risks associated with derivative transactions.
With regard to the SFT (Securities Financing Transactions) segment, the exposure is calculated in accordance with the provisions of Articles 223-224 of Regulation (EU) no. 575/2013 for the Line-by-Line Approach also adopted for prudential supervision purposes.

Membership of Clearing Houses for transactions in OTC Derivatives and Credit Derivatives has enabled the mitigation of risks.
In accordance with the Basel III Framework, additional capital requirements regarding the following are to be calculated:

- own funds for the Credit Valuation Adjustment (CVA Risk), through the adoption of the Basic Approach, as required by Regulation (EU) no. 1623/2024;
- exposures relating to operations with Qualifying Central Counterparties (QCCP) by adopting the methods envisaged by Arts. 306-308 of Regulation (EU) no. 876/2019.

Total counterparty risk is determined by applying the credit parameters (PD, LGD, weightings) established (AIRB or Standard internal model) to the exposure measures defined above.

With regard to fair value measurement for the purposes of the accounting valuation of financial instruments, the Parent Company also estimates fair value adjustments (Valuation Adjustments) in order to reflect counterparty risk on OTC derivative exposures.

The above adjustments are made with reference to both credit exposures (CVA - Credit Valuation Adjustment) and debt exposures (DVA - Debit Valuation Adjustment), to take into account the probability of bankruptcy of the counterparty and the reporting bank, respectively. In order to determine the exposure, an advanced simulation approach (Monte Carlo) is adopted for the quantification of the CVA and DVA, in line with market best practices.

The Group has met the obligation envisaged by European Legislation (EU Delegated Regulation 2016/2251), by exchanging, based on the relative contracts (CTA - Collateral Transfer Agreement), the initial margins of OTC derivatives not cleared by a central counterparty, which provide additional protection in the event that one of the two counterparties is not able to meet its commitments over the life of the contract.
Banco BPM Group uses the SIMM (Standard Initial Margin Model) method, whose calculation is mostly risk-sensitive, and is based on aggregate sensitivities by risk and product category.

With reference to the IMA (Internal Model Approach) capital requirement, note that starting from 31 December 2020, Banco BPM Group has used the extended model for the calculation of the capital requirement for Market Risk including specific risk on debt securities.
From 17 April 2023, the model to calculate capital requirement is calculated on the basis of VaR and Stressed VaR metrics – including specific risk on debt securities and foreign exchange risk in the banking book – and IRC (Incremental Risk Charge) metrics.
At the end of 2025, the IMA (Internal Model Approach) Capital Absorption against market risks amounted to approximately 96 million, corresponding to approximately 1,199 million expressed in terms of RWA.

The prevailing risk component in 2025 is that relating to equity risk (levels and volatility), followed in order of importance by interest rate risk. The specific risk component on debt securities is low, although it rose in the second half of the year, in line with a low exposure to the bond segment.

Operational risk

With regard to operational risk, Banco BPM Group fully adopts the Standardised Measurement Approach to calculate capital requirements for all companies that make up the Supervised Group, including Anima Holding and its subsidiaries, while with regard to the other qualitative-quantitative elements envisaged by Supervisory Regulations, as requested by the ECB, it meets all of the requirements of the CRR (Regulation (EU) no. 575/2013 as subsequently amended) for the SMA method.

Liquidity risk

Regarding liquidity risk, in 2025 Banco BPM Group effectively carried out its Internal Liquidity Adequacy Assessment Process (ILAAP), which the Corporate Bodies use to ensure that the Group operates with liquidity and funding levels that meet both the minimum regulatory requirements and the risk appetite approved within the RAF.
As part of this process, liquidity risk is monitored regularly, on an intraday, daily (short-term liquidity) and monthly (structural liquidity and funding) basis, for both regulatory metrics (LCR, NSFR, ALMM) and metrics developed internally. In 2025, all regulatory liquidity reports required at the level of Banco BPM Group were prepared.
As regards ILAAP, it should also be noted that in 2025, Banco BPM Group fully consolidated Anima within the prudential scope of the Group for the purposes of measuring and monitoring liquidity and funding metrics.

Exposures to Related Parties and Large Exposures

In 2025, the Group monitored the levels of exposure to Related Parties and Large Exposures at consolidated and individual legal entity level, verifying compliance with regulatory and management limits, the latter aimed at anticipating and preventing the possible exceeding of the former. Reporting is based on quarterly Supervisory Reports and transposes the relevant legislative updates, with a view to bringing the rules for Supervisory Reporting on Exposures to Related Parties and Large Exposures in line with Basel III principles.
During the year, the periodic monitoring of the future evolution of limits, in terms of both exposures and capital, promoted by the Risk Function (Enterprise Risk Management) with the support of a working group that includes, in addition to the CLO and the Risk Function units, the pertinent corporate functions of the CFO, Commercial and Banca Akros areas, also considering changes in the reference scenario, with a view to proactively managing Related Parties and Large Exposures.

In line with the ECB's decision in 2023 to identify Banco BPM Group as a Financial Conglomerate and to apply supplementary supervision, periodic monitoring of changes in outlooks was carried out in 2025 in order to verify compliance with regulatory and management limits for Financial Conglomerates.

Insurance risks

The risks of the Group are quantified within the context of the calculation of the solvency capital requirement, on the basis of the standard formula, according to the methodology and parameters defined by the reference regulations. The analyses conducted by the Risk Management function show the adequacy of the standard formula for the assessment of the Group's risk profile.
The Group's risk profile also includes those risks not measured by the standard formula, but in any event monitored and managed under the risk management and control system.

More specifically, the main risks of Life Insurance Companies refer to risks of the life insurance portfolio related in particular to underwriting risks of a biometric nature (risks of uncertainty of assumptions in the valuation of insurance liabilities) and operational risks (risks of uncertainty of the amount of expenses and the exercise of contractual options by policyholders).

Financial risks deriving from the investment of premiums collected and other risks of the insurance business (e.g. operational, liquidity) are also included.

For further information on risk management, please refer to Part E in the Notes to the consolidated financial statements, which is dedicated to risk control.

Outlook for Group risks and objectives

The global macroeconomic scenario forecast for 2026 includes fairly lively growth (+3.2%), in line with that of the year just ended, despite the persistence of a very complex geopolitical framework, fuelling a high level of uncertainty. Since last year, in fact, the extensive use of a unilateral trade policy as a negotiating tool by the US administration has represented an element of shock that amplifies the instability of the international context. Although the tariff agreements reached so far have significantly contributed to mitigating the concerns of operators, the instability continues and will continue to be high, negatively influencing the investment decisions of companies.
Geopolitical uncertainty is exacerbated by the continuation of clashes in the Middle East and Ukraine, together with that of the insurgency within the Iranian regime, which could accentuate the volatility of oil commodity prices with consequent increases in production costs and goods transport.
In this fragile context, moderate growth of the Italian economy is expected, similar to that of the year just ended, fostered by expectations of lower inflation compared with other European countries, a sustained trend in investments - driven by the acceleration in spending linked to the NRRP - and an appreciable contribution of consumption. In the labour market, the unemployment rate is expected to stabilise towards an equilibrium level. At the same time, progress in the management of public accounts and the consequent improvement in the sovereign rating are elements that mitigate banking system risks. Given inflation forecasts, the ECB could maintain a prudent approach, with official rates unchanged for the entire year.

The foreseeable evolution of the risks must therefore take into account the impact on the domestic economy of the geopolitical context (conflicts and tariff policies), which risks exacerbating uncertainty, slowing down private investment and undermining consumer confidence. In Italy, on the other hand, the effective implementation of the NRRP by the 2026 deadline and the relaunch of industry are central to defining a growth trajectory and contributing to the sustainability of public debt.
Any action taken by Banco BPM Group will in any event be based on a prudent approach, continuously monitoring activities, with a view to limiting the impact of the evolution of the above-cited risks, and to intercept any adverse developments that cannot be foreseen on the basis of current macroeconomic forecasts.

In view of the above, with regard to credit risk, the Group intends to continue the risk containment process started in recent years, supported by a growth in volumes directed towards sectors characterised by better prospects and lower default rates. Since 2022, the forward-looking assessment of counterparties has incorporated ESG risk factors, mainly related to the transition risk associated with the sector to which they belong. Starting from December 2024, geopolitical

risk factors were also included. Also in 2025, the careful use of mitigation instruments (guarantees) and the accurate provisioning policy were the foundation for a prudent approach to loan portfolio management.

With regard to the interest rate risk of the Group's portfolio, during 2025 the risk profile appeared to be generally adequate and consistent with the approved risk thresholds, just as the liquidity profile appeared to be adequate in the short- and longer-term, complying with the internal risk limits and, where present, with regulatory ones.
The Risk Function coordinated the renewal of insurance coverage relating to the protection of the assets used in operations of the Group, property, plant and equipment and intangible assets, and assets used to guarantee business transactions and to cover damages relating to banking activities, with a view to appropriately managing the transfer of operational risk.
In this context, an analysis of the Group's active coverage was conducted, therefore making any possible rationalisations and boosting the effectiveness of the guarantees acquired.

SUPERVISORY, CONTROL AND SUPPORT ACTIVITIES

Human Resources

Banco BPM places people at the centre of its corporate strategy, recognising their value as a fundamental lever for the growth and competitiveness of the Group. This commitment translates into the creation of an environment that encourages the development of individual potential, promoting training and advancement and accompanying each person throughout their career path.
In 2025, as regards Human Resources, numerous initiatives were implemented, the main ones of which are illustrated below. For further details and explanations, please refer to Sustainability Statement which, since 2024, has been an integral part of this Report on operations.

With the aim of continuing to accompany the evolution path undertaken by the Group, based on the provisions of the Strategic Plan, Banco BPM has activated an incentivised retirement scheme, in continuity with similar initiatives launched in 2024, intended for a maximum of 120 people as anticipated in the section dedicated to significant events during the year of this Report. With the approval of the Trade Unions, the agreement provides for 90 new hires to be carried out during 2026, prioritising apprenticeship contracts.

These hires will contribute to business growth, while at the same time, ensuring the acquisition and development of new skills. As part of this agreement, confirming the constant commitment of Banco BPM and the Trade Unions on the issue of combating gender-based violence, an additional portion of hires equal to 2% of the employees leaving under the retirement scheme, was also reserved for female victims of violence included in "*protection schemes*", thus immediately applying the provisions of the "*Memorandum of Understanding to facilitate the repayment of loans by women victims of gender-based violence*" signed on 24 November 2025 between ABI and the National Secretariats of the Trade Unions.
Also in line with the People Strategy contained in the Strategic Plan, a new experimental agreement was signed with the Trade Unions on the subject of working remotely, with a view to further improving the work-life balance of Group workers and promoting a more flexible and inclusive working environment. This agreement, in addition to extending the number of remote work days that can be used and the number of recipients, introduced better provisions for the protection of parenting and particularly serious individual health situations, thus also favouring involvement in the everyday working life of people with disabilities.
During 2025, Banco BPM continued to invest in Employer Branding activities, with the aim of strengthening its positioning as an attractive employer and enhancing the company brand among new generations. With this in mind, initiatives were promoted with a view to attracting young talent and supporting generational turnover, in line with a vision oriented towards long-term innovation and sustainability. The candidate selection process was based on fair, transparent and standardised criteria, aimed at ensuring equal opportunities and enhancing skills, potential and professionalism, with a view to merit and inclusiveness.
Measures aimed at encouraging the internal growth of those belonging to the Talent Pipeline continued, with the implementation of targeted and professional development programmes to support growth towards more complex specialist and managerial roles. On-the-job experiences, structured mentoring and Company Visits were also promoted, to encourage discussion and interaction between different functions and generations, organisational awareness and overall vision. For young colleagues, experience-based team activities were introduced in 2025 with the support of virtual reality and generative AI. In addition, the mentoring programme continued, in which around 140 managers accompanied as many young people on a path of professional awareness and individual development.
In continuity with 2024, particular attention was also paid to the pursuit of policies aimed at achieving gender equality, through programmes for the development and enhancement of female talent and to define action plans aimed at increasing the percentage of women in managerial roles.
In 2025, over 147,000 training days were provided with continuous training programmes for the business segments, as well as dedicated up-skilling and re-skilling initiatives in line with professional development and courses to develop leadership for managerial positions. In line with the objectives of the Strategic Plan, particular attention was paid to the topics of risk culture, ESG and digital, privacy and cybersecurity.
In 2025, Banco BPM also renewed its commitment to promoting an organisational culture based on inclusion and respect for all forms of diversity - including gender, age, ethnicity, disability, sexual and emotional orientation, religion and cultural background - recognising them as fundamental levers for sustainable growth and innovation. This commitment has translated into a wide range of initiatives, including events, webinars, publications and dedicated

projects, aimed at raising awareness of these issues and promoting widespread cultural change, for a total of 25,578 hours dedicated to inclusiveness and a culture of respect.
During 2025, the Group, also through discussions with Trade Unions, and in addition to confirming a solid and inclusive welfare system, established initiatives to support the work/private life balance and the purchasing power of employees, developing services and benefits that generate value in the areas of health, family and leisure. In this perspective, as well as confirming a welfare plan for employees and their families, an important agreement was reached with the Trade Union to activate a process to streamline the various forms of healthcare present in the Group, with a view to gradually achieving standardised regulations and economic treatment for the Group's employees.
With reference, on the other hand, to the initiatives to support the work/private life balance, with the agreement of the Trade Union, the Group launched a scheme called "Banca del Tempo" [Time Bank] on an experimental basis. This scheme allows those who need additional leave to deal with serious and justified personal and/or family situations, to access a form of solidarity support, funded by the contribution of the company and of colleagues. In the same perspective, the offer of additional tools able to achieve better time management in the work-life balance was confirmed, such as, for example, part-time work, periods of work suspension and leave in addition to those required by law and by contract, as well as the offer of well-being initiatives to support physical and psychological well-being, parenting and families (i.e. company crèche and summer camps).

Internal audit

On the one hand, the Audit Function of the Parent Company is responsible for monitoring the regular performance of operations and the evolution of risks, with a view to third-level controls, including on-site and off-site checks, and, on the other hand, it strives to assess the efficiency and effectiveness of the Internal Control System overall, reporting the results of its activities to the corporate bodies, as well as the measures that management needs to implement to achieve the full adequacy of the control system and its processes.
The Audit Function is responsible for the internal audit activities relating to all the central and peripheral units of the Italian companies of the banking Group. For the only foreign entity belonging to the Group (Banca Aletti Suisse), it conducts its own audits, in addition to those conducted by the local unit assigned audit activities, and coordinates with the same where necessary. The Audit Function of the Parent Company also carries out the role of guidance, coordination and control of the Internal Audit Functions of the insurance companies belonging to the Financial Conglomerate and, from 2025, of the Internal Audit Functions of Anima Holding and of the subsidiary SGRs.
In addition to that envisaged by external legislation, when performing its duties, the Audit Function takes the provisions of international professional standards into account.

The audits conducted in 2025 regarded the following areas:

- governance processes;
- risk control and management processes;
- commercial;
- finance;
- credit;
- support processes - IT;
- banking networks

with regard to the organisational processes adopted, compliance with internal and external regulations as well as employee conduct, and, more generally, the adequacy of the Internal Control System as a whole.

The most significant activities involving the Audit Function in 2025 included, in addition to obligatory audits (obligations relating to external regulations or Internal Regulations), audits regarding the granting of credit, the management of irregular or non-performing loans, also through credit file reviews, the development of measures relating to risk management and measurement processes (with specific regard to the areas covered by the internal models validated for regulatory and Second Pillar purposes). Through specific follow-up activities, the Audit Function also verified the correct implementation of the corrective actions in relation to the findings formalised by the same Function and by the Supervisory Authority, to which it provided its support as part of the audits conducted on-site.
Lastly, in addition to the usual internal audit activity, the Audit Function provided advisory services, offering its experience mostly by participating in projects and working groups, with specific reference to aspects relating to the internal control structure.

Compliance

The Group's Compliance Function carries out its activities, reporting directly to the Chief Executive Officer, both for the Parent Company and for the Group companies that have outsourced the service, and has direct access to the Corporate Bodies, communicating with them without any restrictions or intermediation.
The Compliance Function of the Parent Company carries out the functions of guidance, coordination and compliance control for the companies belonging to the Group that have not outsourced the Function to the Parent Company. In order to effectively enforce compliance within the Group, information flows have been set in place that involve the Compliance Function of the Parent Company and the respective functions of the aforementioned subsidiaries; this exchange of information, in fact, represents a fundamental tool through which coordination mechanisms can be implemented.

The Compliance Manager of the Parent Company also acts as the Data Protection Officer pursuant to Article 37, paragraph 7, Regulation (EU) 679/2016 (GDPR) regarding privacy.

Bank of Italy Circular no. 285/2013 defines compliance risk as the risk of incurring legal or administrative sanctions, significant financial losses or reputational damage as a result of the violation of binding rules (laws, regulations) or self-regulatory systems (e.g., Articles of Association, codes of conduct, codes of corporate governance).
The Function oversees the management of compliance risk with regard to all Group activities, according to a risk based approach, verifying that internal procedures are adequate to mitigate that risk.

In 2025, as part of the activities carried out to implement an integrated control model, the Compliance Function of Banco BPM (i) completed the extension of its methodological and operating model to the Italian insurance companies and to the Group's SGR, Banco BPM Invest SGR; during 2026, project activities to extend the same model to the Compliance functions of Anima Holding and its subsidiary SGRs will continue, (ii) implemented coordination mechanisms with the Compliance Function of the Irish Company BBPM Life, based on the partnership agreement formalised in a specific protocol for the exchange of information flows.
In 2025, the Compliance Function worked on identifying the applicable regulations and assessing their impacts on company processes, models and procedures, providing advice on compliance, as well as assessing compliance with internal regulations as part of the issuing process. In application of the annual or specific plan required by the Corporate Bodies or the Supervisory Authorities, the Function conducted compliance checks to evaluate the existence and adequacy of governance, organisation, control and IT measures of the Group, their strength and effectiveness in mitigating compliance risks, and the compliance of the operating practices and conduct of employees or workers, reporting any situations of non-compliance and identifying possible remediation actions, monitoring their implementation. The Compliance Function also provided advice and assistance to the Group's corporate units on topics where compliance risk is important, particularly as regards preparatory work relating to the issue of internal regulations and sales proposals.
The Function also provided its assistance in conducting personnel training courses, in order to disseminate and promote a solid and robust risk management culture within the Group, adequate knowledge of the regulations and the relative responsibilities, as well as ensure awareness of the supporting instruments and procedures in the fulfilment of obligations.
With reference to the process of introducing new products and the entry into new markets, the Compliance Function was involved in the technical preliminary inquiries to identify and assess the significant elements linked to compliance risk. The Function also participated in the meetings of the specific Group Committee, representing the various organisational units, which is responsible for validating new products/services and the entry into new markets.
Among the most significant activities that involved the Compliance Function, in addition to the specific company projects launched in 2024 and which will continue in 2025, which seek to strengthen and streamline the analysis of remote indicators (known as Key Risk Indicators or KRIs) used by the Compliance Function, mention should be made of the improvements to the methodological model in use that have led to (i) the creation of a regulatory framework dedicated to ESG regulations, so that climate and environmental risk factors are effectively integrated into the processes and methodologies of the Compliance Function; (ii) the representation of the Rule Map at Financial Conglomerate level - status recognised to Banco BPM Group following the achievement of control over the Insurance Companies, i.e. the representation of the residual risk to which it is exposed for all regulatory areas within the Compliance perimeter.

Anti-Money Laundering

The Group's Anti-Money Laundering Function carries out its activities, reporting directly to the Chief Executive Officer, both for the Parent Company and for the Group companies that have outsourced the service, with full autonomy to oversee the risk of money laundering and terrorist financing, the proliferation of weapons of mass destruction, the application of restrictive measures and compliance with the prohibition set forth in Italian law 220/2021, as well as reports of suspicious transactions, and has direct access to the Corporate Bodies, communicating with them without any restrictions or intermediation; it also performs the activities envisaged by law for the head of the Anti-Money Laundering Function and the Suspicious Transaction Reporting Officer (SOS). As the body responsible for compliance with international sanctions, the Function performs the duties of Group Sanction Compliance Manager. The activities are performed according to a risk-based approach, conducting audits and checks in order to assess exposure to the risk of money laundering, terrorist financing, the proliferation of weapons of mass destruction, the application of restrictive measures and compliance with the prohibition set forth in Italian law 220/2021, as well as assessing the effectiveness of the organisational and control oversight measures, both when setting them in motion and when established, and any corrective measures to be implemented to remedy the vulnerabilities found.

Among the findings of the Anti-Money Laundering function in 2025, the following are of note:

- the update of the company Regulation on the prevention of the risk of money laundering and terrorist financing, approved on 16 December 2025, aimed at implementing the regulatory provisions envisaged by Italian Decree Law no. 95/2025, converted into Italian Law no. 118 of 8 August 2025, containing amendments to Italian Legislative Decree 231/07, and the EBA/GL/2024/14 (Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures), and the assignment, on the same date, of the role of Group Sanction Compliance Manager to the Anti-Money Laundering Manager of the Parent Company;
- the control activities and further measures to strengthen the oversight promoted with reference to the measures issued by the competent Authorities, also in response to the changed socio-economic and geopolitical context, influenced by the current conflicts between Russia and Ukraine and in the Middle East, and the consequent and increasing attention to international sanctions and the adequacy of controls on relations with counterparties and countries subject to restrictive measures;
- the various training initiatives, many of which are directly provided by the Anti-Money Laundering Function, aimed at the Commercial Network as well as the resources of the Head Office, and the specific sessions addressed to the Corporate Bodies (board induction);
- following the acquisition, in the second quarter of 2025, of the Anima Group by Banco BPM Group, the analysis of the internal control system for anti-money laundering purposes of the relevant Anima Group Companies, within the scope of an integration process aimed at progressively strengthening the management, coordination and control of the Parent Company;
- the establishment, in March 2025, of the Self-Assessment and Reporting Methodologies unit, with the task of supporting the Anti-Money Laundering Manager in the overall coordination of the Function's activities, in defining a systematic methodological approach, with particular reference to the risk self-assessment exercise, and in preparing information flows to the corporate Functions, the Corporate and Institutional Bodies and the Representatives in charge of Anti-Money Laundering in the Group.

Lastly, the series of projects focused on the continuous expansion and consolidation of technologies to support risk control and monitoring activities, continues to be autonomous and transversal with respect to the entire scope of the Function. In this regard, the long-term project to replace the KYC, launched in October 2024, continued, which will support due diligence obligations, as well as the project to set in place the AML dashboard with the aim of promoting a system of airtight and innovative anti-money laundering measures.

Research and development

Given the banking and insurance nature of the Group, research and development mainly regards studying the possible application of new technology to customer accounts, to improve and/or extend the range of products/services offered, as well as internal company services, to simplify them or make them more efficient. In addition, important regulatory projects, relating to the issue of new legislation at industry level have been completed or are in progress.
These activities are managed centrally by the Parent Company Banco BPM.
The main initiatives for each area are outlined below.

Technological projects and investments

Legal compliance

During the year, work continued on streamlining internal regulations to render them compliant with legislative changes, specifically with regard to:

Italian Legislative Decree 231/01 - Administrative liability of Companies

Banco BPM continuously updates its Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/01 and that of its subsidiaries. During 2025, a number of interventions were carried out, including:

- the updating of the "Regulation of the Organisation, Management and Control Model pursuant to Legislative Decree 231/01" of the subsidiary Banca Akros to incorporate all the changes that have occurred in the period with reference to both the relevant legislation on the liability of companies and entities, and the safeguards to prevent the commission of the offences referred to in the decree;
- the preparation of the system pursuant to Italian Legislative Decree 231/01 for the subsidiary Banco BPM Invest SGR;
- the mapping of the 231/01 risks of the subsidiary Vera Vita, in order to identify the areas that are most exposed to the possibility of committing the offences identified by Italian Legislative Decree 231/2001.

Italian Legislative Decree 24/23 - Whistleblowing

An IT platform is in place to receive the reporting of violations in compliance with the principles of confidentiality, correctness and protection of personal data, extended to the Italian subsidiaries.

Italian Legislative Decree 231/07 – Anti-money laundering and the prevention of terrorist financing

During 2025, the regulatory framework for anti-money laundering and the prevention of terrorist financing was updated to meet the new regulatory provisions regarding preventing the proliferation of weapons of mass destruction and compliance with restrictive measures and the total prohibition of the financing of companies in whatever legal form, having their registered office in Italy or abroad, which, directly or through subsidiaries or associates, carry out activities involving the construction, production, development, assembly, repair, preservation, deployment, use, storage, stockpiling, possession, promotion, sale, distribution, import, export, transfer or transport of anti-personnel mines, cluster munitions and submunitions, of any nature or composition, or parts thereof.

Regulations on the management of transactions with parties with a conflict of interest (Article 136 of Consolidated Banking Law, Italian Legislative Decree no. 285 of 1/9/1993 - Consolidated Banking Law, Bank of Italy Circular no. 285, CONSOB Regulation 17221, international accounting standard IAS 24, Articles 2391 or 2475-ter of the Italian Civil Code and Article 88 of Directive (EU) 2013/36)

In 2025, as part of the regulations governing the identification and registration of all parties potentially in conflict of interest, as well as the preliminary and decision-making process to be followed for the transactions to be carried out with the aforementioned parties, the review of the management limits defined for Banco BPM and the Group banks in order to monitor risk activities relating to transactions with associated parties, was approved.

Streamlining of the Commercial network

During the last quarter of 2025, as a result of the procedure envisaged by the national contract for the sector, the process for the closure of 64 branches was carried out, in line with the continuation of efforts to streamline the commercial network outlined in the Strategic Plan.

Technological projects and investments

The main areas in which the Group invested were the following:

DOT – Digital Omnichannel Transformation

In 2025, Banco BPM Group continued with its development activities to implement the strategic digitalisation process, carrying out several concrete interventions for the benefit of customers and commercial activities.

The main interventions carried out during the year are summarised below:

- Interventions on We and You Onboarding:
  - adaptation of the onboarding process, with automatic recognition, during the approval phase of those already registered;
  - evolution of the onboarding process through the introduction of additional controls for the management of customers with blocked accounts, blocked logins for single account holders who are already customers, and the verification of the photo of the document on the internal databases, to monitor fraud attempts;
  - introduction of the new Trustfull application to verify the reliability of remote contact details (email and mobile phone) in the Digital Onboarding process, both for the Conto You and the Conto WeBank accounts; intervention aimed at guaranteeing security against fraud attempts.
- Digital identity:
  - interventions aimed at the massive dissemination of digital identity, with extension also to parties who do not hold current accounts (guardians, administrators, trustees);
  - start of work to extend the digital identity to Banca Aletti customers.
- Digital services for Webank and the App:
  - activation of an online solution that allows Webank customers to renegotiate the service for the custody and administration of securities and financial instruments;
  - release of the branding of current account transactions within the App;
  - developments on the digital commercial showcase and enhancement of video-collaboration functions to support the management processes of disavowals.
- Agos Loans - functions and optimisations:
  - option to sign Agos loans in the branch through digital signature;
  - integration with application and digital signature services, updating of forms and flows to Agos and evolution of the IoL trade frontend;
  - introduction of the pre-qualification indicator and of information relating to the "Personal" customer segment in loan applications;
  - availability of self-service consultation of loan data in web and app mode, through the inquiry service;
  - release of the tactical solution for the CPI policy combined with Agos loans.

With regard to the development of the "Business" app, new functions were introduced in 2025 to support the operations of business customers. These include the new separate authorisation function for Advance Documents, the revision of the Remote Digital Signature (FDR) Enrolment process and the introduction of the voice OTP function, aimed at simplifying and making authentication processes more secure.

For Corporate customers, the following interventions were carried out on the YouBusinessWeb channel:

- updating of the information flow to CRIF, in order to ensure the more accurate transmission of the available current account balance, to support Business Financial Management insights;
- replacement of the physical token, with the option for customers with eligible contracts to migrate directly to the App token via web and app.

At the same time, the integration of the CETIF Digital Sureties platform with the banking systems is underway, aimed at digitalising the entire process of issuing sureties, making it more efficient, secure and manageable in a centralised manner, in particular for applications relating to tenders and tender procedures.
Important innovations were implemented both in the field of advance invoicing, with the digitalisation of the notification to the assigned debtor, and in factoring, thanks to the release of the first set of functions envisaged by the Digital Supply Chain project. The initiative aims to integrate a new in-cloud application into the Bank's systems to automate the entire factoring process, from the commercial contact phase to the management of operations, with the active involvement of customers who can access their own dedicated area and interact digitally both when signing the commercial proposal and during ongoing management activities.
With regard to the initiatives dedicated to the SME world, as part of the Smart Lending project, a new affordability and specific risk engine was developed; a structural review of the PEF (Economic and Financial Plan) process was also

released, which integrates the new SME engine and introduces the option to activate Automatic Approval, a function that will be completed in 2026.
The development and expansion of enabling factors also continued, with particular reference to the use of the Remote Digital Signature in the branch; this method is now available for signing the Numia international debit card, for due diligence, for the You current account, for the FACTA questionnaire and for the Digital Identity contract, significantly expanding the scope of use of secure digital processes.
In addition, the Digital Identity service was also extended to parties without their own current account, but authorised to operate on third-party accounts, and the extension of the Digital Identity and other digital enabling instruments to Banca Aletti is also underway, in anticipation of the adoption of a new single platform, for Banca Aletti and for Banco BPM, for the provision of the financial advisory service with fully digital processes.
Again in the field of financial advice, in 2025, the adaptation to European regulation Quick Fix MIFID continued, which introduced changes to the method of transmitting disclosures to customers. At the same time, the digitalisation of the customer copy in investment services continued: following the digitalisation of the documents produced by mass and event batch processes, similar interventions were completed for the branch processes of the Finance Area.
In addition, during 2025, the preparation of the Digital Archive was launched, an information web space dedicated to customers without ordinary channels, to enable them to consult documents in digital format.
In the same period, the off-site prospective contact initiative was launched, aimed at strengthening the Bank's Brand Identity through direct interaction with authorised premium managers.
Activities also continued to expand the services offered by the Digital Branch, through the optimisation and digitalisation of customer assistance processes, and the enhancement of the virtual assistant. A number of key developments were achieved in this area:

- evolution of voice capabilities (Voice bot-Text to speech): the update of the voice functions of the Voice Bot available on the You and Webank apps was launched, introducing new generation neural voices based on AWS cloud services (Amazon Polly); the goal is to improve the conversational experience of customers, making digital dialogue more natural, fluid and understandable;
- smart connect: the project enables a new proactive contact through push notifications, which allows the operator of the Digital Branch to engage the customer via chat or through a commercial CallBack; the initiative strengthens commercial outbound activities , making them more effective and targeted.

To support the evolution of the Digital Branch and of the channels of contact with customers, the technological development of the underlying platforms were also launched in 2025:

- migration of the Virtual Assistant (Teneo) to the cloud: the current on-premise infrastructure is being decommissioned and the transition to the cloud is underway, ensuring continuity and uniformity of behaviour on the web and app;
- evolution of the Contact Centre platform in Cloud - Cisco: the expansion of IaaS resources on the Cisco cloud is underway to support the email component (ECE) and the extension of data persistence.

With regard to Customer Relationship Management activities, several initiatives were carried out in 2025:

- Voice Of Customer (VOC): new surveys were released for the Listening Matrix Optimisation project, including the Inbound/Outbound Digital Branch CX Survey, a survey to mitigate IT fraud, CATI/CAWI relational surveys and Survey Onboarding abandonment of the Webank account;
- contact industrialisation: work relating to the redesign of the new appointment management evolution function and the W-IN functions (customer records, target initiatives, customer distribution by cluster) were completed;
- Marketing Automation: the migration of the campaigns scheduled for 2025 and the optimisation of the Data Cloud component were both completed, with a consequent reduction in consumption of approximately 51%;
- Sales4Change: the releases envisaged by the Next 2025 project were completed, introducing new features such as the new Leadership report, Lob Akros, Prospect Lead customer management and campaigns.

Lastly, additional control measures were implemented:

- introduction of an additional control for the forced closure of overdrawn positions on Webank derivatives from an authorised operator;
- addition of a second management level for the telephone recording system, to strengthen security and compliance requirements.

Other areas developed:

IT Architecture

During the year, the adoption of the new AgilITy architecture continued as the target architecture (used by around 60% of projects), including the first commercial packages acquired by the Bank. The activities focused on enhancing automation and resilience, expanding the functions available to application factories; in particular, the Blueprint was integrated with new security components and modules dedicated to automation management (Automation Platform). Preparatory activities were also launched to streamline data management components.
From an application perspective, the services relating to transactions and the registry were extended in off-loading mode, expanding the information content.

Cloud Adoption

With a view to evolving the information system towards a hybrid model, the implementation of the main technological building blocks continued. IaaS services have been activated (e.g. Linux, Mac), Storage services (e.g. S3 and File System), container platforms (e.g. OpenShift and Kubernetes) and AI services (e.g. LLM, OCR, Text to Speech).

Data Governance

In continuity with previous years, efforts to strengthen the reliability and quality of data continued, in line with company guidelines and business initiatives.
The application of the Data Governance framework has been increasingly extended to relevant processes, guaranteeing, on the one hand, the identification of the most significant information and of the respective Data Owners, and on the other hand, the significant strengthening of data quality through the development and operational launch of new Data Quality controls.
Activities in the area of Risk Data Aggregation & Risk Reporting (RDARR) in support of the supervisory, financial and internal risk reporting processes were particularly important.

Data Management and AI

To ensure the advancement of the business model and compliance with regulatory and legislative requirements, projects have been carried out to increase data reliability and quality, as well as to develop analytical synergies able to produce information of value, consistent with the Bank's strategic initiatives.
Activities in the Credit, Transition and Sustainability and Risks domains, which envisaged the extension of the relative Data Warehouses and the strengthening of the Data Governance and Data Quality framework, were particularly important. The project for the technological evolution of the reporting chain was also launched, in view of the entry into force of the CRR3 regulation, with the offloading from the mainframe of key components of the RWA calculation process and the supporting reporting chain.
In line with the objectives of the business plan relating to the adoption of artificial intelligence (AI), a strong impetus was given to the use of AI models to support banking processes in the Credit, Marketing, Risk, AML and Audit sectors. Several use cases were developed, including the application of AI to Transaction Monitoring in the AML area and to Smart Lending in the Credit area, based on classic artificial intelligence techniques.
At the same time, the adoption of Generative Artificial Intelligence (Gen-AI) was launched through the first Regulatory and HR experiments, with the development of chatbots to support internal employees of the Bank in the consultation of internal regulations. A project was also set in place for the IT division, to enable tests to be designed in preparation for the transition of the application to the production stage, in which the list of tests is automatically generated starting from the technical specifications document.
Lastly, an initiative was carried out dedicated to analysing the impact of the new European regulation "AI Act" on the Bank, with particular attention to updating the internal regulatory framework and the tools for tracking the use of AI within the Group.

Data Centre Evolution and IT System Convergence

During the year, the project to extend the backup of the distributed system continued, with the completion of the tech refresh of the mainframe components, introducing new Z16 computers, and of the AS/400 environment through the

adoption of Power10 platforms. At the same time, new Storage SAN infrastructures were implemented for both the mainframe and the distributed systems, contributing to a further increase in protection against cyberattacks.
The initiative also led to a significant improvement in the resilience of the infrastructure (Milan and Verona Data Centres) accompanied by a doubling of the connection speed between the sites.
With regard to connectivity, the roll-out of the enhanced connectivity of all branches and territorial areas, which now have active-active connections with backup on 5G technology, was completed, guaranteeing maximum operational continuity.
MPLS backups were also activated for all management offices, increasing the resilience of the connection to the primary site, while the connectivity upgrade was completed for the central offices, with a 20% increase in performance.
The revision of peripheral connectivity led to significant increases in performance in the branches and local areas: 19% of the offices recorded an increase of 400%, 34% equal to 250%, 22% equal to 200% and the remaining 25% equal to 100%.
With regard to the interconnection between Data Centres, the new connection between the primary site in Verona and the Disaster Recovery site in Milan was completed, with a transition from 2 to 4 separate links, all now equipped with integrated encryption to ensure high levels of security standards in data transmission.

Managing Obsolescence

In continuity with previous years, to contain operational risks and guarantee service quality and continuity in line with the KPIs of the Business Plan, an overall assessment of the state of obsolescence of software was conducted, carrying out the consequent updating activities for operating systems, databases, application servers and languages at "End of Life" and dependent application components.
A specific initiative was also established to measure the obsolescence of the hardware layers (servers, firewalls, network equipment, etc.) in an organic manner; the activities carried out brought the obsolescence rate to 13% in the fourth quarter of 2025, a value in line with the annual target (17%) and consistent with the structural reduction target of the Business Plan, which expects to achieve a value of less than 5%.

Communication

Banco BPM's institutional and commercial communications are characterised by transparent and clear communication with customers.
In 2025, communication campaigns were carried out to consolidate partnerships with Numia in the e-money sector and with Crédit Agricole Assurance in the field of banking and insurance, in addition to those to position new products on the market.
Banco BPM supports, through the provision of various contributions, initiatives and projects in the sports, cultural and social and environmental sustainability sectors.
As regards the five-year partnership agreement, support continued for the AIRC Foundation (Foundation for Cancer Research) as institutional partner, to fund scientific research and disseminate useful information on the prevention, diagnosis and treatment of cancer.
As part of sports sponsorships, the focus is mainly on supporting youth and inclusive sport, with the aim of educating, aggregating and inspiring new generations, promoting values such as respect, participation and social inclusion.
The initiatives supported include, by way of example, the projects carried out by the Milan Foundation, Phola Varese and the Verona Swimming Team.
In the artistic field, Banco BPM sponsored the Poldi Pezzoli Museum in Milan for the exhibition dedicated to Andrea Solario, and the Mets Paths of Art for the exhibition at the Castello di Novara "Italy of the First Italians", in addition to the Ethical Photography Festival in Lodi.

Media & Local Communication activities focused instead on managing communications regarding, in particular, the extraordinary transactions that characterised the period: the Voluntary Public Tender Offer promoted by Banco BPM Group on Anima Holding and the Voluntary Public Exchange Offer promoted by UniCredit on Banco BPM.
Price and non-price sensitive information was also circulated regarding the Bank's corporate matters (corporate governance aspects, strategic agreements, financial statements results, ECB communications on SREP tests, bond issues, ratings, etc.).
Unregulated press releases represented a channel to highlight the activities that the company had implemented during the year in various areas, with the aim of building and consolidating a reputational positioning in line with its mission of a bank with deep roots in local areas, and maintaining live and constant dialogue with its stakeholders. To this end,

communication actions were carried out relating to customer financing transactions, the launch of new products and ceilings, results achieved on ESG issues, and community support initiatives. These activities were accompanied by interviews with top management and by participation in events and conferences.
On the social channels, Brand Reputation continued to be strengthened through the publication of content dedicated to the Group's main institutional initiatives, with particular attention to those addressed to businesses and communities, with an emphasis on the social sphere, with the promotion of charity projects, volunteering and cultural initiatives.

With regard to social and environmental initiatives, in synergy with local entities and the Group's Foundations, 166 projects were carried out in 2025, through donations and sponsorships inspired by ESG values and actively listening to the needs of the reference communities.
The financial contribution of donations amounted to approximately 750 thousand euro, of which 200 thousand euro was donated to the Foundation for Italian Schools, a non-profit organisation, whose aim is to support Italian schools in generating continuous innovation.
Schools and training were the focus of dedicated projects: though the "School Project", 111 public schools in Italy received support, with tangible assistance given to schools that demonstrated the need for assistance in terms of structures, implementation of teaching materials, renewal of scientific and music laboratories and organisation of special training projects.
Initiatives dedicated to financial education and knowledge of ESG criteria also continued with:

- 33 meetings dedicated to schools, with the participation of around 4,000 students on topics related to financial instruments, business plans and the objectives of the 2030 Agenda;
- 17 meetings to spread ESG knowledge and financial awareness, discussing the topics of savings and sustainable investment, which saw the involvement of over 2,000 adults.

Through the ESG Factory, a project established in 2021, companies have been provided with all the information necessary to face the ecological transition and the new global challenges related to Sustainability. Over 1,048 hours were dedicated to the 15 meetings organised locally, involving around 700 entrepreneurs.
In 2025, the seven Foundations of the Group continued to receive its support. Contributions of 4.2 million were allocated to the same for assistance, charity and public interest activities in the reference communities.

As part of the Bank's communication strategy, during 2025, 13 meetings were organised with the stakeholders of the territories in which Banco BPM is present. In particular, the "Banco BPM The Place to be" roadshow, which visited 7 locations, saw the participation of around 9,000 colleagues (in person and via streaming) and 2,400 SME business customers.
The various Roadshows and, in particular, the internal communication initiatives regarding UniCredit's Voluntary Public Exchange Offer, were extensively reported on the company Intranet, thanks to a dedicated section.
The Company Intranet and Corporate TV continued to be the main channels for commercial, institutional and Human Resources communication, to provide coverage of awards and prizes, to present Units and Management, and to give a voice to the Territorial Departments and Group Foundations.
Constant monitoring of access to the Intranet made it possible to identify the most popular content, used to optimise the editorial strategy and to achieve more targeted and effective communication.
In 2025, 50 internal events were planned, organised and carried out for various Corporate functions and for Group companies, as well as around 200 events and conferences to enhance and promote culture and to consolidate relationships with stakeholders and territories; these events, held nationwide and addressed to both existing and potential customers, prioritised financial topics, market outlooks and support for cultural heritage with particular reference to sustainable investments, as well as sports and the arts.

The initiatives conducted in 2025 to enhance the Bank's cultural and artistic heritage are also worth mentioning, which promote awareness and dissemination with the aim of returning it to the community.
During the year, Banco BPM made hundreds of works from its own collection accessible thanks to numerous works loaned from museums, the design and preparation of exhibition routes in the Bank's spaces, the organisation of artistic-cultural events and guided tours of its historic buildings. Overall, these initiatives made it possible to welcome around 10,000 visitors in 560 days of open events.
For the second year, the Bank participated in MuseoCity and renewed its participation in the festival promoted by ABI and ACRI èCultura! At the same time, it consolidated its commitment to cultural events of national importance, such as Archivissima.

In addition, numerous initiatives were carried out in collaboration with other internal units, providing works and resources for exclusive events dedicated to customers. A series of meetings was also launched for colleagues, as well as discussion evenings, with a view to using art as a means to strengthen the link between work and leisure.
During 2025, the study and restoration of about one hundred works continued in order to ensure their conservation and value over time.
Lastly, internal and external communication activities increased through the creation and publication of articles and news with the aim of sharing and making the activities organised concerning the Bank's artistic heritage accessible.

Investor Relations

As part of its ordinary relations with institutional stakeholders in the financial market, in 2025 the Investor Relations team planned, managed and implemented a total of 209 events, meetings and calls, in some cases also involving the Group's top management. This activity has made it possible to interact with 875 investment companies, financial analysis firms (both in the stock market and in fixed income), credit rating agencies and other institutional entities. Of these events, 6, with a total of 33 parties attending, focused specifically on ESG issues[1]. Specifically:

- on the stock market front, the Group participated in 5 industry conferences and 9 Roadshows and Reverse Roadshows organised by leading research and brokerage companies. Together, these resulted in meeting 268 counterparties, equal to 30.6% of the total reached overall during the year;
- in the fixed income market, Banco BPM participated in 18 industry conferences and 3 Roadshows and Reverse Roadshows, meeting 155 counterparties (17.7% of the total);
- the remaining 51.7% of the institutional parties involved had the opportunity to dialogue with the Group on a further 174 occasions (meetings and/or calls, individually and/or as a group). These included 11 meetings/calls with Credit Rating companies, of which 4 represented by Annual Review Meeting activities.

Furthermore, during the year, 4 telephone conferences with audio webcasts took place, during which top management presented the Group's financial performance to the market (results as at 31 December 2024 and update of the Strategic Plan, results as at 31 March 2025, 30 June 2025 and 30 September 2025); a further conference focused on the press release of the issuer regarding the Voluntary Public Exchange Offer promoted by UniCredit.

The following table summarises the events held over the year:

	no. of events	% of total	no. of companies met with	% of total
Industry conferences/Speed Dating event (stock market)	5	2.4%	171	19.5%
Industry conferences/Speed Dating event (fixed income market)	18	8.6%	143	16.3%
Roadshows & Reverse Roadshows (stock market)	9	4.3%	97	11.1%
Roadshows & Reverse Roadshows (fixed income market)	3	1.4%	12	1.4%
Other individual and/or group meetings, telephone conferences and video conferences (stock market)	148	70.8%	416	47.5%
Other individual and/or group meetings, telephone conferences and video conferences (fixed income market)	15	7.2%	25	2.9%
Meetings/calls with credit rating companies	11	5.3%	11	1.3%
Total	**209**	**100%**	**875**	**100%**
Presentation to the financial market with conference calls/webcasts	5			

It should be noted that the figures shown do not include regular unplanned contacts which, during the year, the Investor Relations unit manages with investors, analysts and Credit Rating companies.
It should also be noted that, in 2025, no meetings were held as part of the procedures set out in the Shareholder-Director Engagement policy (the policy for the management of dialogue by the BoD or its members with the generality of the Banco BPM shareholders).

[1] Includes exclusively ESG focused meetings. It should also be noted that it is not unusual for ESG issues to be addressed also in events or meetings without a specific ESG focus or for ESG funds to participate in events or meetings with a mostly financial focus; nevertheless, these cases are not included in this count, as they are difficult to define.

OTHER INFORMATION

Members and Shareholders

The share capital of Banco BPM, amounting to 7,100,000,000.00 euro, is represented by 1,515,182,126 ordinary shares, with no nominal value.
Banco BPM shares are listed on the Euronext Milan (EXM) market, organised and managed by Borsa Italiana S.p.A.

As at 31 December 2025, Banco BPM had around 210,000 shareholders, broken down as follows:

- approximately 130,000 depositors at Banco BPM Group;
- around 80,000 depositors with other brokers. This figure represents the situation as at the date of distribution of an advance on the dividend, relating to the result of FY 2025 (26 November 2025 - payment date), as no accounting transactions regarding the entire share capital were subsequently recorded.

In accordance with Article 120 of the Consolidated Finance Law, anyone who has more than 3% of the capital in a listed share-based company will have to notify the investee company and CONSOB.

As at 31 December 2025, according to the information published on the CONSOB website regarding parties which hold shares exceeding 3% of the share capital of Banco BPM are the following:

- Crédit Agricole with a 19.80% interest[1];
- BlackRock Inc. with a 5.04% interest.

In addition to the above shares[2]:

- the interest held by Davide Leone, through the subsidiaries DL Partners Opportunities Master Fund Ltd, DL Partners Core Master Fund Ltd, DL Partners F Fund LP and DL Partners A Fund LP. This interest is represented by voting rights relating to shares (2.26% of the share capital) and by other long positions with physical and cash settlement (6.05% of the share capital);
- the interest held by The Goldman Sachs Group Inc. and three other subsidiaries. This interest is represented by voting rights relating to shares (1.05% of the share capital) and by potential interests and other long positions with physical and cash settlement (5.02% of the share capital).

Banco BPM stock

In 2025, the value of Banco BPM shares fluctuated between a minimum closing price of 7.694 euro on 3 January 2025 and a maximum closing price of 13.475 euro on 13 November 2025.
From the beginning of the year, Banco BPM shares recorded a positive performance of +67%. During 2025, average daily volumes were approximately 8.5 million shares.
In addition, it should be noted that at the end of 2025, the Banco BPM share was "covered" by 18 equity research companies (of which: 5 with positive recommendations, 10 neutral and 3 negative), with which continuous dialogue was maintained during the year.

Lastly, the shareholders of Banco BPM have a consultation agreement in place relating to the shares of Banco BPM S.p.A., made public pursuant to Art. 122 of Italian Legislative Decree 58/1998 and Art. 129 of CONSOB Regulation 11971 of 14 May 1999.
This consultation agreement was originally signed on 21 December 2020 between several Italian Foundations, shareholders of Banco BPM for a total share of 5.49% of Banco BPM's share capital. It was subsequently updated following the entry or exit of new shareholders from the agreement itself, or due to changes in the shareholding held by an individual participant in the agreement, on 20 July 2021, 18 October 2022, 31 December 2022, 27 March

[1] The aggregate interest is equal to 20.104% following the signature, on 30 July 2025, of a total return swap derivative contract with cash settlement, but with the right to request, subject to obtaining the necessary authorisations, that the settlement take place with physical delivery of the Banco BPM shares underlying the derivative contract. The shares underlying the derivative contract represent up to a maximum of 0.300% of the Bank's share capital. As at 16 January 2026, following the exercise of the derivative contract described above, the interest was 20.1%.
[2] Source: Consob.it website - Listed companies - Investments in financial instruments and aggregate investments section.

2023, 19 December 2023, 16 February 2024, 31 December 2024 and 31 December 2025. To date, this agreement encompasses shareholders that hold 5.93% of the Bank's share capital.

For further details, please refer to the website www.gruppo.bancobpm.it Investor Relations - Stock, shareholder base and dividends section, "Consultation Agreements".

Group ratings

Banco BPM credit rating

Rating Agency	Type of Rating	31/12/2025	31/12/2024
Fitch Ratings	Long-term Issuer Default Rating (IDR)/Outlook	BBB/Stable	BBB-/Rating Watch Positive
	Short-term Issuer Default Rating (IDR)	F2	F3/Rating Watch Positive
	Long-term Senior Preferred Debt (SP)	BBB+	BBB/Rating Watch Positive
	Long-term Deposits	BBB+	BBB/Rating Watch Positive
	Short-term Deposits	F2	F3/Rating Watch Positive
	Viability Rating (VR)	bbb	bbb-
Moody's Ratings	Long-term on Senior Unsecured Debt and Issuer Rating/Outlook	Baa1/Stable	Baa2/On watch for Possible Upgrade
	Long-term on Deposits/Outlook	A3/Stable	Baa1/Stable
	Short-term on Deposits	P-2	P-2
	Baseline Credit Assessment	baa2	baa3
Morningstar DBRS	Long-term on Senior Debt and Long-term Issuer Rating/Trend	BBB (high)/Stable	BBB/Positive
	Short-term on Debt and Short-term Issuer Rating/Trend	R-1 (low)/Stable	R-2 (high)/Positive
	Long-term on Deposits/Trend	A (low)/Stable	BB (high)/Positive
	Short-term on Deposits/Trend	R-1 (low)/Stable	R-1 (low)/Stable
	Intrinsic Assessment	BBB (high)	BBB
S&P Global Ratings	Long-Term Issuer Credit Rating/Outlook	BBB/Positive	BBB/Stable
	Senior Unsecured	BBB	BBB
	Short-term Issuer Credit Rating	A-2	A-2
	Stand-alone credit profile (SACP)	bbb-	bbb-

The main events concerning the ratings of Banco BPM in 2025 are summarised below:

- Fitch Ratings, after maintaining Banco BPM's ratings in Watch Positive on 20 January, removed this Watch Rating on 29 July, confirming all ratings and placing the Issuer Default Rating (BBB-) in a Positive Outlook. Subsequently, on 5 December, the agency upgraded the Bank's ratings by one notch, including: Long-Term Issuer Default Rating (IDR) to BBB from BBB- and Short-Term Issuer Default Rating (IDR) to F2 from F3, the rating on the Senior Preferred debt to BBB+ from BBB, the Long-Term rating on Deposits to BBB+ from BBB; at the same time, the Long-Term IDR Outlook changed from Positive to Stable;
- On 27 May, Moody's Ratings, as part of a broad rating initiative that concerned the Italian banking system, improved the Outlook of the long-term rating on Banco BPM deposits (Baa1) from Stable to Positive, confirming the Baseline Credit Assessment at baa3. Subsequently, on 25 July, it assigned a Positive Outlook to the long-term Issuer Rating and to the Bank's Senior Unsecured debt rating, both confirmed at Baa2. The rating action concluded the review for upgrade launched on 28 November 2024. Lastly, on 25 November, the agency upgraded the main ratings of Banco BPM by one notch, including the Long-Term Issuer rating to Baa1 from Baa2, the rating on the Unsecured Senior Debt to Baa1 from Baa2 and the Long-Term rating on Deposits to A3 from Baa1. This rating action took place thanks to the upgrade to baa2 from baa3 of the Baseline Credit Assessment (BCA) and the recent increase in Italy's sovereign rating;
- On 16 April, Morningstar DBRS upgraded Banco BPM's long-term Issuer rating to BBB (high) from BBB and the short-term rating to R-1 (low) from R-2 (high), placing both Trends at Stable; at the same time, the long-term ratings on deposits were confirmed at BBB (high) and short-term ratings at R-1 (low), and the Intrinsic Assessment (IA) was upgraded to BBB (high). Subsequently, on 23 October, the agency upgraded the long-

term rating on deposits to A (low) from BBB (high), placing it in Stable Trend, and confirmed the short-term rating at R-1 (low);
- On 18 April, Standard & Poor's Global Ratings, as part of a broad rating initiative that concerned the Italian banking system, raised Banco BPM's Outlook from Stable to Positive, confirming the long-term Issuer Credit Rating as BBB and the short-term rating as A-2. Subsequently, on 25 July, the agency confirmed the ratings of the Bank, including the long- and short-term issuer Credit Rating "BBB/A-2" with a Positive Outlook.

Credit rating of Anima Holding

Rating Agency	Type of Rating	31/12/2025
Fitch Ratings	Long-term Issuer Default Rating (IDR)/Outlook	BBB/Stable
	Short-term Issuer Default Rating (IDR)	F2
	Long-Term Senior Unsecured Debt	BBB
	Shareholder Support Rating (SSR)	bbb

With reference to the ratings assigned by Fitch Ratings to Anima Holding, it should be noted that:
- on 4 July 2025, the agency confirmed the long-term Issuer Default Rating and the senior unsecured long-term rating of the company at BBB, with a "Stable" Outlook, and assigned Anima a Shareholder Support Rating (SSR) of bbb-, which was guided by the Viability Rating (VR) of Banco BPM;
- subsequently, on 12 December 2025, the agency again confirmed the Long-Term Issuer Default Rating (IDR) and the senior unsecured long-term rating at BBB. The Long-Term IDR Outlook remained unchanged at Stable. At the same time, it improved Anima's Shareholder Support Rating (SSR) to bbb from bbb- and the Short-Term IDR to F2 from F3, reflecting the upgrade of Banco BPM's Long-Term IDR to BBB from BBB- and Short-Term IDR Term IDR to F2 from F3 on 5 December 2025.

PERFORMANCE OF THE MAIN GROUP COMPANIES

A summary of the main equity interests in Group companies is presented below, with an indication of the most significant balance sheet, income statement and operating balances as at 31 December 2025.

Banca Aletti

(millions of euro)	2025	2024	Change
Income statement figures			
Net interest income	27.4	44.4	(38.4%)
Net fee and commission income	127.2	115.5	10.1%
Core income	154.6	159.9	(3.3%)
Operating income	155.0	160.7	(3.6%)
Operating expenses	(99.0)	(88.6)	11.7%
Profit (loss) from operations	56.0	72.1	(22.3%)
Profit (loss) before tax from continuing operations	55.9	70.9	(21.2%)
Profit (loss) after tax from continuing operations	37.7	47.3	(20.2%)
Net result	35.6	42.4	(16.0%)

(millions of euro)	31/12/2025	31/12/2024	Change
Balance sheet figures			
Total assets	2,065.0	2,120.3	(2.6%)
Loans to customers (net)	765.4	714.2	7.2%
Financial assets and hedging derivatives	0.9	1.6	(47.6%)
Shareholders' equity	398.3	404.4	(1.5%)
Customers' financial assets			
Direct funding	1,541.4	1,579.0	(2.4%)
Indirect funding	26,244.1	24,673.1	6.4%
- Asset management	11,888.1	11,360.3	4.6%
- Mutual funds and SICAVs	6,195.1	5,741.8	7.9%
- Securities and fund management	4,047.2	3,989.3	1.5%
- Insurance policies	1,645.9	1,629.3	1.0%
- Administered assets	14,355.9	13,312.7	7.8%
Information on the organisation			
Average number of employees	475	479	(4)
Number of bank branches	53	53	-

Financial and economic ratios and other data

	31/12/2025	31/12/2024
Alternative performance measures		
Profitability ratios (%)		
Financial margin/Operating income	17.7%	27.6%
Net fee and commission income/Operating income	82.1%	71.9%
Operating expenses/Operating income	63.9%	55.1%
Return on assets (ROA) [1]	1.73%	2.00%
Return on equity (ROE) [2]	9.83%	11.72%
Return on tangible equity (ROTE) [3]	10.48%	12.61%
Operational productivity figures (thousands of euro)		
Loans to customers (net) per employee	1,610	1,491
Operating income per employee	326	336
Operating expenses per employee	208	185
Regulatory capitalisation and liquidity ratios		
Common equity tier 1 ratio (CET1 capital ratio)	72.4%	68.9%
Tier 1 capital ratio	72.4%	68.9%
Total capital ratio	72.4%	68.9%
Leverage ratio	34.0%	35.9%
Other ratios		
Loan to deposit ratio (LTD) [4]	49.7%	45.2%

(1) Calculated as the ratio of net profit (loss) for the year to total assets.
(2) Calculated as the ratio of net profit (loss) for the year to shareholders' equity excluding the profit (loss) for the year.
(3) Calculated as the ratio of net profit (loss) for the year to shareholders' equity, determined by excluding the profit (loss) for the year and intangible assets, net of the related tax effects, from shareholders' equity.
(4) Calculated as the ratio of loans to customers to direct funding.

For a more detailed analysis of the main events that affected Banca Aletti, please refer to the section in this Report on operations containing an illustration of the business segments and, specifically, the Private segment.

Banca Akros

(millions of euro)	2025	2024	change
Income statement figures			
Financial margin	8.0	12.4	(35.3%)
Net fee and commission income	105.2	85.6	22.9%
Core income	113.5	97.7	16.2%
Operating income	113.3	98.0	15.6%
Operating expenses	(68.7)	(64.6)	6.3%
Profit (loss) from operations	44.6	33.4	33.5%
Profit (loss) before tax from continuing operations (*)	44.5	33.7	31.9%
Profit (loss) after tax from continuing operations	29.9	22.3	34.2%
Net result	27.7	21.8	27.0%

(*) also gross of contributions to guarantee schemes.

(millions of euro)	31/12/2025	31/12/2024	change
Balance sheet figures			
Total assets	561.8	524.9	7.0%
Loans to customers (net) (*)	42.5	69.4	(38.7%)
Financial assets	0.0	0.0	-
Shareholders' equity	250.6	243.0	3.2%
Customers' financial assets			
Direct funding	179.5	125.8	42.8%
Information on the organisation			
Average number of employees and other staff	167	159	
Number of bank branches	1	1	

(*) Customers consisting of qualified and professional counterparties.

	31/12/2025	31/12/2024
Alternative performance measures		
Profitability ratios (%)		
Return on Equity (ROE)	12.42%	9.86%
Return on assets (ROA)	4.93%	4.15%
Net interest income/Operating income	7.07%	12.62%
Net fee and commission income/Operating income	92.85%	87.31%
Operating expenses/Operating income	60.63%	65.92%
Profit (loss) before tax from continuing operations (*)/Operating income.	39.24%	34.39%
Operational productivity figures (thousands of euro)		
Loans to customers (net) per employee	254.8	436.2
Operating income per employee	678.5	616.6
Operating expenses per employee	411.4	406.4
Other ratios		
Net loans/Direct funding	23.70%	55.14%
Regulatory capitalisation ratios		
Common equity tier 1 ratio (CET1 capital ratio)	86.66%	79.27%
Tier 1 capital ratio	86.66%	79.27%
Total capital ratio	86.66%	79.27%
Leverage ratio	128.71%	119.54%

(*) also gross of contributions to guarantee schemes.

For a more detailed analysis of the main events that affected Banca Akros, please refer to the section in this Report on operations dedicated to describing the business segments and, specifically, the Investment Banking segment.

Other investee companies

(millions of euro)	Total assets	Shareholders' equity (*)	Direct Funding	Indirect Funding	Net loans	Profit (Loss)
Banks						
Banca Aletti & C. (Suisse)	72.8	27.7	41.7	712.1	28.2	(0.2)
Bipielle Bank (Suisse) in liquidation	10.3	8.0	-	-	-	(0.1)
Insurance companies						
Banco BPM Vita	10,066.6	2,852.9	7,102.9	-	-	45.6
Vera Vita	7,099.4	375.3	6,295.1	-	-	16.7
BBPM Life	5,066.5	111.5	4,856.9	-	-	22.8
Financial companies						
Anima Holding	2,664.7	2,038.5	586.3		12.7	63.1
Anima SGR	811.6	506.9	6.7		136.9	170.3
Anima Alternative SGR	11.6	8.1	-	213,075.4	2.2	3.6
Castello SGR	37.5	23.0	-		7.9	3.2
Kairos Partners SGR	76.3	32.5	3.1		22.8	8.5
Banco BPM Invest SGR	4.8	2.4	-	-	-	0.1
Aletti Fiduciaria	9.6	6.4	-	749.7	0.8	(0.2)
Oaklins Italy	3.0	2.3	-	-	-	0.3
Other companies						
Ge.Se.So.	1.6	0.6	-	-	-	0.07

(*) amount inclusive of the profit (loss) for the year.

The figures shown in the previous table refer to the balance sheets and income statements as at 31 December 2025 used to prepare the consolidated financial statements.

Relations with subsidiaries and associates

The disclosure on related party transactions and the description of the significant transactions concluded with related parties during the financial year, as provided for by the Regulation adopted by CONSOB through resolution no. 17221 dated 12 March 2010 and subsequent amendments, are included in "Part H - Transactions with related parties" of the Notes to the consolidated financial statements, to which reference should be made.

Own shares of the Parent Company and of subsidiaries

The disclosure relating to own shares of the Parent Company and to changes in the year is provided in "Part B – Information on the consolidated balance sheet, Section 13 – Group Equity - Items 120, 130, 140, 150, 160, 170 and 180" of the Notes to the consolidated financial statements.
As described in the Section dedicated to the significant events that occurred during the year of this report, in 2025 the Parent Company, as part of the programmes resolved by the Shareholders' Meeting of 30 April 2025, purchased 1,362,726 own shares, to support the short and long-term incentive plans in place, for a total value of 17 million.

As a result of these transactions, considering the assignments that took place during the year and the other own shares already in the portfolio, as at 31 December 2025, it directly holds 11,808,522 own shares, equal to 0.78% of the share capital.

Report on corporate governance and ownership structure

Banco BPM Group prepares the Report on corporate governance and ownership structures pursuant to Art. 123-bis of Italian Legislative Decree no. 58/1998 in a separate document published on the website www.gruppo.bancobpm.it, in the "Corporate Governance - Report on Corporate Governance" section.

Remuneration report

Banco BPM Group prepares the Policy-on-remuneration report and payouts awarded of Banco BPM Group's staff pursuant to the Supervisory Provisions of the Bank of Italy (Circular no. 285/2013, 37th update, Part I, Title IV, Chapter 2 "Remuneration and incentive policies and practices"), of Art. 123-ter of Italian Legislative Decree 58/1998 as amended, of Art. 84-quater of the Issuers' Regulation (CONSOB resolution no. 11971/1999 as amended) and of IVASS Regulation 38/2018 and related Guidelines, in separate documents, published on the website www.gruppo.bancobpm.it, in the "Corporate Governance – Remuneration Policy" section.

Preparation of the financial statements in XBRL format

According to the provisions of European Commission Regulation 815/2019 (European Single Electronic Format – ESEF Regulation), Banco BPM has drawn up this Annual financial report in the ESEF format, which represents a combination between xHTML language (for the presentation of the financial reports in a legible format for human users) and the "machine readable" XBRL markup (eXtensible Business Reporting Language).

To prepare said document, the information contained in the consolidated financial statements and in the Notes to the consolidated financial statements were mapped according to the "Inline XBRL" specifications contained in the basic taxonomy issued by the ESMA (European Securities and Markets Authority).
In compliance with the communication obligations envisaged by the Transparency directive (Directive 2004/109/EC), the Annual financial report drawn up by Banco BPM in the format envisaged by the ESEF Regulation will be published within the legal terms.
For further details, please refer to "Part A - Accounting policies, A.1, Section 5 – Other aspects" of the Notes to the consolidated financial statements.

OUTLOOK FOR BUSINESS OPERATIONS

The geopolitical scenario is characterized by elements of uncertainty. In addition to the existing conflicts between Russia and Ukraine and between Israel and Palestine, on 28 February 2026 a military conflict broke out between the United States, Israel and Iran, which has significantly contributed to increasing this uncertainty by transforming regional tension into a global macroeconomic shock with probable impacts on energy commodity prices, and consequent potential repercussions on inflation rates, monetary policies and global growth prospects. The rapidly and continuously evolving situation does not currently allow for consolidated forecasts; however, the Italian banking system is preparing to face the deterioration of the macroeconomic outlook from a position of solid capital and earnings, and could be supported in the short term by a different trajectory in interest rates than previously expected. These factors should enable the sector to withstand the inevitable increase in risks.

In Italy, the NRRP, which will end in August 2026, continues to provide support for investments and the GDP trend, expected at +0.7% in 2026 (+0.5% in 2025) thanks to the increase in consumption of households (+0.7%) and the modest but positive contribution of Public Administration spending (+0.5%). Inflation remains low (+1.7% in 2026) thanks to the energy component, at a level below the ECB's target. Unemployment remains close to the lows recently recorded (6.2%). The public accounts situation is positive and the moderate rigour of budgetary policies facilitates the reduction of the BTP-Bund spread and the management of public debt.
With reference to monetary policy, after the significant easing in 2025, the estimates for 2026 incorporate a normalisation. The ECB Depo Rate is expected to be stable at 2.0%, on the previous year's closing level, and in this context, the 3-month Euribor rate is estimated at around 2%, slightly below the 2025 average of around 2.2%.

In terms of direct funding, after a particularly dynamic year, the stock is expected to grow moderately in 2026, driven by Retail commercial activity. The stock of loans is also expected to increase thanks to the trend in medium/long-term disbursements, after a positive trend in 2025.
The effects of the aforementioned trend in market rates on expected net interest income will be partly mitigated by the effects of the managerial actions taken and by the improvement in the Group's creditworthiness recognised by all the Rating Agencies, in continuity with the situation in 2025.
In terms of fee and commission income, the positive contribution of the investment products segment is expected to be confirmed for the current year. On the basis of market dynamics and the expected interest rate scenario, placements should reflect a greater preference of customers for asset management products, against a reduction in more liquid but less profitable investments. At the same time, thanks to the stability of disbursements and volumes indicated above, improved contributions year-on-year are also expected from fee and commission income linked to the world of credit. Lastly, the full deployment of synergies with Anima and the full implementation of the Life and E-money product factories will ensure an overall improved contribution from this perimeter as well.
With regard to operating expenses, the normalised year-on-year comparison - considering the contribution of Anima over the entire year - will highlight the benefits deriving from the reduction in costs linked to the implementation of the redundancy plan, largely completed in the second half of 2025. In terms of administrative expenses, the usual focus on operating expenses, combined with initiatives to contain the cost base (including streamlining of the branch network carried out in December 2025), will allow overall costs to be stabilised, with a slight and continuous reduction in the "running" component in favour of the design and development component.
With reference to credit, in a context of excellent resilience of asset quality and further improvement of the NPE ratio during 2025, the macroeconomic scenario outlined leads, as usual, to a prudent projection of the expected default rate. In this context, credit policies remain based on rigorous customer selection criteria. Coverage levels, both on performing and non-performing exposures, are also expected to remain at prudential values.

Overall, the high and sustainable profitability that characterised 2025 - the result of a strengthened and diversified business model - should also make it possible in 2026 to exceed the pre-tax profits envisaged in the Strategic Plan, thus helping to mitigate the impact of the changes to tax regulations included in the 2026 Budget Law. This projection, combined with the significant organic generation capacity demonstrated by the Group, therefore makes it possible to confirm the distribution objectives outlined by management, despite the tax headwinds and banking industry charges.

SIGNIFICANT EVENTS OCCURRING AFTER THE END OF THE FINANCIAL YEAR

In compliance with special instructions issued by the Bank of Italy, significant events occurring after the end of the financial year are illustrated in "Part A - Accounting policies, A.1, Section 4 – Events subsequent to the reporting date" of the Notes to the consolidated financial statements.

Milan, 3 March 2026

The Board of Directors

Sustainability Statement

GENERAL INFORMATION

Criteria for preparation

General basis for preparation of sustainability statements [ESRS 2 BP-1]

The Sustainability Statement (hereinafter, also "SS") of the Banco BPM Group (hereinafter, also "Group") is prepared, in compliance with Italian Legislative Decree 125/2024 which implements the dictates of the "*Corporate Sustainability Reporting Directive*" (hereinafter, also referred to as "CSRD"), on a consolidated basis[1] in order to provide an overview of sustainability activities in all the businesses in which the Group is present. In particular, the scope of reference is that adopted for the preparation of the consolidated financial statements.
As part of the SS, in addition to the activities directly attributable to its own operations (i.e., the Parent Company Banco BPM and related subsidiaries), those carried out in the value chain, both upstream and downstream, in which the Group is active, are of particular relevance:

- the assessment of the significance of impacts, risks and opportunities (hereinafter, also "IROs") was carried out with reference to our own operations as well as direct and indirect commercial relationships in the upstream and downstream value chain based on the data available when the analysis was carried out. With regard to the latter, in 2025 the Banco BPM Group refined the methodological approach and underlying data collection (for more details, see the section "Process of identifying and assessing impacts, risks and opportunities") and undertakes to progressively improve and refine the assessments carried out with the aim of managing risks and opportunities related to sustainability more and more effectively;
- the definition of policies, actions and objectives is not limited to our own operations, but also takes into account the upstream and downstream value chain;
- availing itself of the phase-in measures, the Group does not normally report metrics with data on the upstream and/or downstream value chain, with the exception of, for example, some entity-specific Metrics (see "Entity-specific metrics for IROs") and Scope 3 and total greenhouse gas emissions (hereinafter, also "GHG", see "Metrics on gross scopes 1, 2, 3 and total GHG emissions". In this regard, the Group recognises the importance of the completeness and reliability of the data reported; in 2025, it implemented various measures to improve the coverage, availability and quality of the data reported (for further details, see the section "Changes in the preparation and presentation of sustainability information") and aims to improve further in the future, ensuring full and constant regulatory compliance.

In addition, it should be noted that, for the disclosure of significant OPEX and CAPEX amounts in relation to sustainability actions, as required by ESRS 2 (MDR-A), only the amounts greater than 1% of the Group's "Other administrative expenses" item in the financial statements as at 31 December 2024 were considered material and therefore reported. In particular, it should be noted that for the purposes of this SS, the amounts of OPEX and CAPEX subject to disclosure refer exclusively to actions taken to manage impacts, risks and opportunities relating to our own workforce (see "Own workforce").

In order to ensure due transparency in the representation of quantitative data, in compliance with the principle ESRS 1, par. 124-125, which requires highlighting the cases in which the monetary amounts reported in the Sustainability Statement (directly and/or indirectly) match the financial information, in the following table the Group shows the material amounts reported in the SS matched with the corresponding references to the items in the financial statements.

[1] It should be noted that on 11 April 2025, the Banco BPM Group completed the acquisition of Anima Holding (and its subsidiaries) which, remaining listed and with an average annual number of employees exceeding 500, is required to comply with the obligation to prepare Sustainability Statement in accordance with Italian Legislative Decree 125/2024 implementing the CSRD.
This Sustainability Statement, considering the availability of data and the short period of time since the end of the first quarter, includes information and data of Anima from 1 April 2025 as the initial consolidation situation.

Reference chapter	Section	Detail	Amount (million)	Financial effects (Accounting reclassification)
Climate change	Purchase of ESG bonds within the securities portfolio owned by the Parent Company Achievement, within the securities portfolio owned by the Parent Company, of a share of ESG bonds equal to 40% of the total Corporate bonds managed by the Finance function by 2026.	% share of ESG bonds from Corporate issuers that mainly invest in projects aimed at reducing the negative effects generated on the climate	Corporate ESG bond amount: 2,596	The Corporate debt securities in the portfolio are classified under Consolidated Balance Sheet item "40. Financial assets at amortised cost - b) loans to customers" and "30. Financial assets measured at fair value through other comprehensive income".
			Total Other Corporate Debt Securities: 6,495	The percentage share is calculated on the total "Other Corporate Debt Securities" managed by the Finance function. The indicator considers one of which of the "non-government" component of the overall debt securities portfolio. In particular, with respect to the total "non-government securities" (equal to €10,650 million as at 31 December 2025), the scope does not consider: supranational securities, securities in the commercial portfolio and GACS senior notes.
Climate change	New disbursements of medium-long-term low-carbon loans	New low-carbon loans	7,600	New low-carbon loans are classified in the Consolidated Balance Sheet under item "40. Financial assets at amortised cost - b) loans to customers".
Own workforce	Welfare Plan, free Welfare Coach service offer, conventions and corporate recreational clubs	Amount allocated to the company bonus and the welfare bonus	44.22	This component is included in the Consolidated Income Statement under item "190 a) personnel expenses
Own workforce	Supplementary pension plan offer	Amount of the company contribution allocated to supplementary pension plans	46.98	This component is included in the Consolidated Income Statement under item "190 a) personnel expenses
Own workforce	Healthcare and insurance policies	Amount of financial payments made by the Group to forms of supplementary healthcare	24.25	This component is included in the Consolidated Income Statement under item "190 a) personnel expenses".
Own workforce	Implementing competitive remuneration programmes	Amount of financial resources allocated to the cash component for the 2025 STI Plan and for the share component of the 2025 STI Plan and 2025-2027 LTI Plan	90.2	Remuneration for the year is included in the Consolidated Income Statement under item "190 a) personnel expenses" as a balancing entry to item "100. Provisions for risks and charges - c) other provisions" of the Consolidated Balance Sheet;
Own workforce	Implementing competitive remuneration programmes	Multi-year cost of maturing LTI plans	15.5	This remuneration component is classified in the Consolidated Income Statement under item "190 a) personnel expenses" as a balancing entry to Shareholders' Equity item "150. Reserves" of the Consolidated Balance Sheet.
Affected communities	Contributions for social and environmental projects	Amount disbursed for social and environmental projects supported by the Group	6.7	These disbursements are included in the Consolidated Income Statement under item "190 b) other administrative expenses" and in the allocation of the result for the year 2024 as resolved by the Shareholders' Meeting of 30 April 2025.
Affected communities	Economic contribution for foundations in accordance with the Articles of Association	Economic contribution to foundations	4.2	These disbursements are included in the Consolidated Income Statement under item "190 b) other administrative expenses" and in the allocation of the result for the year 2024 as resolved by the Shareholders' Meeting of 30 April 2025.
Affected communities	New disbursements to the third sector	Amount of medium-/long-term credits and residual short-term components from customers belonging to the Third Sector	313	New disbursements to customers belonging to the Third Sector are classified under the Consolidated Balance Sheet item "40. Financial assets at amortised cost - b) loans to customers
Affected communities	Cumulative Green, Social & Sustainability Bond issues	Value of Green, Social & Sustainability Bond issues	1,750	The bond issues of the Parent Company are classified under liability items in the Consolidated Balance Sheet under item "10. Financial liabilities at amortised cost - c) debt securities in issue".

In general, no metrics are validated by an external body other than the party issuing the certificate of compliance, except in cases where expressly stated.

Lastly, it should be noted that, following the acquisition of Anima Holding and its Subsidiaries (hereinafter, also Anima) by the Banco BPM Group and in light of the integration process still in progress, for the purposes of this SS, for the disclosure of specific aspects of Anima:

- as part of the double materiality analysis: the results of the analysis carried out by Anima were also examined and taken into consideration (see "Process of identifying and assessing impacts, risks and opportunities");
- the sustainability objectives of Anima are reported in the section "Strategy, business model and value chain";
- the actions adopted by the same to achieve the declared sustainability objectives are reported in each thematic chapter (i.e., "Actions and resources in relation to climate change policies", "Actions related to the management of IROs in relation to working conditions and well-being of own workforce", "Actions related to the management of IROs in relation to health and safety" , "Actions related to the management of IROs in relation to equal treatment and opportunities for own workforce", "Actions related to the management of IROs in relation to the affected communities", "Actions related to the management of IROs in relation to consumers and end-users" "and "Actions related to the management of IROs in relation to corporate culture and conduct");
- the main contents of the policies approved by the Board of Directors of Anima Holding and adopted by Anima[1] for the management of sustainability issues are reported in each thematic chapter (i.e., "Policies related to own workforce", "Policies related to consumers and end-users", "Policies related to corporate culture and business conduct").

Disclosures in relation to specific circumstances [ESRS 2 BP-2]

As indicated by the ESRS, Sustainability Statement includes forward-looking information on events that may occur in the future and on possible future actions by the Group. Forward-looking information is, by its very nature, subject to greater uncertainty in its measurement or evaluation than historical information.

Estimates regarding the value chain

In the absence of direct primary data regarding the upstream and/or downstream value chain, the Group used estimation processes, applying assumptions and methodological hypothesis based on the best information available.
The metrics that include data from the estimated value chain refer, in particular, to Scope 3 greenhouse gas emissions, the calculation of which requires the use of data from external sources, such as: suppliers, customers and business partners.
The estimates made by the Group were based on the most widespread calculation frameworks (such as GHG Protocol, Technical Guidance for Calculating Scope 3 Emissions implemented by the ABI LAB Guidelines on the application of the ESRS in the Bank on environmental matters and Partnership for Carbon Accounting Financials, also "PCAF") that allow for the adoption of structured approaches for data estimation and reporting.[2] For further information on Scope 3 emissions calculated from primary data, please see the section "Metrics on Gross Scopes 1, 2, 3 and Total GHG emissions".

It should be noted that the following Scope 3 emission categories envisaged the integration of input data using estimates:

- Scope 3 emissions category 6. Business travelling
- Scope 3 emissions category 7. Employee commuting
- Scope 3 emissions category 13. Downstream leased assets
- Scope 3 emissions category 15. Investments.

[1] With the exception of Vita S.r.l., which does not adopt policies on sustainability issues and is not yet fully integrated into Group policies".
[2] Particular reference is made to the "ABI Lab - Support document for Sustainability Statement according to the European Sustainability Reporting Standards (ESRS) on environmental matters - Focus on disclosure obligations E1-5, E1-6 - December 2025 version".

Scope 3 emissions category 6. Business travelling

The calculation of emissions related to employees' business travelling is carried out based on precise input data for train and air travel, while the travel by private car is estimated, assuming that the car fleet of the Group is representative in terms of supply of the private car fleet of employees. For more details on the calculation methodologies, please see the section "Metrics on Gross Scopes 1, 2, 3 and Total GHG emissions".

Scope 3 emissions category 7. Employee commuting

Emissions related to employee commuting are estimated on the basis of the actual attendance of employees assuming, as a precaution, that 70% of the travels are carried out by car and 30% by train, excluding the possibility of travel with zero emissions (on foot or by bicycle). In addition, it was assumed that the Group's car fleet is representative in terms of fuel of the private car fleet of employees. For more details on the calculation methodologies, please see the section "Metrics on Gross Scopes 1, 2, 3 and Total GHG emissions".

Scope 3 emissions category 13. Downstream leased assets

For properties owned by the Group leased to third parties, the emissions related to the consumption of electricity, heat, steam and cooling from fossil sources, purchased or acquired, and the consumption of natural gas are calculated through estimation. Firstly, electricity consumption factors per square metre (KWh/sqm) and natural gas consumption per square metre (Sm3/sqm) specific for the type of activity are applied to the surfaces of leased properties, then conversion factors are applied to obtain the amount of emissions. For further information, please see the section "Metrics on energy consumption and mix".

Scope 3 emissions category 15. Investments

With reference to the Scope 3 emissions category 15 related to exposures to financial and non-financial companies, the portion of emissions related to investments that is not obtained from precise data published by counterparties is estimated starting from official data obtained from public sources on emission intensity. In addition, for emissions by commercial real estate and mortgage asset classes, the estimate is made based on the building's APE Certificate or through the use of PCAF grids. For more details on the calculation methodologies, please see the section "Metrics on Gross Scopes 1, 2, 3 and Total GHG emissions".

Causes of uncertainty in the estimates of results

With reference to the metrics related to own operations, in the absence of accurate data, the Group used estimates, adopting proxies and applying methodological assumptions based on the best information available. It should be noted that the quantitative metrics subject to estimates, shown below, have a reasonable and limited level of uncertainty.

Energy consumption

The natural gas consumption for condominium heating is estimated using a sample of condominiums (around 15%) to project the relative consumption (obtained from reports, invoices or other documentation) on the entire condominium area of the Group. For further information, please see the section "Metrics on energy consumption and mix".

Ratio between the total annual remuneration of the person receiving the highest salary and the median total annual remuneration of all employees

The ratio between the total annual remuneration of the person receiving the highest salary and the median total annual remuneration of all employees is calculated using the available data. With reference to BBPM Life, given the aggregate annual remuneration figure, the average annual remuneration at Company level was considered for each employee.

Accident rate

The rate of recordable work-related accidents is calculated using the available precise data and, to a lesser extent, the number of theoretical hours that can be worked. In particular, the Group does not have the exact number of hours worked:

- for employees who work for Banca Aletti & C. (Suisse), BBPM Life, Sagim and Terme Ioniche, for which the number of theoretical workable hours envisaged by the contract is counted, based on the recorded presence;[1]
- for employees with a classification higher than or equal to the managerial level, for which the number of theoretical workable hours envisaged by contract, for each contract type, is counted based on the recorded presence.

Average number of training hours for Anima employees and non-employees

The average number of training hours for Group employees and non-employees is calculated using the available data. With regard to training hours provided to Anima employees and non-employees, as it was not possible to determine the number of training hours completed between 1 April and 31 December 2025 due to the unavailability of evidence on the reference date, 75% of the total number of hours was considered for the purposes of Group Reporting.

Changes in the preparation and presentation of sustainability information

With reference to the preparation and presentation of sustainability data and metrics, it should be noted that, with respect to what was presented in the 2024 SS, some methodological updates have been made - illustrated below - with regard to the metrics therein:

- energy consumption and energy intensity;
- Scope 1, 2 and 3 greenhouse gas emissions;
- number of accidents at work and related accident rate;
- complaints received, accepted, partially accepted and rejected;
- payment practices to suppliers.

Energy consumption and energy intensity

With reference to the Group's energy consumption (section "Metrics on energy consumption and mix"), it should be noted that, unlike what is considered for the 2024 RS, consumption relating to properties owned by the Group and leased to third parties is excluded.
In particular, after the first year of reporting, taking into account the fact that consumption deriving from properties owned by the Group and leased to third parties is not explicitly regulated by the ESRS and noting that a prevailing method of presentation has emerged in the sector, in order to facilitate the comparability of data and information, the Group deemed it appropriate to classify such consumption as attributable to the value chain within Scope 3 emissions cat. 13.

This new methodological approach had an impact on the following metrics:

- total energy consumption;
- total energy consumption from fossil fuels;
- total energy consumption from renewable sources;
- consumption of electricity, heat, steam and cooling purchased or acquired from renewable sources;
- share of renewable sources of total energy consumption;
- share of fossil fuels in total energy consumption;
- consumption of natural gas fuel;
- consumption of electricity, heat, steam and cooling purchased or acquired from fossil sources.

In order to ensure comparability with 2025 data, the "revised" figure of 2024 consumption will be provided in the section "Metrics on energy consumption and mix" net of owned properties leased to third parties.

Similarly, the calculation of the energy intensity metric associated with activities in sectors with a high climate impact based on net revenues follows the same methodological criteria and, therefore, the consumption value used as the numerator excludes consumption relating to properties owned by the Group and leased to third parties in these sectors.

[1] The employees of these companies represent approximately 0.3% of the Group total.

Scope 1, 2 and 3 greenhouse gas emissions

With reference to emissions (section " Metrics on Gross Scopes 1, 2, 3 and Total GHG emissions "), it should be noted that in 2025, unlike what was considered for the 2024 SS, the new classification of consumption relating to properties owned by the Group and leased to third parties prevails (see the previous section). Consequently, if the emissions generated by the consumption of owned properties leased to third parties were included in the calculation of Scope 1 and 2 emissions last year (location-based and market-based), in this report they have been included in Scope 3 emissions category 13.

In order to ensure comparability with 2025 data, in the section "Metrics on Gross Scopes 1, 2, 3 and Total GHG emissions", the figure of gross Scope 1 and 2 GHG emissions (location-based and market-based) is therefore provided net of owned properties leased to third parties recorded for 2024.

The methodology for calculating emissions relating to owned properties leased to third parties was subject to several refinements compared to the previous year and concerned:

- the definition of specific valuation parameters in relation to the consumption of electricity and natural gas for each type of property identified;
- a precise mapping of the areas actually leased, again based on the duration of the lease, surpassing the approach of the previous year which considered in the calculation, on a prudential basis, the entire square footage of owned properties regardless of the portion actually leased.

With reference to Scope 3 emissions category 15 (section "Metrics on Gross Scopes 1, 2, 3 and Total GHG emissions"), it should be noted that in 2025, unlike what was considered for the 2024 SS, the following improvements were made with reference to:

- as regards the banking business, on the Commercial Real Estate and Mortgages asset classes, a mechanism for excluding non-compliant Energy Performance Certificates was introduced by checking the consistency of the energy label with consumption and a new methodology was introduced to neutralise anomalous cases of emission values. With regard to the Project Finance asset class, the Banco BPM Group has adopted, for the Power Generation from photovoltaics projects, a Scope 1 and 2 emission intensity obtained from the average of the data of companies operating in the same sector, which publish precise data;
- with regard to the insurance business, an analysis was carried out of the UCITs funds mandated by Anima, which led to the exclusion of portions of the portfolio from the insurance business which, if included, would have generated overlapping with that already recorded by Anima in the calculation of its emissions (see "Metrics on Gross Scopes 1, 2, 3 and Total GHG emissions". There were operational difficulties in the calculation of emissions, relating to the look-through of third-party funds; the Group plans to carry out specific in-depth analyses of these funds during the coming financial year in order to assess whether they should be included in the overall scope.

Number of accidents at work and related accident rate

With reference to the metrics relating to accidents at work (see "Health and safety metrics"), it should be noted that, unlike what was considered for the 2024 SS, the count of accidents excluded cases reported to INAIL that were rejected by the entity in the same year. The refinement of the calculation methodology makes it possible to report a figure that more appropriately measures the phenomenon in question, giving a clearer representation in line with the requirements of the ESRS 1 standard.

In light of the above, the Group has provided evidence of the following:

	2024 figure reported in the 2024 SS	2024 figure net of applications rejected by INAIL	Delta
Number of injuries	187	161	**-26**
Accident rate[1]	6.3	5.4	**-0.9**

[1] In calculating the rate of work-related injuries, the company divides the number of cases of work-related injuries reported to INAIL, net of all cases that have already been rejected by the body during the reference year, by the total number of hours worked by workers in the year, multiplied by 1,000,000.

Entity-specific metric - Complaints received, accepted, partially accepted and rejected

With regard to the metrics relating to complaints (see "Entity-specific metrics on IROs related to consumers and end-users"), it should be noted that, unlike in the case of the 2024 Sustainability Statement, the tally also included complaints relating to certain non-banking companies whose final data had not been processed in time for the 2024 SS. Although the extension of the scope of the metric is a voluntary, entity-specific disclosure, it allows a figure that provides a more comprehensive measure of the phenomenon in question, offering a clearer representation in line with the requirements of the ESRS 1 standard.
In light of the above, the Group has provided evidence of the following:

	2024 figure reported in the 2024 SS	2024 figure Considering the Group Insurance Companies	Delta
Complaints received	5,679	5,910	**+231**
Complaints accepted	559	597	**+38**
Complaints partially accepted	1,660	1,660	**+0**
Complaints rejected	3,524	3,717	**+193**

Metrics related to payment practices

With reference to the figure on the average number of days used by the Group for the payment of invoices to suppliers (see "Management of relations with suppliers and metrics related to payment practices") it should be noted that, unlike what is considered for the 2024 SS, where payment is made earlier than the contractual or statutory deadline, the number of days in advance has been treated as "zero" rather than a negative figure.

The refinement of the calculation methodology makes it possible to report a figure that more appropriately measures the phenomenon in question, giving a clearer representation in line with the requirements of the ESRS 1 standard.
In light of the above, the Group has provided evidence of the following:

	2024 figure reported in the 2024 SS	2024 figure considering the days of advance payment "0"	Delta
Average number of days used by the Group to pay supplier invoices	0	10	**+10**

Governance

Role of the Administrative, Management and Supervisory Bodies [ESRS 2 GOV-1] [G1 GOV-1]

The Banco BPM Group (which has been granted the status of financial conglomerate; hereinafter, also "FiCo") shares values that guide the actions of all its member companies (including Anima, which draws up its own independent Sustainability Statement), in addition to the work of Management and employees. These values, on which the strategy and the governance model are based, are:

- focus on the customer;
- focus on results;
- enhancement of staff as a strategic asset;
- focus on corporate social responsibility.

In order to achieve the objectives defined in accordance with the values indicated, the Banco BPM Group is divided into various Companies, among which Banco BPM performs the role of Parent Company (hereinafter, also "Bank") and therefore exercises management, coordination and control activities over all the other Group Companies (for further in-depth information on the Group composition, please see the section "Banco BPM Group Business Lines"). In this context, the bodies and structures of the Parent Company, each in the areas of its competence and on the basis of the powers and delegations received, carry out the strategic and operational guidance of the Group, as well as the coordination and supervision of the central and business functions. The Bank also carries out services and activities in a centralised manner for the entire Group and for some subsidiaries on the basis of specific service agreements, ensuring homogeneous and consistent management at consolidated level, guaranteeing the effectiveness of the

relationship, the quality of the service and proper risk management. Functional relationships may exist between the corporate functions of the Parent Company and those of the Subsidiaries, as well as between the functions and structures of the Bank. In order to facilitate the concrete performance of the functions assigned to the Parent Company, various methods of coordination with the Subsidiaries are envisaged, including:

- Group steering committees;
- functional relationships;[1]
- service agreements and/or conventions;
- organisational unit of the Parent Company with a specific coordination function with the Subsidiaries;
- information flows between the Bank and the Subsidiaries and/or between the Subsidiaries themselves.

The management and corporate coordination of the Parent Company and the Group, in compliance with the general planning and strategic guidelines established by the Board of Directors (hereinafter, also BoD) of Banco BPM, are entrusted to the Chief Executive Officer of the Bank who works with:

- the Co-General Managers (Chief Financial Officer - who oversees Strategic Planning, Administration and Financial Statements, Finance, Equity Investments and Transition and Sustainability - and Chief Business Officer - who oversees the Commercial area as well as the Subsidiaries Banca Aletti and, for some profiles, Banco BPM Vita);
- the areas/functions reporting directly to them (areas: Chief Innovation Officer, Chief Lending Officer, Chief Risk Officer, Corporate & Investment Banking, Asset Management & Insurance; functions: Anti-Money Laundering, Compliance, Communication and Social Responsibility, Legal and Regulatory Affairs, Organisation, Human Resources).

The Parent Company's Board of Statutory Auditors, insofar as it is pertinent, meets periodically with the Supervisory Bodies of the other Group banks and the main Subsidiaries to ensure, inter alia, an adequate exchange of information and overall supervision of the activities carried out in the within the scope of competence of the individual Bodies.

In order to ensure the monitoring of IROs identified as material as a result of the double materiality analysis, Banco BPM has defined a consistent corporate strategy, approved by the BoD and implemented by the Chief Executive Officer, the Co-General Managers and their direct reports, also adopting an effective governance model. In the context of a traditional corporate governance model, the Shareholders' Meeting, which represents the universality of the Shareholders, appoints:

- the BoD, which exercises the functions of strategic supervision and management, to be conducted also with a view to sustainable success, understood as the creation of value in the long-term for the benefit of the shareholders, taking into account the interests of other relevant stakeholders, also with the support of the Chief Executive Officer and Co-General Managers;
- the Board of Statutory Auditors performs the control function, monitoring, among other things, compliance with the law, regulations and articles of association, as well as observance of the principles of proper administration; the adequacy of the organisational and administrative-accounting structure and the financial and sustainability reporting process; the effectiveness and adequacy of the risk management and control system, internal auditing and the operation and adequacy of the overall internal control system.

The tasks and responsibilities of each Body are outlined in the Articles of Association and in the internal regulations adopted by the Parent Company in compliance with the reference external regulations. In this context, the BoD:

- defines the strategies and the guidelines and coordination policies on sustainability (i.e., environmental, social and governance);
- defines the governance model for social and cultural responsibility and for combating corruption and bribery;
- annually approves the results of the double materiality analysis;
- approves the Consolidated Sustainability Statement in compliance with the relevant regulatory provisions;
- updates the Code of Ethics and Whistleblowing policies.

The BoD of the Parent Company also defines and supervises corporate conduct, through the adoption of the Code of Ethics, the Anti-Corruption Regulation and the Whistleblowing policies that set out the values and standards of conduct adopted on a daily basis which guide the corporate and individual work of the Group's representatives and all staff. The values and principles of conduct adopted represent the foundation of our corporate culture in order to create long-lasting, sustainable value for the benefit of all stakeholders, aware of the strong interdependence between the well-

[1] Relationships that exist between the corporate functions of the Parent Company and those of the Subsidiaries, as well as between the functions and structures of the same Parent Company.

being of the entire community and the Group's success. The principles and provisions of the Code of Ethics are also binding for all those who work for the Group, regardless of the relationship that binds them to it. Banco BPM also promotes the dissemination of a solid risk culture, envisaging specific initiatives aimed at strengthening it through, for example, training and monitoring indicators useful for detecting business conduct.
The BoD is assisted by the Committees established within it, governed by the Articles of Association and vested with the functions and duties envisaged by the legislation, including regulations in force at the time, as well as by the code of conduct on corporate governance promoted by the regulated market management company (Corporate Governance Code promoted by the Corporate Governance Committee) which Banco BPM endorses. In particular, with regard to sustainability, the Board is supported, for the respective areas of competence, by the Sustainability Committee, the Internal Control and Risk Committee and the Remuneration Committee.
The Sustainability Committee carries out, more in detail, the functions envisaged by sustainability regulations, including support in the assessment and in-depth analysis of ESG issues related to the exercise of the Group's activities and the approval of strategies and policies on sustainability, also in light of shared best practices and market developments.
In addition to the roles specified in the Articles of Association, in the "Regulation for the functioning and organisation of the Board of Directors and self-evaluation of the Board of Directors and its Committees", the mechanisms for the circulation of information between the corporate bodies and therein to oversee the management efficiency objectives, also with a view to sustainable success and effectiveness of controls, in line with the provisions of the supervisory provisions on the corporate governance of banks as well as the provisions of the Articles of Association in force.
As part of the governance model described, according to the responsibilities assigned to each Body, Committee or function, sustainability issues are taken into consideration both for the definition and monitoring of the corporate strategy and for the purposes of the risk management and control system at Group level. This also applies to the subsidiary Anima, a listed entity that prepares its own Sustainability Statement.

The Chief Executive Officer of the Parent Company coordinates the enforcement of the strategic policies on sustainability through a management Committee (ESG Committee), which they chair, composed of the two Co-General Managers, in addition to almost all the Bank's front-line managers. The main tasks of the ESG Committee include the assessment of the Group's positioning and the coordination of all the activities necessary to pursue the strategic sustainability objectives, overseeing the integration of ESG profiles into the Group's operating model and also ensuring the preparation of the Banco BPM's Consolidated Sustainability Statement. The other management Committees (Credit Committee, Risk Committee, Finance Committee, Investment Committee, New Products and Markets Committee, Donations Committee), according to their respective areas of responsibility, also deal with sustainability issues. Each business area and function is involved in ESG matters according to the relevant scope of operations. In addition, specific monitoring, management and control roles on significant sustainability matters are assigned to the functions of the Parent Company (and the Subsidiaries) and set out in internal regulatory documents, some of which are disseminated to the public through publication on Banco BPM's website. These roles and activities are fully integrated into the Group's governance processes, controls and procedures.

In this context, in 2024 the BoD established the central Transition and Sustainability structure, which reports directly to the CFO Co-General Manager and is responsible for coordinating all activities carried out within Banco BPM in the area of sustainability, including through representatives specifically identified within the company structures or Group Companies, who act as focal points in the ESG area. Transition and Sustainability is organised into two structures:

- ESG Strategy, responsible for defining ESG approaches, methodologies, metrics, KPIs and reporting;
- ESG Business Advisory, which supports and coordinates corporate functions and Group Companies in the implementation of the ESG strategy, promoting knowledge and dissemination of the sustainability culture within the Group, with particular attention to business functions, also through the support of related training initiatives.

Transition and Sustainability provides its services - by virtue of specific outsourcing contracts - also to the Banks and Insurance Companies of the Group as well as to Banco BPM Invest SGR; the same organisational unit of Anima Holding reports functionally to the same structure.

The Group ensures the design and implementation of procedures dedicated to controlling the quality of information and the effective integration of sustainability factors in business processes, also through the internal control system (hereinafter, "ICS"), which represents a fundamental element of the overall Group governance system, to ensure that operations are in line with company strategies and policies and are based on sound and prudent management standards.

Articulated in rules, functions/structures, resources, processes and procedures, the ICS plays a fundamental role as it fosters the dissemination of a culture aimed at risk awareness and control, legality and respect for corporate values. Sustainability issues are part of the internal control system, making explicit and expanding the responsibilities of corporate Bodies and functions at Group level with regard to the integration and dissemination of ESG factors in operational and strategic processes and the assessment and monitoring of inherent risks.
In this context, the Integrated *Tableau de Bord* represents the summary management tool through which the control functions report quarterly to the Administrative and Supervisory Bodies on any gaps found in the course of their audit activities. In addition to the findings of the control functions, this instrument includes the findings raised by the Supervisory Authorities (including, inter alia, ECB, Bank of Italy, IVASS and Consob) through their inspection activities on the Group and any further recommendations.
The gap score detected by the control functions (residual risk and consequent level of resolution urgency) is established based on a common methodology that considers, among other things, reputational and compliance aspects, economic impact and impact on risk parameter calculation models.
The reporting systems are a further control tool: one relating to the functioning and observance of the Organisational, Management and Control Model (pursuant to Italian Legislative Decree no. 231/2001) of each Group Company which has one, entrusted to the Supervisory Body, aimed at monitoring the possible commission of crimes, acts, omissions and/or conduct not in line with the Code of Ethics, the Organisational Model and the underlying rules. The second system is instead dedicated to any conduct that does not comply with the regulations (known as Whistleblowing), overseen by the Audit functions of the Parent Company, of Banco BPM Vita and of Anima Holding, according to the corporate perimeter of competence.
The Group has also defined the ESG driver assessment framework, which consists of three closely interconnected elements:

- the analysis of the expected operating context in the short-, medium- and long-term (known as "Business Environment Scan" or "BES"), conducted at least annually;
- the materiality analysis of the ESG drivers is carried out every six months and is also focused on assessing the potential impact on the traditional risks to which the Group is exposed (credit, market, operational, liquidity, reputation, business risks, etc.);
- the prudential transition plans.

The output of the ESG driver materiality analysis feeds the assessment of the "Key Sustainability Indicators" or "KSIs", which summarise the Group's exposure to ESG factors and which are used to estimate the potential impacts of their manifestation on the business model (products sold and services offered), performance (income and financial) and exposure to traditional risks in the short, medium and long term. The analysis therefore makes it possible to identify the most effective actions to be taken to promptly mitigate any negative impacts on risk exposure and to exploit any business opportunities. The results of the analyses described are approved by the BoD of the Parent Company and shared with the main company functions/structures to supplement the respective processes.

Strategic planning is one of the Group's main medium-/long-term governance tools, also with reference to sustainability issues. In particular, it directs the creation of sustainable value over time, seizing the opportunities presented by a constantly evolving context. Banco BPM's business model welcomes stakeholder requests and integrates environmental, social and governance objectives to translate them into a strategy of responsible growth, in line with the Risk Appetite Framework (herein also "RAF"), the strategic medium-/long-term objectives and with the related implementation measures, indicating them in a single document (Strategic Plan or Plan). In this regard, it should be noted that on 11 February 2025, upon approval of the financial results for the year ended 31 December 2024, having already achieved the main objectives of the 2023-26 Strategic Plan ahead of schedule thanks to the excellent performance recorded, the Parent Company's BoD updated the Strategic Plan, extending the objectives to the period 2024-27, also taking into account the acquisition and integration of Anima Holding and its subsidiaries, including Anima SGR, into the Group. In terms of ESG objectives, the update of the Plan ensures substantial continuity, so that both the results achieved in 2025 and the targets updated to 2027 will generally be specified below, in accordance with the required data points.
Strategic planning is based on the forward-looking analysis of the evolution of the business with market scenarios in ordinary and stressed conditions, taking into account the positioning of the Group with respect to its competitors. Starting from the relationship with the territory, listening to stakeholders, the relationship with the financial market and the acquisition of the indications of the international bodies to identify relevant objectives, the characteristics and needs of the customers to be met are considered in the projection, as well as the constraints of both a regulatory nature and deriving from any commitments undertaken towards third parties (for example in relation to agreements or initiatives,

such as the Net Zero Banking Alliance - also "NZBA" - which has evolved into the Net-Zero Banking Framework - also "NZBF"), to which the Group is subject or for which it is committed.
The proposed Strategic Plan to be submitted for approval of the BoD of the Parent Company is developed on the basis of the medium-/long-term risk appetite, expressed through the RAF Guidelines, outlining the objectives for homogeneous areas of activity, including those relating to the business, the organisational structure, the asset-based and liquidity situation, in line with the material sustainability issues. Based on the objectives defined as part of the strategic planning, the operational objective represents one of the main short-term governance tools through which the Group defines specific objectives, assigning them to the business units and monitoring them over time.
The budget and Strategic Plan monitoring are the main control tools through which Banco BPM:

- measures and analyses the final economic, equity and financial results, assessing deviations in forecasts and drawing up projections for the end of the current year;
- verifies the consistency of the results with respect to the short-term objectives and the sustainability of the medium-/long-term objectives, also in relation to forward-looking scenarios;
- oversees the enforcement of strategic projects and managerial actions defined in the Strategic Plan;
- evaluates the opportunity to define remedial actions to ensure compliance with the objectives or, ultimately, to envisage any updates to the budget objectives or the Strategic Plan.

Periodic reports are envisaged, at least on a quarterly basis, for the BoD of Banco BPM regarding the performance of the final results with respect to the budget and the progress of the Strategic Plan projects with the analysis of the main deviations. In the event of significant discrepancies which could have material effects on the economic results net of non-recurring components and/or on the Group's risk profile, the Chief Executive Officer informs the BoD to assess any mitigation actions or proceed with any updating of the budget or Strategic Plan. The Banco BPM Board of Statutory Auditors, both through participation in Board meetings and through the independent examination of the reports produced, in particular by the control functions, detects any shortcomings or misalignments with respect to the regulations, specifically with reference to ESG governance and processes that affect the dimensions of sustainability, including that aimed at drafting the Consolidated Sustainability Statement.

Banco BPM has adopted a policy that defines, in line with the laws and regulations in force from time to time, the eligibility requirements for members of the Administrative, Management and Supervisory Bodies. This policy has been implemented and is also applied by the other Group companies, to which the specific sector regulations on the requirements of suitability for office apply. In this context, the skills and experience of the members regarding sustainability matters are important, also in terms of the qualitative and quantitative breakdown considered optimal for each body.

The members of the Administrative, Management and Supervisory Bodies of Banco BPM and of the other Group Companies to which specific sector requirements apply have consolidated experience in relation to the Group's sectors and products, ascertained through the periodic verification of skills with respect to the requirements of current national and European legislation, ensuring adequate diversification in terms of skills and experience in relation to different sectors. In particular, the BoD and Board of Statutory Auditors of Banco BPM and of the other Group Companies to which specific sector regulations on the breakdown and appointment of the Corporate Bodies apply, at the time of their respective renewals, identify the qualitative-quantitative breakdown in advance which is deemed optimal for the effective performance of the tasks and responsibilities entrusted to the administrative and Supervisory Bodies.
In this regard, the following are prepared:

- a document on the qualitative and quantitative composition of the BoD containing, inter alia, the expected profiles of the members of the same Board and of the Internal Board Committees, including particularly relevant roles (Chairman, Deputy Chairman, Chief Executive Officer and Chairmen of the Internal Board Committees);
- a document on the qualitative-quantitative composition of the Board of Statutory Auditors.

In view of the next renewal of Corporate Bodies scheduled for the General Shareholders' Meeting to be held in April 2026, the aforementioned documents, approved by the respective competent Bodies, are made available on Banco BPM's website.
With reference to the aspects described above, to obtain a more extensive view of the topic in question, additional accompanying information is available in the "Corporate Governance and Ownership Structure Report" and in the "Report on remuneration policy and compensation paid to staff of the Banco BPM Group", available on the Banco BPM website.

In addition to the suitability requirements set out in the aforementioned policy, specific skills are also required for the roles of the Administrative, Management and Supervisory Bodies in addition to the knowledge required for all areas envisaged by current legislation. In fact, the directors have a very good or distinctive level of expertise in the following areas:

- internal control systems and other operational mechanisms (11 out of 15, equal to 73.3%);
- organisational and corporate governance structures (15 out of 15, equal to 100%);
- ESG area (10 out of 15, equal to 66.7%).

The standing auditors also have a very good or distinctive level of expertise in the following areas:

- internal control systems and other operational mechanisms (four out of five, equal to 80%);
- organisational and corporate governance structures (four out of five, equal to 80%);
- identification and assessment of the risk of money-laundering and terrorist financing (four out of five, equal to 80%);
- sustainability and non-financial reporting, with particular reference to environmental and climate risk management (5 out of 5, equal to 100%).

For the Parent Company and for the other Group Companies to which specific sector regulations on the suitability requirements for office are applied, each Body ascertains the suitability of the individual member and the overall Body itself, also taking into consideration the skills and experiences on sustainability issues. This check is carried out both at the time of establishment and periodically (for example during the self-evaluation) or per event, in line with the legislative and regulatory provisions in force from time to time. As part of this process, the skills already present and those to be strengthened or supplemented are therefore identified.

With regard to sustainability, the BoD of each Group Company can also make use of the specific expertise:

- ascertained for the members of the Parent Company's Sustainability Committee, which in its current breakdown has members with recognised experience and skills at both professional and academic level, as well as knowledge of the path of integration of ESG factors in the Group's operations;
- developed over the years in dedicated operating contexts, for example at the Parent Company, the CRO and CLO Areas, the Transition and Sustainability function, the Planning and Value Management function and the Sustainability Reporting Control structure.

The skills and experience of the representatives are continuously strengthened through annual or dedicated training plans, periodically planned by the Parent Company's BoD in the interests of all relevant representatives of Group Companies. Similarly, the skills present at managerial level are periodically reassessed, also in order to ascertain full alignment with sustainability issues relevant to the Group which have emerged as a result of the materiality analysis, providing dedicated training courses if necessary.
The following table shows the breakdown by gender of the Administrative, Management and Supervisory Bodies of Banco BPM, which is unchanged compared to 2024.

	Men	% Men	Women	% Women	Total
Members of the Administrative, Management and Supervisory Bodies (*)	12	60%	8	40%	20
Members of the BoD (including internal Board Committees)	9	60%	6	40%	15
of which: executive members	1	100%	0	0%	1
of which: non-executive members	8	57%	6	43%	14
of which: independent members	7	54%	6	46%	13
Gender diversity (**)			66.7%		

(*) Members of the BoD (including Committees) and members of the Board of Statutory Auditors (including standing auditors only).
(**) "Gender diversity" is calculated as the ratio between the number of women and the number of men who are Members of the Administrative, Management and Supervisory Bodies.

Independent members of the BoD, including Committees, account for 86.7% of the total number of members. On the occasion of the renewal of the BoD of the Parent Company, which took place at the Shareholders' Meeting of 20 April 2023, one employees' representative was nominated (chosen from the List of Shareholders - Employees).

Information provided to and sustainability matters addressed by the undertaking's Administrative, Management and Supervisory Bodies [ESRS 2 GOV-2]

The Parent Company and the other Group Companies to which specific sector regulations apply have governed, with specific regulations, the principles, criteria, roles and responsibilities regarding the functioning and organisation of the work of the BoD and the Internal Board Committees as well as the Board of Statutory Auditors and with regard to information flows to the respective members, also ensuring mechanisms for the circulation of information between and within the Corporate Bodies to monitor the management efficiency objectives, also with a view to sustainable success and effectiveness of controls, in line with regulatory provisions and those of the articles of association.
The topics covered by the envisaged information flows also include the material sustainability issues, sometimes addressed separately, as in the case of the examination of the double materiality analysis results or approval of the Consolidated Sustainability Statement, but in most cases integrated into ordinary processes relating, for example, to business, credit policies or risk management.
When examining matters relating to the outcome of the double materiality analysis – material Impacts, Risks and Opportunities (hereinafter also referred to as IROs) – the BoD of Banco BPM was supported by observations and opinions expressed by the relevant Board Committees (Internal Control and Risk Committee, Sustainability Committee, Remuneration Committee) and, where deemed appropriate, by the Board of Statutory Auditors.

As part of its role of defining and approving the strategic policies, the Banco BPM BoD approves the ESG risk management and control policies, assessing the degree of efficiency and adequacy of the internal control system and drawing up the remuneration and incentive policies (including ESG performance objectives), to be submitted to the Shareholders' Meeting for approval.
The Banco BPM Board of Statutory Auditors participates in Board meetings and thereby supervises any ESG impacts deriving from initiatives and decisions taken by the Bank, reporting, if necessary, any noteworthy aspects in its report to the Shareholders' Meeting.
The Banco BPM Group is aware of the impact that environmental, social and governance factors have on its business model, market competitiveness and company objectives and strategy, in particular considering the fundamental role it plays as a support for companies and private individuals in the transition process to a sustainable economy, in which traditional considerations on economic-financial profiles are accompanied by environmental, social and governance ones.
It follows that these considerations, in addition to being integrated into Banco BPM's Strategic Plan, operational and decision-making processes and financial planning, are enhanced on an ongoing basis as part of the process of identifying the risks to which the Group is or could be exposed (known as "Risk Identification") and when defining the framework through which the Group's appetite for risk is identified (known as "Risk Appetite Framework" or RAF), managed by Banco BPM's Risk Control function, which is responsible for building and implementing the Group-wide risk management system.

During 2025, the Parent Company's BoD examined the sustainability issues during 16 sessions (21 total sessions in 2025), estimating a total of 41 various ESG topics covered.
More specifically and without limitation, the Board:

- periodically monitored the progress of the 2024-27 Strategic Plan for the main areas of activity using a set of the most significant Key Performance Indicators (KPIs), including those associated with sustainability objectives;
- approved the Transition Plans for four major emission sectors (Automotive, Cement, Oil & Gas and Power Generation), aimed at outlining the short-term actions already in place, and medium-/long-term ones that may be activated to achieve the decarbonisation targets set, and has adhered to the evolutionary path undertaken by the NZBA towards a structured framework of guidelines;
- as part of the annual approval of credit policies for the direction of commercial activities, approved the adoption of guidelines and new metrics aimed at achieving the integration of ESG sustainability factors in the Group's business model;
- for this purpose, examined the periodic reporting prepared by the competent structures, including updates on customer engagement initiatives for acquiring information also relating to the ESG profile thereof, as well as specific reporting with regard to transition and physical risks and financed Scope 3 issues category 15;
- draws up remuneration and incentive policies, including ESG performance targets, to submit to the Shareholders' Meeting for approval;

- resolved new issues of social and green bonds, the proceeds of which are intended for the loan and/or refinancing of eligible loans, as defined in the "Green, Social & Sustainability Bonds Framework" adopted and periodically updated;
- approved the publication of the document called "European Green Bond Factsheet" on Banco BPM's institutional website - Sustainability section, with simultaneous disclosure to the market;
- within the framework of its spending and social responsibility policies, and subject to resolution by the Shareholders' Meeting, allocates a portion of the year's profit to the Group's Territorial Departments and Foundations for charitable initiatives to support the needs of the reference communities.

In this context, in 2025 the BoD relied on the support of the Internal Board Committees for the profiles under their responsibility, as detailed below:

- the Internal Control and Risk Committee, in compliance with its own Regulations, has carried out the matters within its competence in the ESG area, paying particular attention to the risk profiles underlying sustainability and social responsibility. In particular, the Committee assisted the BoD in defining the guidelines of the internal control and risk management system (also taking into account the impact of climatic and environmental factors), so that the main risks pertaining to the Parent Company and its Subsidiaries are correctly identified and adequately measured, managed and monitored; and determined the degree of compatibility of the risks pertaining to the Group with a sound and prudent management, consistent with the strategic objectives identified. The Committee handled approximately 38 ESG topics during the 18 meetings held during the year;
- the Remuneration Committee, in line with the attention paid by the Group to the social principles of diversity and inclusion, monitored in particular the salary increase measures in favour of relevant female managerial positions, also aimed at gradually closing the gender pay gap, continuing an approach strongly oriented towards the less represented gender and the gender neutrality of remuneration, also in light of the most recent regulations on the subject. In compliance with its prerogatives in terms of remuneration policies, it also paid particular attention to the criteria for defining the objective sheets, specifically furthering their ESG profiles and contributing to outlining adequate Management incentive schemes (both short- and long-term), including a selected number of KPIs referring to these specific assessment areas. The Committee handled approximately 18 ESG topics during the 15 meetings held during the year;
- the Sustainability Committee assisted the BoD in assessing a broad spectrum of ESG issues, from strategy to objectives to reporting. The Committee held 17 meetings during the year, addressing numerous and recurring topics related to the areas of competence (including: "ESG Risks and Compliance", "ESG Governance", "ESG Reporting", and "ESG Strategies and Objectives"), making use of a complex system of information flows and the support of the head of the Transition and Sustainability function, as a permanent guest, as well as the other competent company functions. In particular, the Committee carried out intense reporting activities during the year, supervising the preparation of the first SS for the fiscal year 2024 as well as the project activities related to the same document for the year 2025 (such as the double materiality analysis process and the integration of the Subsidiaries that recently became part of the Group), in liaison with the Financial Reporting Manager and the Auditing Firm. The Committee examined, inter alia, the initiatives pursued in connection with NZBA endorsement and the evolution of the initiative into a framework, the implementation of the sustainability objectives defined in the Strategic Plan and the contribution relating to the ESG dimensions in the context of the disclosures disseminated to the public.

In general, the Internal Control and Risk Committee and the Remuneration Committee acquire the observations and make use of the support of the Sustainability Committee, taking into account the responsibilities reserved to the latter in matters of sustainability. To this end, the Chairman of the Sustainability Committee is invited to participate in meetings of the two Committees when topics that have sustainability implications are discussed.

Integration of sustainability-related performance in incentive schemes [ESRS 2 GOV-3]

The Group's incentive schemes are designed to motivate and reward employees based on their performance and the achievement of strategic objectives monitored with specific KPIs. Thanks to the definition of Short-Term Incentives ("STIs") and Long-Term Incentives ("LTIs") for employees, both cash and share holdings are awarded to promote the success and sustainable growth of Banco BPM. In particular, the integration of sustainability factors into the incentive schemes reflects the Group's commitment to responsible and sustainable business practices.

One of the pivotal elements of the Remuneration Policy (Section 1) pursuant to the provisions of legislation in force is the close correlation between variable staff remuneration and strategic actions concerning environmental, health and safety issues and human resources management, with a focus on inclusiveness and gender neutrality. The combination of objectives relating to the financial and insurance business, such as profitability, credit and asset quality, capital adequacy, along with ESG metrics (hereinafter also Key Sustainability Indicators or KSIs) is in fact considered a key factor in strengthening the Group's results in the medium-/long-term, as it makes it possible to combine stakeholder satisfaction - among which a fundamental component consists of Banco BPM employees - with socio-environmental sustainability. The remuneration of the Group's employees is divided into fixed and variable components: the former reflects professional experience, organisational responsibilities and technical skills, according to a principle of equal opportunities and fair pay. The variable component is instead performance-related and allows staff to be valued, recognising their individual contribution to achieving results.

Regarding the BoD, the Articles of Association of Banco BPM establish that its members are entitled, besides the reimbursement of expenses incurred in performing their duties, to an annual fee that is set at a fixed amount for the entire period of office. In addition, directors holding special offices are granted additional remuneration. The Chief Executive Officer is the only member of the Board for whom the variable component is envisaged.
Banco BPM's Policy envisages both a Short-Term Incentive Plan (STI) to be paid by more than 50% in shares, and a Long-Term Incentive (LTI) Plan to be paid in full in shares. The incentive is linked to achieving the annual targets of the STI Plan, and is recognised if the profitability and capital and liquidity levels (known as access gates) are met. The economic resources actually available at the end of the year are determined based on financial and non-financial indicators, the latter being indicators related to reputational risk (ECAP Reputational Risk) and Anti Money Laundering (AML). In particular, the ECAP Reputational Risk indicator representing the amount of economic capital that Banco BPM must retain with respect to the reputational risk estimated using an internal model could reduce the economic resources intended for the STI Plan in the event of a sudden deterioration of the Group's image, also in relation to the possible occurrence of ESG risk factors.
The STI Plan is intended for both identified staff[1] and other staff. The STI sheet of the Chief Executive Officer also includes specific KSIs on which the ESG objectives included in the Strategic Plan are outlined year by year.
In particular, the 2025 STI Plan includes the following 2 KSIs with a weight of 10%:

- new medium-/long-term Low-Carbon loans;
- share of ESG bonds in the owned corporate portfolio.

Additionally, always with a weight of 10%, the qualitative assessment formulated by the BoD is envisaged, after consultation with the Remuneration, Internal Control and Risk and Sustainability Committees, on the following sustainability drivers:

- monitoring and development of areas related to the Net-Zero Banking Alliance;
- monitoring and development of areas related to the Corporate Sustainability Reporting Directive;
- monitoring of operational and reputational risks and dissemination of a risk culture;
- promoting values and behaviour in line with the corporate culture.

On the other hand, the LTI Plan supports the Strategic Plan to pursue results that create value in the medium-/long-term for the relevant stakeholders. The scope of the beneficiaries of the LTI Plan includes around 85 positions (excluding those belonging to functions with control tasks), selected on the basis of the level of the position, the impact on the business or for retention purposes. The beneficiary roles include the Chief Executive Officer and executives with strategic responsibilities of the Parent Company. The incentive related to the LTI Plan is commensurate with the achievement of performance conditions and objectives. In particular, in compliance with capital, liquidity and economic conditions, the performance objectives focus managers' attention on profitability, de-risking and issues related to sustainability, the increase in female representation in managerial roles and the issuance volumes of Green, Social & Sustainability bonds. The ESG metrics included in the STI and LTI Plans are the same as those used for monitoring the objectives of the Strategic Plan and also included in the Risk Appetite Framework, in the section related to reporting objectives.

[1] Parties whose professional activity has or may have a significant impact on the Group's risk profile. These include, among others, the Chief Executive Officer, the General Manager (where appointed), the Co-General Managers, operational and senior management, the Chief Risk Officer and the Managers in the first line of the Parent Company, the Chief Executive Officer, the General Manager, the Co-General Manager and the Deputy General Manager (where present) of Banca Aletti and Banca Akros, the Chief Executive Officer of Banco BPM Vita and Vera Vita.

The portion of variable remuneration that depends on sustainability-related objectives and/or impacts amounts to 17,9%.[1]

The remuneration Policy (Section I), the STI Plan (and specifically the objectives sheet of the Chief Executive Officer) and the LTI Plan are approved by the Shareholders' Meeting. The Corporate Bodies, Internal Board Committees and company functions are involved in the process of their drafting, preparation and approval. Specifically:

- the Human Resources function ensures technical support to the Corporate Bodies and prepares the supporting documentation;
- the Chief Risk Officer and the Planning and Value Management function identify the strategic and performance objectives to ensure that the incentives system is consistent with the Company's risk appetite, medium-/long-term strategies and objectives;
- the Transition and Sustainability function defines, taking into account any indications of the Sustainability Committee, the ESG KPIs and sends them to the Human Resources function for adoption;
- the Compliance function verifies compliance with the reference legislative framework;
- the Audit function verifies the correct implementation;
- the BoD draws up the submission to the Shareholders' Meeting, with the assistance of the Chief Executive Officer and Internal Board Committees.

As part of the definition of the remuneration system for the members of the Administrative, Management and Supervisory Bodies, the Parent Company provides for a variable for the Chief Executive Officer. The Managing Director's STI 2024 Plan, with recognition in 2025, contains a qualitative evaluation, with a weight of 10% of the total evaluation form, formulated by the BoD on the advice of the Committees (Remuneration, Internal Control and Risk, Sustainability) with respect to:

- monitoring and development activities of areas related to the Net-Zero Banking Alliance;
- monitoring activities of operational and reputational risks and dissemination of a risk culture;
- promotion of values and behaviour in line with the corporate culture.

In addition, it should be noted that the evaluation sheet of the Chief Executive Officer has a KPI, with a weight of 6%, on new medium-/long-term Low-Carbon loans. The Chief Executive Officer's STI Plan of 2025 confirms these forecasts, and the qualitative assessment formulated by the BoD was supplemented with a new driver concerning the monitoring and development of CSRD-related areas. The 2024-2026 and 2025-2027 LTI Plans envisage a "Green Social & Sustainable Bond Issues" KPI with a weight of 7.5%. The assessment of the area related to Net Zero is considered an objective directly in support of climate change mitigation, while the KPIs relating to new medium-/long-term Low-Carbon loans and Green, Social & Sustainable bond issues contribute to the climate change mitigation strategy by financing the transition of customers and that of the Bank.
The percentage of remuneration related to these considerations in 2025 is 16%[2].

[1] Considering that the variable component of the annual remuneration of the Chief Executive Officer is connected to the STI Plan and the LTI Plan, the percentage is obtained as the weighted average of the weight of the objectives linked to the sustainability of the STI Plan and the weight of those of the LTI Plan. In 2024, this share was 17.5%.

[2] The percentage is calculated as the sum between 10%, i.e., the weight of the qualitative assessment formulated by the BoD based on the opinion of the Committees, and 6%, i.e., the weight of the KPI on new medium-/long-term Low-Carbon loans. In 2024, no portion of the Chief Executive Officer's variable remuneration was directly linked to climate change mitigation targets.

Statement on due diligence [ESRS 2 GOV-4]

This disclosure is intended to facilitate understanding of the due diligence process of the Banco BPM Group. Although there is no structured process consistent with the OECD Due Diligence Guidelines for responsible business conduct, due diligence is implemented as a normal practice and principle in all areas mapped below with reference to the different sections of the SS:

Fundamental elements of the due diligence process	Sustainability Statement Sections
Integrate the due diligence process into governance, strategy and business model	Information provided to and sustainability matters addressed by the undertaking's Administrative, Management and Supervisory Bodies
	Integration of sustainability-related performance in incentive schemes
	Material impacts, risks and opportunities and their interaction with strategy and business model
Engaging stakeholders in all key phases of the due diligence process	Information provided to and sustainability matters addressed by the undertaking's Administrative, Management and Supervisory Bodies
	Interests and views of stakeholders
	Process of identifying and assessing impacts, risks and opportunities
	Policies related to climate change mitigation and adaptation Policies related to own workforce Policies related to working conditions and the well-being of own workforce Policies related to the health and safety of own workforce Policies related to equal pay and opportunities for own workforce Policies related to the confidentiality and correct processing of own workforce data Policies related to affected communities Policies related to consumers and end-users Policies related to corporate culture and business conduct
	Interests and views of own workers Interests and views of the communities affected Interests and views of consumers
Identify and assess negative impacts	Process of identifying and assessing impacts, risks and opportunities
	Material impacts, risks and opportunities and their interaction with strategy and business model
Interventions to address negative impacts	Net-Zero transition plans Actions and resources in relation to climate change policies Definition and monitoring of actions for own workforce Actions related to the management of IROs in relation to equal treatment and opportunities for own workforce
Monitor the effectiveness of interventions	Targets related to climate change mitigation and adaptation Process of defining objectives related to own workforce Objectives related to equal pay and opportunities for own workforce Metrics on energy consumption and mix Metrics on Gross Scopes 1, 2, 3 and Total GHG emissions Diversity and pay gap metrics

Risk management and internal controls over Sustainability Statement [ESRS 2 GOV-5]

The Sustainability Statement has been prepared in compliance with the reporting standards approved by the European Commission (also "European Sustainability Reporting Standard" or "ESRS") and the specifications adopted pursuant to Article 8, paragraph 4, of Regulation (EU) 2020/852 (known as the "Taxonomy Regulation").
To this end, Banco BPM has defined an Internal Control System (hereinafter also "ICS-SR") that works to guarantee the aforementioned compliance obligations, with the aim of simultaneously supporting the issuance of the joint certification required by Article 12 of Italian Legislative Decree 125/2024.
The overall control framework, in the ongoing absence of specific legislation on the matter, was established by taking as reference the general principles set forth in the international standard published by the Committee of Sponsoring Organisations (also "COSO") [1]as well as maximising synergies with the financial reporting Internal Control System.
The main rationales and key elements of the framework implemented by the Group to verify the adequacy of the SS relating to the year 2025 are summarised below.
The ICS-SR envisages, as a first logical step, the definition of the overall "Process Governance" with the aim of identifying the various structures involved, assigning them precise roles and responsibilities.

[1] Principles also referred to in the "Achieving Effective Internal Control of Sustainability Reporting" Guidelines formalised by COSO in March 2023 regarding the internal control system on sustainability reporting.

More specifically:

- the functions responsible for the data to be reported provide the sustainability information falling within their area of competence, performing first-level controls thereon;
- the Transition and Sustainability function supervises and oversees the adequacy of the information reported, also coordinating the combination and standardisation of the data included in the final reporting;
- the Data Governance structure ensures the application and extension of the framework defined by the Group to the ESG data being reported; the Data Quality & Aggregation office certifies these operations, as well as the effectiveness of the overall data quality process on sustainability information;
- the Sustainability Control Reporting structure verifies the overall adequacy and effectiveness of the internal control system overseeing the specific disclosure, supporting the Chief Executive Officer and the Financial Reporting Manager in their assessments;
- the Organisation function ensures the adequate functioning and evolution of the disclosure and control processes, as well as the related internal regulations.

Lastly, the framework envisages the involvement of the Compliance function as part of the verification of compliance with external regulations, and the Audit function with regard to third-level audits on the internal control system.
The second key element of the framework ICS-SR relates to the definition of the scope of analysis (Scoping), i.e., identifying the quantitative indicators and qualitative sustainability information deemed most relevant for Banco BPM and representing, namely, the object of the overall Control System.
The framework adopted for the first year of disclosure envisaged what is known as a "progressive and modular" approach which, by means of specific prioritisation and rationalisation criteria, made it possible to focus attention on the areas of sustainability considered more material and/or complex.
For the purposes of the current year, the scope of analysis and verification was extended in order to ensure the mapping and registration of all processes and controls implemented by the Group, thereby guaranteeing complete coverage of the quantitative data and qualitative information reported.
The scope of application of the ICS-SR framework was also updated to take into account:

- the regulatory developments currently under way;
- the results relating to the double materiality analysis conducted in 2025;
- the integration of Anima, following the successful conclusion of the voluntary tender offer by Banco BPM Vita, which took place in the first half of 2025.

With reference to the last point described, it should be noted that, on the basis of the provisions of Italian Legislative Decree 125/2024[1], Anima is required to prepare stand-alone Sustainability Statement for the 2025 financial year.
The asset manager has therefore developed a suitable Internal Control System with the aim of ensuring the overall adequacy of the processes for preparing the specific disclosure and the issuance of the certificates of compliance required by regulations. This Control System was implemented in line with the methodological approach, principles and rationales adopted in the ICS-SR framework of the Parent Company.
As already highlighted, the consolidated SS includes, in its scope of analysis, the contribution of Anima. In order to ensure the accuracy and complete coverage of data and qualitative information at Group level, a control architecture has been defined based on the synergy between the respective ICS-SRs. This approach aims to enhance the existing interconnections between them, guaranteeing the operational integration of the two distinct frameworks.
Specifically, the overall Control System adopted simultaneously ensures that:

- the Anima ICS-SR framework: i) certifies the adequacy of data and qualitative information reported from a stand-alone perspective; ii) certifies the completeness of the scope and correctness of all granular input transmitted to the Parent Company; iii) verifies the calculation logics and metrics adopted with reference to the KSIs provided by the Parent Company;
- the ICS-SR framework of Banco BPM: i) ensures that the Parent Company functions have duly acknowledged the detailed data received from Anima, also guaranteeing the consistency of the KSI quantification methodologies[2]; ii) verifies that the input transmitted by Anima are correctly integrated into the related calculation processes (consolidated KSIs) in compliance with the accrual principle[3].

[1] As at 31 December 2025, the shares of Anima Holding are still listed on the Italian Stock Exchange. The company also maintains the status of "Public interest entity" and, during the current year, recorded an average number of employees exceeding 500.
[2] At Consolidated level (Banco BPM Group) and that of Anima stand-alone.
[3] The disclosure reflects the contribution of Anima starting from the effective date of the acquisition by Banco BPM Vita.

The respective control frameworks are therefore closely interconnected in order to ensure the necessary alignment thereof, certifying the uniformity of the assessment criteria and the operating logic adopted, to protect the overall consistency of the consolidated sustainability disclosure.

The cornerstone of the ICS-SR framework implemented by the Group is the Risk & Control Assessment phase, i.e., the survey and subsequent assessment of the potential risks identified and the relative controls carried out, formalised in what is known as the "Risks - controls matrix".
With regard to risk mapping, the methodology adopted is based on the identification, for each key ESG information disclosure process, of the type of "inherent risk" associated with the potential violation of one or more sustainability assertions.
These assertions - listed below - expressly refer to the qualitative characteristics that non-financial information must meet (Appendix B - standard ESRS 1):

- relevance: sustainability information is relevant when it can make a difference in the decisions of users according to a double materiality approach;
- completeness: sustainability information is complete when it includes the relevant information necessary to understand the impacts, risks and opportunities of the area examined, in compliance with all the reporting requirements envisaged by the ESRS standards;
- assessment and accuracy: the sustainability information is collected in accordance with the ESRS standards, simultaneously guaranteeing the accuracy and verifiability (i.e., the information itself or the data from which it was obtained can be corroborated);
- representation: sustainability information is clear, free of bias and is not compromised (i.e., opportunities are not overestimated and risks are not underestimated). The information is also comparable with information provided in previous periods as well as with information provided by other financial institutions.

For each individual process examined, the assessment of the "inherent risk" of the violation of the specific sustainability assertion derives from the joint analysis of two distinct factors: the probability of occurrence (related to the process complexity and stability as well as the competence of the staff involved) and the possible expected impact (considering the materiality of the information and its relevance with respect to the overall process of preparing the Sustainability Statement).

The potential risks identified are mitigated through the mapping and classification of the different controls implemented by the Group (first level, first and second level, second level). The verification of their adequacy (Test of Design) originates from the expert-based analysis of criteria related to the expected effectiveness of the controls supplemented by overall considerations relating to their efficiency.
In greater detail, controls are considered effective when they ensure appropriate coverage of the risk assumed as a reference (judgement expressed through the following assessment drivers: timing, frequency, traceability, suitability and formalisation of the verification activities). Controls are instead considered efficient when the expected mitigation benefits are adequate relative to the tools and resources used.
The intersection between the inherent risk and the overall assessment of the related controls determines the attribution of a score - defined on four possible levels (Low, Medium Low, Medium High, High) - to the "partial residual risk ", i.e., the inherent risk mitigated by the control.
The presence of any internal controls adopted in line with the Data Governance framework defined by the Group (e.g., Data Management and Data Quality tools) generates a further potential reduction of the partial residual risk if the evidence of the controls, carried out by the Data Quality & Aggregation structure, confirm the adequacy of these controls.
The verification phase of the effective application of the controls (Test of Effectiveness) - aimed at assessing the actual implementation of the processes and procedures for preparing the Sustainability Statement - was carried out on a sample of controls identified on the basis of specific selection drivers (materiality of the processes, recent updates/regulatory changes, diversification of the areas examined, findings emerged from the control functions, multi-year rotation of the processes subject to analysis, etc.).

The sample checks were carried out by the Sustainability Reporting Control structure through appropriate interviews with the owner functions, the collection/inspection of specific documentation and, where possible, by re-performing the test examined.
The results emerging from the Test Of Effectiveness (hereinafter, also "TOE") affected the judgement of the "final residual risk" assigned. When the result of the TOE was found suitable or partially suitable, the score which originated from the Test of Design was confirmed, while in the case of an unsuitable result, the final residual risk was worsened.

If the examined control is not carried out, the related final residual risk will coincide with the inherent one initially estimated, effectively sterilising the mitigating effect that emerged from the Test of Design.
The detailed analyses and the overall results of the "Risk & Control Assessment" activity were included and reported in the periodic report - illustrated by the Financial Reporting Manager of the Group's Corporate and Supervisory Bodies - in preparation for the issuance of the required certificates of specific competence.
The potential pain points that emerged from the audits carried out were preliminarily shared with the relevant company functions and single contributing structures, in order to prepare an effective and suitable action plan aimed at reducing/eliminating these risks, as expressly required by the ESRS-2 reporting standard.

The remedial actions identified by the Internal Control System on Sustainability Reporting will be subject to careful monitoring, on an ongoing basis, through the definition of adequate reporting flows to the Corporate Bodies and control functions of the Group.
Specifically, a specific semi-annual report will be prepared and submitted to the Sustainability Committee. The same findings will also be integrated into the "Integrated *Tableau de Bord*" managed by the Audit function and periodically reviewed by the Internal Control and Risk Committee (also "ICRC").

Strategy

Strategy, business model and value chain [ESRS 2 SBM-1]

Sustainability issues are fully integrated into the fundamental elements of the Group's strategy in terms of:

- products and/or services offered;
- customers and markets served.

Products and/or services offered

While operating mainly as a commercial bank, Banco BPM is fully qualified as a *financial conglomerate*, characterised by an integrated operating model that combines banking, financial, asset management, e-money and insurance activities, also thanks to the product factories of which it is composed.
This structure allows the Group to offer a wide and diversified set of products and services, able to effectively meet the needs of the various customer segments - individuals, companies, institutions, third-sector organisations and large companies - while simultaneously guaranteeing solidity, operational efficiency and proximity to local areas.
The breadth of the offer covers all the main business areas of the financial sector.
In the **transactional** area, the Group provides traditional and digital banking services - current accounts, payment instruments, collection and treasury services - supporting the daily management of financial transactions of households and businesses.
On the credit front, Banco BPM offers a complete portfolio of financing solutions that includes mortgages, personal loans, consumer credit, leases, loans for business development and structured transactions dedicated to companies with more complex needs.
In the investment and wealth management area, the Group provides an integrated set of savings and investment products, including asset management and bancassurance solutions developed through the Group's specialised Companies and strategic partnerships.
This configuration promotes an omnichannel approach and allows to generate value along the entire financial value chain: from the collection and allocation of resources to the distribution of products and services, to the creation of tangible benefits for customers, local communities, investors and stakeholders.
Sustainability issues have gradually been integrated into the Group's offer with products and services aimed at supporting the activities envisaged by customers in the areas of climate transition (mitigation and adaptation) and energy efficiency. Third sector companies benefit from an ad-hoc range designed for particular needs, such as, for example, the five per thousand advance or loans that can cover the time delay between the start of activities and the disbursement of public financing.
With particular reference to climate and environmental issues, in order to support customers in the transition towards a zero net greenhouse gas emission economy and adaptation to climate change, the Group's offer includes products with specific green aims:

- credit solutions dedicated to investments with proven environmental purposes (energy efficiency, clean technologies, sustainable production processes);

- green mortgages and real estate financing for the purchase, development or renovation of energy-efficient buildings;
- operations - also in pools - for sustainable infrastructure projects, e.g. photovoltaic plants or renewable energy initiatives;
- financing for climate adaptation and resilience, i.e., for investments aimed at preventing or mitigating damage from adverse climate events, improving business resilience;
- insurance products linked to climate risks and, in particular, catastrophe policies (called "CatNat") to cover damage caused by adverse weather phenomena;
- products in which the economic conditions of the loan are linked to the achievement of the customer's ESG objectives, not tied to the specific use of the funds (Sustainability Linked Loans);
- combinations of products mentioned above.

Lastly, also through commercial partnerships and the product Companies (including Anima and Banca Aletti), the Group distributes financial products related to sustainability issues (for example, products pursuant to Article 8 and Article 9 of the SFDR - Sustainable Finance Disclosure Regulation).

Customers and markets served

The Group operates almost exclusively in Italy, mainly targeting Retail customers (natural persons and small and medium-size companies), corporate customers and, in the context of corporate and investment banking activities, larger companies, also listed ones or those with development objectives through the capital market.
The customers benefiting from the offer of products related to sustainability issues are both legal entity customers (through ESG loans, services related to mobility, CatNat policy) and natural persons (green mortgages and personal loans, services related to mobility, investment products that integrate ESG factors).
In order to guarantee quality, widespread service with respect to the territorial distribution of its customers, the Group's employees are also spread over the different geographical areas served, as shown below.

Number of employees by geographical area (*):

2025					2024				
North	**Centre**	**South and islands**	**Foreign operations**	**Total**	**North**	**Centre**	**South and islands**	**Foreign operations**	**Total**
15,321	2,384	1,208	52	**18,965**	15,607	2,549	1,280	54	**19,490**

(*) North: Emilia-Romagna, Friuli-Venezia Giulia, Liguria, Lombardy, Piedmont, Trentino-Alto Adige, Valle d'Aosta, Veneto. Centre: Lazio, Marche, Tuscany, Umbria. South and Islands: Abruzzo, Basilicata, Calabria, Campania, Molise, Puglia, Sardinia, Sicily.

Sustainability objectives related to products and customers

In the 2023-26 Strategic Plan, updated at the beginning of 2025 for the period 2024-27, Banco BPM formalised its ambition to support customers in the transition to a carbon-neutral economy through intense education and consultancy activities and an adequate commercial offer.

At present, the Group's operations linked to sustainability issues, although constantly evolving, is in line with the strategic ambition adopted.

In particular, Banco BPM outlined a path to integrate sustainability issues into strategic policies, ensuring that the growth of the business and financial soundness are accompanied by social and environmental sustainability.
The integration process was facilitated by the full use of governance levers to create shared value in the long-term.
The main project areas identified during strategic planning were:

- consolidation of leadership in the Business and Corporate & Investment Banking segment and support of the green transition;
- strengthening of wealth management and life insurance in order to meet ESG preferences and needs expressed by customers;
- extraction of greater value from recent non-life insurance and e-money deals;

- benefits of the further development of omnichannel services, with the enhancement of new channels (remote offer and digital branch) and refinement of the retail sales network[1];
- strengthening of Tech Innovation, Lean Banking and Cybersecurity;
- further strengthening of the Group's capital profile;
- empowerment of employees and communities in line with the social vocation of the Group.

ESG issues are an enabling factor for achieving the objectives of the Plan, and are made concrete through the definition and monitoring of specific targets. In particular, the Group has defined the following objectives:

- in the environmental field:
  - supporting customers in the transition process through education, consultancy and commercial offers;
  - strengthening the management and monitoring of climate and environmental factors;
  - continuing to reduce the environmental impact deriving from operations;
- in the social sphere:
  - further improving the People Strategy, generational turnover, women's empowerment and work-life balance;
  - strengthening the leadership position as a Third Sector lender;
  - confirming itself as a top Community Bank, with a strong impact on the communities present in the areas where the Group operates (with a focus on school and education);
- in the governance sphere:
  - confirming short- and long-term incentive plans for managers and employees in line with ESG objectives;
  - supporting digital transformation, with a strong focus on privacy and cybersecurity;
  - further improving ESG risk factor measurement systems, consistent with developments in external regulations and risk materiality;
  - defining sustainable finance policies related to proprietary investments and funding.

The business model adopted by the Group aims to create sustainable value over time, seizing the opportunities presented by a constantly evolving operating context, also by listening to stakeholders to integrate environmental, social and governance objectives and translate them into a responsible growth strategy.
The relationship established with the territory, the financial market and international bodies facilitates the identification of material sustainability issues for their full integration within the corporate strategy.
The Banco BPM Group is structured as a financial conglomerate: the resources collected are used to offer banking and investment products and financial and insurance services through an "omnichannel" model. The economic value generated is largely distributed, becoming a driver of development for the company. The main enabling factors of the Group's business model are: its solid capital structure, stakeholder engagement and staff expertise, risk management skills and balanced and effective governance.

The widespread network found throughout almost the entire country makes it possible to fully understand the needs and peculiarities of each territory and guarantee proximity to customers, also through the various relationship channels made available by the Group thanks to its omnichannel approach (physical branches, web, apps, call centres, consultants, etc.). Customers can therefore benefit from a complete and integrated range of banking, financial, asset management and insurance solutions in order to best meet their needs. In addition, a lean operating model guarantees an adequate level of efficiency and profitability, thereby benefiting investors and other Group stakeholders.

The Group's value chain includes: suppliers, upstream creditors and investors, customers, debtors and downstream issuers.
During the double materiality analysis, the Group carried out a precise mapping and analysis of direct and indirect business relationships in its upstream and downstream value chain.
In particular, the list of suppliers was considered when defining the upstream value chain, broken down by sector of economic activity on the basis of the prevailing budget item associated at the entry of purchase requests. To define the downstream value chain, the main business activities carried out by the Group in terms of product lines/services offered and customers served were considered and the following was assessed, in particular:

- amount of credit exposure by economic sector of the counterparties;
- amount of exposures in securities by economic sector of the issuers;

[1]In 2025, the closure of 64 branches involved 218 workers with limited repercussions in terms of territorial and professional mobility, managed under the provisions of national and second-level bargaining, as well as through retirement support.

- book value of interests in associates and joint ventures in the financial statements by economic sector to which the investee belongs;
- amount of expenses broken down by supply sector.

The use, collection, processing and protection of data were managed in accordance with the national and internal regulations of reference.

Specific Anima-related sustainability objectives for products and customers

During 2023, Anima revised its ESG strategy and related Sustainability Plan for the five-year period 2024-28. The plan identifies the strategic guidelines in the environmental, social and governance areas in line with the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda.
In particular, the Plan identifies two Pillars (Corporate and Responsible Investments & Products), with the Corporate Pillar in turn divided into intervention macro-areas on which to focus activities: Environment, Community and Staff (Social), Governance & Risk Management (applicable to the first two).
Anima has embarked on the path of sustainability in a progressive manner, initially defining qualitative objectives and monitoring the main sustainability KPIs. Therefore, the Sustainability Plan in force does not define measurable, results-oriented targets tied to a calendar in relation to material sustainability issues.
The targets and strategic lever of the 2024-28 Sustainability Plan are shown below for each pillar.

Corporate Pillar - Environment, Governance & Risk Management

Target 1: Reduce direct and indirect environmental impacts

- strategic levers:
  - reporting and reducing greenhouse gas emissions;
  - adopting measures to reduce energy consumption;
  - increase the use of FSC (Forest Stewardship Council) certified paper.

Target 2: Raise awareness among Staff and consolidate the integration of environmental and climate issues and risks in the agenda of the BoD

- strategic levers:
  - adopting an environmental policy;
  - raising awareness of environmental issues;
  - integrating environmental issues and risks into governance;
  - providing mandatory training courses on climate change;
  - providing webinars to raise awareness of the environmental impact of the textile industry and the importance of garment reuse;
  - aligning with and contributing to the Carbon Disclosure Project (CDP) reporting system.

Corporate Pillar - Community, Governance & Risk Management

Objective 1: Support/respond to the needs of own stakeholders

- strategic levers:
  - increasing the involvement of internal and external stakeholders, including through rebranding activities to adapt the Corporate Identity on institutional channels;
  - contributing to the needs of the associations supported by the Anima Foundation through donations of stationery.

Target 2: Promote transparency, protect privacy and protect data security

- strategic levers:
  - strengthening the sustainability reporting process;
  - strengthening the integration of social issues in governance;
  - ensuring compliance with the "DORA Regulations".

Corporate Pillar - Staff, Governance & Risk Management

Target 1: Attract talent, enhance and develop Staff skills
- strategic levers:
  - launching additional engagement initiatives for Staff, also as a retention tool;
  - mapping and monitoring Staff skills.

Target 2: Promote diversity and equal opportunities and excellence in the employee experience
- strategic levers:
  - initiating further welfare initiatives and promoting various forms of inclusiveness, including gender equality;
  - promoting sustainable mobility solutions.

Responsible Investments & Products Pillar

Target 1: Promote customer satisfaction and the quality of products and services
- strategic levers:
  - incentivising product quality;
  - strengthening the perception of Anima's dedication to sustainability;
  - renewing the communication plan for Anima's social media concerning its main sustainability initiatives;
  - sharing the relevant contents of the Sustainability Statement in a summary document.

Target 2: Strengthen the integration of ESG considerations in its investment decisions
- strategic levers:
  - intensifying the analysis of the ESG characteristics of managed assets;
  - strengthening the ESG offer, also through engagement activities;
  - further developing ESG know-how and skills;
  - investing in real estate assets that contribute to the creation of sustainable value.

Interests and views of stakeholders [ESRS 2 SBM-2]

Listening to stakeholders helps to define strategic choices and carry out the Group's daily operations.

To this end, Banco BPM's organisational model envisages specialised corporate functions responsible for overseeing the main stakeholders (for example: Investor Relations for investors, analysts and rating companies; Marketing and Sales for customers; Human Resources for its own workforce; Integrated Procurement Management for suppliers, etc.). In particular, the dedicated specialist functions report to the Administrative, Management and Supervisory Bodies (mainly the BoD, the Sustainability Committee and the Internal Control and Risk Committee) the outcome of listening to stakeholder requests and interests in order to guarantee - where deemed appropriate - integration between the Group's strategic priorities and as part of the assessment of any organisational developments.
For the main stakeholder categories, the engagement methods and purposes are summarised below, as well as how this engagement was considered within the management of the Banco BPM Group's activities, with a focus on the specificities of Anima.

Ordinary engagement with institutional players in the financial market (financial analysts, investors in both equities and fixed income, and credit rating agencies) is handled by the Investor Relations function (which reports directly to the General Co-General Manager - Chief Financial Officer) with:
- the day-by-day activities of this Function;
- participation (in some cases also with the involvement of the Group's top management) in events such as sector conferences, roadshows and financial reverse roadshows organised by leading research and brokerage houses;
- the organisation of calls/webcasts to present the periodic financial results, business plans and other strategic transactions of the Group to the market.

These engagement activities allow to disseminate qualified, exhaustive, timely and equal disclosure regarding Banco BPM's strategy, activities, results, sustainability issues and prospects, also in light of the indications of Consob, the

principles expressed by the Corporate Governance Code and of national and international best practices, also facilitating a correct understanding of the issues of interest to the market.
In fact, the meetings and events organised with the financial community represent an opportunity to share financial results and the main sustainability issues that impact the Group's business, strategies and prospects. On these occasions, feedback from external stakeholders is collected and subsequently reported to the Co-General Manager, CFO and BoD through the Investor Relations function, which reports the engagement activity in terms of numbers of events managed, issues addressed and requests collected from the market, guaranteeing the full understanding of the interests and opinions of the financial market players for the Corporate Bodies and Top Management.
In addition, a specialised team within the Corporate Affairs Secretariat function is responsible for overseeing the relationship with retail shareholders, providing assistance and overseeing the organisation of meetings. These processes oversee and facilitate the participation of shareholders in shareholders' meetings, as an opportunity for engagement and dialogue.
In addition to the methods through which, via the competent corporate functions described above, the Bank interacts on an ongoing basis with shareholders, investors and the financial community in general, Banco BPM adopted, by Board resolution dated 23 November 2021, the "Regulation governing the management of dialogue with shareholders", drawn up in accordance with the provisions of the 35th update of Circular No. 285 of 17 December 2013 of the Bank of Italy and the recommendations contained in the Corporate Governance Code. This Regulation governs the dialogue by the BoD or its members with the generality of Banco BPM's shareholders, meaning, and according to the definitions in force from time to time, institutional investors, asset managers and their trade associations, holders of shares issued by the Bank, potential shareholders, voting advisors or proxy advisors. The topics under discussion include: matters within the BoD's area of competence, including corporate strategies, financial and non-financial results, capital structure, corporate governance, social and environmental impact, the internal control and risk management system and remuneration policies (called "Shareholder-Director Engagement" or "S-DE"). The aforesaid Regulation is available on the institutional website www.gruppo.bancobpm.it, under the Investor Relations section.
Customer engagement takes place through various listening channels such as:

- Customer Satisfaction surveys to detect the degree of customer satisfaction in relations with the Group;
- ad-hoc research projects to investigate services, products and new ways of using them;
- Customer Feedback Management (CFM) platform for collecting instant feedback on customer experience, regarding channel usage, digital interactions and the purchase of products and services;
- survey on sustainability issues, aimed at companies to understand levels of awareness, needs and expectations concerning ESG areas;
- channels for reporting complaints, detailed in the section “Processes for engaging with consumers and end-users and channels for consumers and end-users to express concerns”.

These initiatives aim to ensure an understanding of the level of satisfaction with the service offered, as well as the identification of commercial and organisational solutions to make it more responsive to customer needs. In addition, customer feedback is useful in the strategic planning phase.
The engagement of the Group's employees takes place through various channels, primarily through Staff Managers and those of the Head Office and Network structures (who receive dedicated training and are constantly encouraged and incentivised to actively listen to their respective employees), as well as through dialogue with trade unions, which allows the experiences and needs of employees to be identified and understood, thereby helping to create an inclusive working environment and a positive corporate climate.
Additional dedicated listening channels are provided for the same purpose, including, for example:

- a listening channel for collecting professional aspirations that allows staff to communicate their career growth and development goals to the company;
- listening spaces aimed at fostering an inclusive culture and supporting physical and mental well-being in the company.

For more details on the approach taken to establish continuous and constructive dialogue with employees, please refer to the sections "Interests and views of own workers”" and "Processes for engaging with own workforce and channels for expressing concerns".
Community engagement is guaranteed by Banco BPM's deep roots in the local areas, which have enabled it to develop, among other things, channels dedicated to communities. In particular, in the main geographical areas of reference for the Group's operations, the Territorial Committees and Foundations envisaged by the Articles of Association have the aim of responding to the social and environmental needs of the communities in a widespread manner. The Territorial Committees include representatives of the economic, professional and associative world of the

territory and, through periodic meetings, formulate proposals, plan and organise events and initiatives and, where required, express opinions on the issues presented.
In addition, in order to strengthen the coverage of requests collected in the territory, in 2024 Banco BPM established the "Corporate Social Responsibility" structure, which reports to the Communication and Social Responsibility function and is responsible, among other activities, for coordinating activities related to donations. The structure represents a point of continuous dialogue with the territories and makes it possible to seize and welcome the needs of the community to direct any initiatives and projects.
The Supplier Registry portal ensures that the Group maintains constant dialogue with its suppliers. In addition, suppliers complete an ESG questionnaire when being assessed in order to understand their sustainability profile, thereby allowing the Group to create an opportunity for dialogue that promotes supplier awareness both in terms of ESG matters and in the progress of their corporate practices. In addition, the survey allows Banco BPM to have significant information that enhances supply chain sustainability and makes it possible to better understand the ESG positioning of suppliers, also with a view to an effective use of this information in the logic related to supply chain management.
Anima also carries out numerous stakeholder engagement initiatives to maintain a constant, transparent and collaborative dialogue with its stakeholders, helping to guide business activities and respond to the needs that have emerged. In parallel to the activities carried out by the Banco BPM Group, summarised above, Anima involves Distributors and Financial Advisors of the placement banks through i) conferences and dedicated events; ii) training and refresher courses provided through webinars and digital events (Accademia Anima, Club Alto Potenziale and premium content of the institutional website); iii) customer satisfaction questionnaires; iv) market researches; v) newsletters; vi) dedicated Contact Center and vii) communications via institutional website and social media. In addition, Anima involves regulatory bodies and trade associations through direct relations (meetings, e-mails, conference calls), working groups on the new regulations and regulated communications.

Banco BPM takes into account the interests and opinions of stakeholders when defining its medium-/long-term strategy. In particular, the Group considered the following in defining the Strategic Plan:

- feedback received from customers on various areas of operations. With particular reference to environmental, social and governance sustainability issues, meeting the needs expressed by client companies required the launch of an internal initiative called ESG Factory and the development of digital technologies to improve accessibility to products, services and information;
- requests collected from its own workforce to define professional development paths, initiatives for accessibility and the inclusion of diversity, systems to guarantee the protection of the right to equal pay and strengthening work-life balance initiatives.

The Administrative, Management and Supervisory Bodies of the Parent Company are regularly informed on the opinions and interests of the main stakeholders with respect to issues related to ESG sustainability and, in carrying out their role, take these into account.
In particular, the various sustainability initiatives launched to respond, where deemed appropriate, to the interests and opinions of the main stakeholders (for example, results emerged from surveys related to staff or customers, ESG preferences expressed by customers through the MiFID questionnaire, results of ESG questionnaires completed by Group suppliers, etc.) are presented to the Corporate Bodies and internal board Committees.
Furthermore, the Parent Company's Administrative, Management and Supervisory Bodies meet at least once a year at Group level to receive information regarding how the double materiality analysis is carried out and the results which emerged. In addition, when examining the results of the double materiality analysis, the Bodies are represented by the panel of experts involved and the results of this involvement, as described in detail in the section: "Process of identifying and assessing impacts, risks and opportunities". Also in this context, Banco BPM collects and listens to the requests, interests and opinions of the main stakeholders called upon to express themselves on the impacts, risks and opportunities deriving from sustainability issues identified internally.

Interests and views of own workers [S1 SBM-2]

People are the very heart of Banco BPM Group's business strategy, which recognises their value as a primary resource, fundamental for the company's continuous development.
In its working relationships, the Group is committed to promoting respect for dignity, fairness, equal opportunities and the enhancement of each individual's specific characteristics, in order to create an inclusive and welcoming work environment and thus foster collaboration and improve efficiency and productivity, including through projects dedicated to inclusivity and gender equality.

The opinions and interests of the people who work in the Group contribute to guiding, primarily through dialogue with the Trade Unions, but also directly, the Group's strategy and organisational development, and to responding to the needs of workers. In this perspective, measures have been defined to promote welfare and well-being in the workplace (the latter also expressed through individual meetings in the "Listening Space"), as well as the implementation of initiatives aimed at work-life balance, frequently introduced through trade union agreements, which have contributed to defining a plan to bring about greater employee empowerment.

Interests and views of the communities affected [S3 SBM-2]

The interests and opinions of the communities affected are collected through activities carried out by the Group and through the Sales Network and Territorial Committees. Listening to the communities allows continuous dialogue with the areas where the Group is rooted, to welcome and understand the needs of the community, cementing any initiatives and projects. The issues that emerge as being of greatest interest and importance to stakeholders are considered for the subsequent development of initiatives and sensitisation activities. They are mainly related to respect for human rights and the dissemination of a culture focused on sustainable development.

Interests and views of consumers [S4 SBM-2]

The Banco BPM Group integrates the interests, opinions and rights of customers in its strategic planning processes and in the business model through specific organisational controls and dedicated processes.
In this context, the Group constantly monitors the level of satisfaction with the services offered and identifies commercial and organisational solutions aimed at making the offer increasingly consistent with customer needs. The main evidence and proposals for improvement are shared with the relevant Corporate Bodies in order to support the necessary strategic and organisational decisions and implementations.
The main channels for listening to customers include:

- customer satisfaction surveys to measure overall customer satisfaction;
- research projects to investigate services/products and new ways of using them;
- customer feedback management platforms, which enable the collection of timely feedback on customer experience in relation to the use of available channels, digital interactions and the purchase of products and services;
- reports from customer service, used to direct evolutionary interventions on digital channels and service processes;
- survey on sustainability issues, aimed in particular at client customers to understand levels of awareness, needs and expectations concerning ESG areas;
- verification of complaints submitted by customers in relation to possible breaches of contractual obligations and the principles of diligence, fairness, disclosure and transparency applicable to banking, financial and insurance products and services.

People, companies and organisations are considered partners in a shared growth path, based on a relationship of trust that is consolidated over time, with the aim of promoting the well-being of the community and supporting sustainable development opportunities.

Management of impacts, risks and opportunities

Process of identifying and assessing impacts, risks and opportunities [ESRS 2 IRO-1]

Banco BPM has carried out a "double materiality analysis" in order to select the material sustainability issues for the Group and its value chain which, based on the results of the analysis, are reported in this document. The aforementioned analysis was carried out by defining:

- impact materiality - which made it possible to identify the current and potential positive and negative material impacts on people and the environment related to the Group's operations or generated by the value chain in the short-, medium- and long-term (inside-out perspective);
- financial materiality - which made it possible to identify the risks and opportunities deriving from sustainability issues that may generate material effects on the Group's equity and financial position in the short-, medium- and long-term (outside-in perspective).

This approach also involved the adoption of the maximum level of granularity (sub-topic or sub-sub-topic, where applicable) permitted by the ESRS under the CSRD.

Specifically, considering the typical operations of the financial conglomerate (e.g. banking services, credit disbursement, insurance business, investments, asset management) and the main commercial relationships that the Group has, the following were analysed:

- own operations: the set of internal processes of the Group (including the activities of the Legal Entities consolidated on a line-by-line basis in the financial statements) and which focus on internal stakeholders such as, for example, employees;
- the upstream value chain: the Group's suppliers;
- the downstream value chain: the Group's business processes that involve external stakeholders such as customers. In particular, the persons and companies financed, the equity investments held by the Group and the companies issuing securities (corporate bonds) in which the Group has invested and which, therefore, are present in the ownership portfolio, were analysed.

The 2025 double materiality analysis was conducted by refining the methodological approach adopted in 2024 through the consolidation of the IRO identification and assessment phases and the integration of the suggestions formulated by the Sustainability Reporting Control structure. These methodological refinements concerned, in particular:

- impact materiality and, in more detail:
  - the upstream value chain (suppliers) for which the sector approach, which in the previous year was based on the SASB framework, evolved into a more precise single-name approach on a representative sample of suppliers;
  - the downstream value chain (financed customers, investee companies, issuers of corporate bonds) for which the framework made available by UNEP-FI was used, whose analysis tools allowed broader coverage of sustainability issues, to which an internal methodology (i.e., scoring) of single-name analysis was added for the sole purpose of assessing the climate and environmental impacts generated by the financed companies;
- financial materiality, affected by important evolutions in terms of approach and underlying logics, thanks to which it was possible to express an opinion on the valuation dimensions, required by the regulations, as a mainly quantitative summary of the outcomes of the main risk governance and strategic planning processes managed by the Parent Company functions;
- the materiality threshold: a threshold was identified for impact materiality and a separate threshold for financial materiality that was made more conservative by not taking into account the mitigation actions implemented by the Group.

Another new element concerns the scope of the analysis, which has been enriched by the results of the double materiality analysis of Anima, with the consequent integration into the analysis of the overall Group analysis according to the criteria defined later in this document. With this in mind, at the start of the analysis activities, the Parent Company defined the "Guidelines for subsidiaries subject to CSRD obligations", extending them to Anima in order to ensure the alignment of the respective methodological frameworks.

The analysis process was developed in accordance with the EFRAG Guidance on the application of materiality standards (Implementation Guidance EFRAG IG 1 Materiality Assessment of 31 May 2024) and was divided into the following phases:

- context analysis: provided a structured set of information that allowed for a deeper understanding of the context in which the Group operates and its main business relations, developed through sectoral benchmark activities and analysis of reference regulations; this analysis, together with the priorities defined in the 2023-26 Strategic Plan, as update to 2027, represents the prerequisite and reference framework for the subsequent IRO identification phase;
- IRO identification: process which, starting from the list of impacts, risks and opportunities identified for the fiscal year 2024, had the main result of consolidating a first long-list of Group IROs (excluding Anima) by assessing the sustainability issues reported in ESRS 1 AR16 and, secondly, any appropriate additions for specific Banco BPM issues; this phase also includes the definition of the time horizons[1] in which a sustainability issue is expected to produce effects in terms of IRO. Therefore, the Group defined:
  - the reference time horizon of 1 year for a short-term scenario;
  - the reference time horizon from 1 to 5 years for a medium-term scenario;

[1] The time horizons considered are aligned with those established by the ESRS standards.

  - the reference time horizon of more than five years for a long-term scenario;
- evaluation of IROs: by applying qualitative and quantitative criteria, the functions of the Parent Company responsible for the matter have associated to the Group's IROs (excluding Anima's IROs) a score on a scale of 0.1 (minimum score) to 5 (maximum score) for each evaluation parameter (scale and scope for calculating magnitude, irremediability and likelihood, the definitions of which are specified in the chapter);
- materiality determination: based on the defined materiality threshold, IROs associated with scores equal to or higher than the established threshold level were identified as material and those associated with scores lower than the established threshold level as non-material. Subsequently, the material IROs were submitted to a selected panel of external stakeholders for validation.

The methods for identifying and assessing the long-list of IROs are described below.

Identification and assessment of impacts

The task of identifying a long-list of impacts generated along the upstream value chain made use of an analysis focused on a heterogeneous sample of suppliers, representative of the composition of the Group's supply expenditure, also taking into account the outcome of the analysis reported in the 2024 Sustainability Statement.
With regard to the impacts generated by own operations, the identification process took into account the comparison activities with the main functions of the Parent Company directly involved in the issues under analysis.
In connection with the identification of impacts generated by the downstream value chain, the following were taken into account:

- the Strategic Plan initiatives;
- the Group's activities in terms of the products and services offered;
- the results of the sectoral analysis through the support of the "Sector Impact Map" tool made available by UNEP FI and the single-name analysis applied to the perimeter of client companies using environmental and climate scores, developed internally and integrated into the evaluation processes of financed counterparties.

This activity made it possible to intercept positive and negative impacts with reference to:

- financed companies;
- companies issuing securities (corporate bonds) in the Group's own portfolio;
- companies in the Group's "equity investments" portfolio.

The evaluation of the identified Impacts was carried out through the involvement of the Parent Company functions, each for the different areas of interest, asking them to assess the following evaluative dimensions required by the regulations:

- scale: indicates how serious the negative impact is or how great the benefit of the positive impact is for people or the environment;
- scope: indicates the extent of the impact on own operations and along the value chain upstream and downstream of the Group;
- irremediability: assessed exclusively for negative impacts, it indicates the expected complexity to remedy the resulting damage or to neutralise the negative impact assessed;
- likelihood: used exclusively for potential impacts, it indicates the probability of generating an impact.

It should be noted that, where potential human rights impacts are present, consistent with the EFRAG Implementation Guidance of the standards on materiality analysis and par. 45 of ESRS 1, in calculating the score associated with the impact, the score associated with scale, scope and irremediability prevails over likelihood (which, consequently, is considered 100%).
The relevant Parent Company functions are responsible for continuously monitoring the impacts (actual and potential) generated by the company on people and the environment.

Identification and assessment of risks and opportunities

The identification of a long list of risks that may be impacted by ESG issues took into account the results of the same exercise conducted in 2024 and was refined by incorporating additional considerations made by the Chief Risk Officer area valid for the 2025 financial year. In particular, the outcomes of the 2025 Risk Identification process were taken into account by linking each traditional risk (financial and non-financial) to at least one of the three perimeters under analysis (upstream value chain, own operations, downstream value chain).

On the other hand, with regard to opportunities related to ESG issues, the identification activity considered:

- commercial projects/opportunities;
- the initiatives and priorities set out in the Strategic Plan;
- any opportunities related to own operations of the Group and/or of the sectors to which the actors of the upstream (supply chain) and downstream (financed customers, corporate bond issuers, investee companies) value chain belong.

The Risk and Opportunity assessment phase took into account the reference metrics set out in the regulations, as follows:

- magnitude: indicates the magnitude of the potential financial effects arising from the manifestation of a given Risk and/or Opportunity, assessed in the short-, medium- and long-term;
- probability of occurrence: indicates the likelihood that a Risk and/or Opportunity will occur.

Specifically, the risk assessment was carried out using the results of internal processes and tools available and governed by the Parent Company's Risk Management function, including:

- risk identification process;
- internal capital adequacy assessment process (ICAAP);
- internal liquidity adequacy assessment process (ILAAP);
- internal process for measuring and monitoring exposure to operational risks;
- Materiality Assessment of climate and environmental risk drivers.

Specifically, the Risk assessment approach considered the quantitative results that emerged from the analysis of the potential impacts of each ESG factor, as a result of the aforementioned processes, summarised in a single score to be attributed to magnitude. An expert-based judgement expressed by the Transition and Sustainability function, with the involvement of the Risk Models & Methodologies structure, also contributed to the final assessment, considering the perimeter, methodologies and objectives of the analysis tools.
The DMA process is fully integrated into the Group's overall risk management process, as both processes use common information, approaches and methodologies, thanks also to the coordination provided by the Transition and Sustainability function.
With reference to the opportunity assessment process, the involvement of the following structures was crucial:

- Strategic Planning, for the purpose of evaluating initiatives related to the Strategic Plan targets;
- ESG Business Advisory, for the evaluation of initiatives related to the products and services offered.

The relevant functions of the Parent Company are responsible for continuously monitoring risks and opportunities on sustainability topics.

Determining materiality

At the end of the internal assessment phase, the scores of the IROs associated in terms of both Financial Materiality (Risks and Opportunities) and Impact Materiality (Impacts) were aggregated in a summary view using a heat map, from which the Group defined the financial materiality threshold and the impact materiality threshold.
The two thresholds were defined starting from the value assumed by the scores associated with the different impacts, risks and opportunities. In particular, in order to ensure that the reporting included the most significant issues for Banco BPM and its value chain, it was deemed appropriate to adopt a threshold that was at least higher than the average value of the scores associated with the IROs.

Subsequently, in the process of identifying material information to be reported, the Group excluded some of the voluntary information and applied the criteria for determining the materiality of information contained in the IG 1 Implementation Guidance published by EFRAG.

In line with the requirements of the EFRAG Guidelines, the double materiality analysis envisaged a phase of engaging external stakeholders in order to ask to validate and possibly integrate the topics that emerged as material following the application of the internal methodology. In particular, once the scores were assigned to the evaluative dimensions envisaged for the IROs through discussion with internal structures, the external stakeholders were engaged, also involving:

- the Investor Relations function: as a representative of the interests of the financial market;
- a selected panel of ESG experts: representative of the interests of both financial users and the Customers and Communities concerned (i.e., non-partisan stakeholders with academic backgrounds and ESG research

activities or who hold corporate roles in the field of sustainability or who are involved in commercial relations with Banco BPM).

The following criteria guided the selection of the ESG expert panel for the assessment of the preliminary results of the materiality analysis:

- academic background with ESG teachings and publications;
- corporate reporting experts, with particular reference to the integration between sustainability and financial disclosure;
- experts in sustainability management within large companies (including non-banking).

The discussion with external stakeholders was carried out aimed at illustrating the methodological framework used for the analysis and its outcomes, fostering discussion, exchange and mutual comparison. The open and direct involvement of experts representing the vision of external stakeholders was oriented towards two main objectives:

- sharing and validating the robustness of the process and methodology used for the double materiality analysis;
- taking into account any suggestions/considerations regarding Topic ESRSs and related IROs that emerged as material from the preliminary analysis.

Integration of Anima's material IROs

As mentioned above, Banco BPM has integrated the results of the double materiality analysis conducted within the Group with the findings of the same activity conducted by Anima, which, in addition to the Parent Company, is the only subsidiary subject to CSRD obligations and which in 2025 published its own CSRD drawn up on a voluntary basis and referring to 2024.
By virtue of this obligation, Anima conducted a double materiality analysis on its operations and on the related value chain, ensuring consistency with the framework of the EFRAG guidelines - the same adopted by Banco BPM - and with the indications received from Parent Company on the matter.
To this end, numerous discussions were held between the Transition and Sustainability function of the Parent Company and the Sustainability team of Anima with the aim of:

- aligning the analysis methodologies conducted by Anima, with particular reference to the downstream value chain (impacts), in order to facilitate the subsequent consolidation of the results obtained with those of Banco BPM;
- ensuring methodological consistency in identifying material topics;
- assessing the IROs that emerged as material for Anima according to their materiality within the entire scope of consolidation.

In this context, the Parent Company defined a methodological approach aimed at integrating the materiality results of Anima with respect to the IROs recognised as material at Group level. In particular, the Parent Company only considered the IROs for which Anima had associated a score higher than the materiality thresholds defined and, if not directly attributable to the material IROs of Banco BPM, it proceeded to:

- integrate the list of overall Group IROs;
- exclude Anima's IROs closely related to the marginal number of Anima's employees compared to the Group's own workforce and/or related to its different business specificities.

The results of the double materiality analysis in terms of IROs and the related material topics subject to reporting for the year 2025 were shared with the ESG Committee and the Sustainability Committee for approval by the BoD of the Parent Company, which took place at the meeting of 25 November 2025, informing the Board of Statutory Auditors. It should be noted that the double materiality analysis and the results of the related stakeholder engagement process were approved by Anima Holding's BoD on 5 November 2025, following the favourable opinion of the Control, Risk and Sustainability Committee on 3 November 2025.

Process of identifying and assessing impacts, risks and opportunities related to climate change and their interaction with the strategy and business model [E1 IRO-1] [E1 SBM-3]

As part of the double materiality analysis, the Group has implemented processes for identifying and assessing impacts, risks and opportunities related to climate change.

To identify and assess the impacts generated by the Group's operations on climate change, greenhouse gas emissions were examined:

- in relation to own operations: Scope 1 and 2 emissions, as well as the negative impacts on energy stocks generated through consumption deriving from the activities carried out by the Group within its operating offices[1];
- in the upstream value chain: positive and negative impacts on the climate related to the operations of the Group's suppliers;
- In the downstream value chain:
  - the emissions generated by the Group's main counterparties (financed companies and households, companies issuing portfolio securities and investee companies) through an analysis based on screening counterparties to which the Group is exposed through loans and/or investments (including equity investments);
  - positive impacts related to the adoption of financing and investment strategies aimed at supporting customers in adopting virtuous initiatives in the transition towards a low greenhouse gas emission economy.

The Group has identified and assessed how the physical risk drivers relating to climate change in the short-, medium- and long-term have an impact on the following risk categories:

Own operations:

- reputational risk stemming from the perception of stakeholders that the Group is not adequately sensitive to climate adaptation issues and does not activate dedicated initiatives and projects;
- strategic risk related to the potential loss of customers in the event of failure to offer products aimed at supporting the Group's counterparties in climate change adaptation;
- operational risk deriving from interruptions in operations and real estate risk related to the occurrence of adverse weather events on owned instrumental assets.

Upstream value chain:

- operational risk arising from the occurrence of adverse weather events on outsourced IT services and activities;
- reputational and strategic risk arising from the selection of suppliers that do not adopt policies and have not defined targets to support climate change adaptation.

Downstream value chain:

- credit and liquidity risks in relation to the Group's exposure to counterparties operating in sectors or geographical areas vulnerable to physical risks;
- reputational risk arising from exposure to counterparties that have not defined objectives or policies to support climate change adaptation.

With regard to the identification and assessment of transition risks and opportunities related to its own operations and along the upstream and downstream value chain, the Group considered:

Own operations:

- reputational risk arising from the failure to meet defined targets in support of climate change mitigation;
- strategic risk related to the loss of customers due to the failure to offer products aligned to counterparts' climate change mitigation needs;
- real estate risk, i.e., the current or prospective risk arising from changes in the value of real estate held due to changes in prices in the Italian real estate market as a result of the failure to meet targets defined to support climate change mitigation or energy efficiency;
- opportunities to improve the Group's reputation through the appropriate definition and achievement of objectives supporting climate change mitigation.

Upstream value chain:

- reputational risk arising from supplies from suppliers who have not defined objectives/policies to support climate change mitigation;

[1] This activity was carried out thanks to a structured Environmental and Energy Management System that covers all instrumental properties (excluding rented properties), allowing constant monitoring and measurement of consumption trends and the achievement of targets.

- strategic risk linked to the loss of customers due to relationships with suppliers who have not defined climate change mitigation objectives.

Downstream value chain:

- reputational risk arising from exposure to counterparties that have not defined objectives or policies to support climate change adaptation.

For more information on the process of identifying and assessing impacts, risks and opportunities related to climate change and the analysis tools used, please see the section "Process of identifying and assessing impacts, risks and opportunities".

In particular, with reference to the analysis of physical and transition risks, the use of an internal methodology (i.e. scoring) of single-name analysis and the use of the findings of the Materiality Assessment process on climate and environmental risk drivers, allowed the Group to assess the risks arising from exposure to counterparties that are deemed incompatible with the transition to a climate-neutral economy or that would require significant efforts to be compatible with such a transition. In particular, limiting the analysis to counterparties with "High" and "Very High" scores before mitigation, the clusters characterised by the highest relevance are the corporate counterparty exposures belonging to the Net-Zero sectors with high emission intensity (see the section "Net-Zero target") or to energy-intensive sectors (e.g., metallurgy). There are also exposures secured by real estate (residential mortgages) with energy class APE E (score high) or F-G (score very high) whose owners, following the expected entry into force of the Green Homes Directive, may face substantial expenses to improve energy efficiency.

For a description of the time horizons used within this analysis, please see the chapter "Process of identifying and assessing impacts, risks and opportunities". It is specified that:

- the short-term ensures full alignment with the budget;
- the medium-term is consistent with the intermediate decarbonisation targets of the loan and securities portfolios identified in the transition plan and with the time horizon required by regulatory exercises (e.g., One-off Fit-for-55 climate risk scenario analysis);
- the long-term is consistent with the Paris climate objectives signed by the European Union (hereinafter, also "EU") and with the Green Deal approved by the European Parliament.

Resilience analysis

In recent years, the progressive integration of climatic and environmental factors into forward-looking capital and liquidity analyses has led to the adoption of forward-looking scenarios, based on the assumptions adopted by the Network for Greening the Financial System initiative (hereinafter also referred to as "NGFS"), assessing the impacts of transitional and physical risks on the competitive environment and on customers' creditworthiness.[1]
The scenarios produced by NGFS consider different trajectories of climate policy (Orderly, Disorderly, Hot House World, then separated into seven alternative scenarios in Phase V), with differentiated effects in the short-, medium- and long-term.
Analyses have shown that early and stringent climate policies entail higher initial costs but reduce physical risks in the long run, while late or no approaches amplify vulnerabilities and future costs of the transition to a carbon-neutral economic system. These assessments formed the basis for the evolution of risk management processes and the strategic orientation towards greater resilience and sustainability.
To make the integration of ESG factors into business processes more effective, after having set up a dedicated function, in 2025 Banco BPM developed processes that, through tools such as the Business Environmental Scan (hereinafter, also "BES") and materiality analysis, allow strategic guidelines to be transformed into concrete planning, risk management and credit monitoring actions considering the different climate scenarios available.
In this regard, it should be noted that as of June 2025, the Materiality Assessment exercises, which will be described later on, were conducted in line with the scenarios identified within the BES process as most representative of the future evolution of the operating environment, taking into account the current situation. The scenarios identified are: for transition risk, the "Net-Zero 2050" scenario - which envisages world temperature growth limited to +1.5° compared to the pre-industrial era by 2100 - and, for physical risk, the "Current Policies" scenario which, on the other hand, considers a temperature increase of +3.0° by 2100.

[1] NGFS is a global initiative involving central banks and supervisory authorities, established with the aim of managing climate change-related financial risks and promoting sustainable finance.

In general, the BES provides an integrated view of the main drivers that influence the economic sectors in which the Group operates, combining two complementary approaches:

- qualitative analysis, assessing the evolution of five key areas: macroeconomic environment, legislation and regulation, technological trends, socio-demographic trends and competitive dynamics (economic and banking). For each sector, these factors are interpreted in terms of threats or opportunities, with a rating scale to summarise the prospective positioning;
- quantitative analysis, based on scores assigned to physical risks (exposure to acute and chronic climate events), transition risks (economic impacts related to decarbonisation) and environmental risks (natural resource use, biodiversity, pollution and circular economy). The scores are compiled at an Italian level and on the Banco BPM portfolio, with openings by sector, company size and geographical area.

The BES analysis is updated at least annually and is structured into homogeneous clusters by sector, size and geographic location, also including a focus on the Residential Real Estate sector to assess the energy efficiency of real estate securing loans.
BES results represent a strategic input for various business processes:

- ESG materiality analysis, to define the Key Sustainability Indicators (also "KSIs"), consistent with the operating context;
- sectoral credit policies, in order to direct investments and initiatives towards sectors and customers with greater prospective sustainability;
- strategic planning, providing guidance for integrating environmental and climate factors into industrial plans and prospective financial resilience assessments.

Through the BES, Banco BPM strengthens its ability to anticipate changes and integrate ESG factors into business decisions, contributing to the creation of long-term sustainable value.
With particular reference to credit risk, the impact of climate shocks on the probability of default (PD) is measured on the basis of NGFS scenarios, applying the financial module of the internal rating models to the individual balance sheets of corporate customers, projected as a function of the main indicators of climate policy. In particular, the impact on PDs of disrupted sectoral financial indicators is captured in relation to the additional costs that companies have to bear for the interventions needed to manage physical and transition risks. In particular, we consider the impacts of a possible carbon tax, introduced to disincentivise greenhouse gas emissions, as well as the costs of increased debt incurred by companies to meet investments to decarbonise production processes. In the long-term projections, the increase in insurance costs to cope with the impacts of physical risk is also captured.
The methodology underlying the scenario analysis is based on the use of satellite models, as detailed later.
The variations in financial factors adjusted for climate drivers observed in the projected financial statements considering the scenarios described were aggregated at the sector level and across macro-clusters to determine the prospective PD through the aforementioned financial module.

At the aggregate level, out of the total loan portfolio, it should be noted that:

- in the short- and medium-term, the two scenarios analysed lead to an increase in PDs, which is much more pronounced in the Net-Zero 2050 scenario due to the immediate introduction of GHG emission reduction measures, with an increase in transition costs and investments. In the Current Policies scenario, on the other hand, a much smaller increase is observed, as it is assumed that no specific emission reduction policies are implemented in the early years of the projection;
- in the long run, an opposite trend is observed: the highest PD values are reached in the Current Policies scenario due to the significant costs required to cope with the increase in adverse weather events, as a consequence of not having reduced emissions in an orderly and significant manner.

The analysis then shows the impact of the different scenarios on the creditworthiness of the Group's customers, delving into the effect of both transition risk and physical risk.
In conclusion, distinguishing the impacts on PD in the short-, medium- (2030), and long-term (2050), it is observed that in the short-term, the Net-Zero 2050 scenario is the most conservative and, therefore, the most suitable to be used in projection exercises characterised by a short-/medium-term horizon impact.

These scenarios are also used in the accounting estimation of value adjustments (Expected Credit Losses or ECLs) on non-impaired credit exposures.

With reference to the aforementioned Materiality Assessment, as of 2022, the Banco BPM Group has developed and progressively implemented an approach with an increasing degree of sophistication to correctly assess the materiality of risk factors related to climate and environment.
During 2025, Banco BPM Group finalised the definition of the Materiality Assessment with the aim of measuring the materiality of the ESG drivers across transmission channels (loan portfolios, securities, collateralised property, customer deposits), to consistently feed into the processes of assessing the impacts on traditional risks to which the Group is or could be exposed.
The materiality of the climate and environmental drivers takes into account the Group's operations on management segments (Corporate portfolios, SMEs and individuals), economic activity sectors (NACE/ATECO codes) and territories where its customers operate, considering the location of both production assets and real estate as collateral and property.
The output of these activities feeds the KSI and KRI estimation models, through which the Group determines the potential impacts of the manifestation of material ESG risk factors on the business model (products marketed and services offered), performance (earnings and financial) and risk exposure (business, credit and counterparty, banking and trading book market, operational and legal, liquidity, funding and reputational).
Finally, the framework of ESG factor management allows for the identification of the most effective actions (e.g., the marketing of targeted products) to mitigate any unforeseen negative impacts in a timely manner, to correct any material deviations from the intended path to reach the identified target and to seize potential business opportunities.
The assessment of the materiality of ESG factors is based on the application of an own scoring methodology, developed in 2021 in cooperation with a leading Italian consultant and data provider. In particular, the Group supplemented the assessments concerning the transitional climatic factor and the physical climatic factors (which constitute the most relevant drivers of the overall climate and environment-related risks) with a series of detailed analyses, providing a complete methodological overview and an analytical representation for each individual risk driver, in order to be able to examine all the characterising elements deemed most significant.

With regard to specific transition risk analyses, the main risk variables considered by Banco BPM's methodology are:

- the intensity of Scope 1, 2 and 3 emissions at sector level estimated on the basis of public datasets, mainly Eurostat, Istat and the EU Emissions Trading Scheme Registry. In some cases, the estimates are further improved through the use of precise data even though there are currently only about 500 companies publishing greenhouse gas emissions in Italy, including voluntary reporting;
- regulatory aspects (e.g. if the counterparty has an activity involved in the EU Emission Trading Scheme[1]);
- the assessment of whether the transition to a sustainable business model for companies in a given sector offers new business opportunities or requires a redefinition or major changes to business itself.

Due to the complexity of the activities involved, their role in the environmental transition (approximately 40% of the energy consumed in the EU is used in buildings and more than one third of the EU's energy-related greenhouse gas emissions come from buildings) and, finally, their relevance to the Group's business, certain sectors, for example the construction and real estate sectors, were the subject of an in-depth analysis based on the market outlook and the assessment of the energy class of individual assets under guarantee or owned with reference to the real estate sector in 2025. Intervening on the energy efficiency of buildings is therefore crucial to save energy and achieve a zero-emission and fully decarbonised building stock by 2050 as indicated by the "Green Homes Directive".

The sectoral top-down analysis is gradually being complemented by a single-name/bottom-up one that may differ significantly from sectoral trends, e.g., for energy-producing companies, multiutilities and companies with a specific business, as it considers the efforts already made by the company to manage the climate transition.

With regard to physical risk, the materiality of the exposure of the Banco BPM Group's credit portfolio was analysed, taking into account both the real estate collateral received and the productive assets of non-financial corporate customers (plant, warehouses, etc.).
The developed methodology considers in the assessment of the counterpart all acute and chronic risk phenomena associated with climate change, mapped by the EU Taxonomy Regulation[2].

[1] The Emission Trading Scheme (EU ETS) is the European Union's main instrument to reduce greenhouse gas emissions in a cost-effective way, based on the "cap and trade" principle: a cap is set on emissions for energy-intensive sectors and aviation, obliging companies to hold allowances (1 allowance = 1 tonne CO_2) to cover their emissions, which can be traded on the market.
[2] The reference is the list of 28 factors included in the EU Taxonomy, where those most relevant for Italy are measured directly (e.g., flood or drought risks for acute risks, or soil erosion risk for chronic risks). In any case, since they are highly correlated (e.g., flood and heavy rainfall risk), all 28 risks are measured at least indirectly, thus obtaining a complete mapping in terms of scoring.

Taking into account the predominantly domestic nature of its business, the Group pays great attention to the most significant risk factors for Italy with a dedicated focus, in particular, on hydrogeological events (landslides and floods) and the phenomenon of drought.
The process of assessing acute and chronic physical drivers based on both public and third-party proprietary data sources (e.g., ISPRA, Copernicus) whose accuracy and granularity has been significantly improved over the course of 2025 includes:

- mapping the Italian territory into census cells that are identified according to their exposure to potential risk events (landslide, flood, drought, etc.). Each risk event is mapped on a scale ranging from 0 (very low) to 4 (very high);
- geo-localisation of the property (real estate collateral or productive asset), through its address, which allows its positioning within risk maps;
- the association of the physical risk score with the property;
- the repetition of the analysis for each acute and chronic risk event under analysis;
- the calculation of a synthetic acute/chronic risk score associated with the property.

Climate scenarios represent one of the main inputs for assessing Banco BPM's current and prospective exposure to climate-related factors, summarised by the aforementioned score which, in the area of climate change mitigation, take into account sectoral/single-name emission intensities and, in the area of climate change adaptation, the location of properties. As already noted, the Group uses the scientific climate scenarios developed by NGFS. In particular, the Materiality Assessment exercise conducted on the portfolios starting from June 2025 saw the implementation of important innovations on the Climate and Environmental drivers:

- the materiality assessment of climate factors in the short- (one year), medium- (planning horizon) and long-term (at least 10 years, up to 2050) by consistently applying the scenarios identified and deemed most "plausible" (Net-Zero 2050 and Current Policies);
- consistency between climate and environmental score analyses in all Bank processes, with particular reference to BES.

The score scale adopted by the Group is consistent for all types of risk and based on specific assessment classes, from "Very Low" (score 0) to "Very High" (score 4) risk.
The implemented approach does, however, also make it possible to consider particular elements of analysis in relation to the individual driver examined. For example, the "Very Low" score, defined with specific regard to transition risk, is assigned to all corporate counterparties that conduct green economic activities (i.e., aligned with EU Taxonomy requirements). With reference to acute physical risk, on the other hand, the "Very Low" score is assigned to real estate located in geographic areas that are substantially not exposed to the relevant risk factors (flood, landslide, etc.).
In the transition climate, the risk score obtained for each counterparty is calculated using both a top-down (predominantly sectoral) and bottom-up approach (often relevant for the more dimensionally significant clients who prepare Sustainability Statement).
In the physical climate area, the precise assessment carried out at the level of production asset or guarantee uses the geolocation of the asset through its address.
In general, the methodology for estimating climate and environmental risks is based on the combination of sectoral elements, point in time geographical data and, where available, additional information provided by the client or related to the individual asset examined (e.g., interventions made to mitigate risk exposure).
The process of assigning scores is therefore influenced by the availability of timely and analytical data that allow the Group to make appropriate detailed assessments. In some cases, this information is public (for example, the maps provided by the Italian Institute for Environmental Protection and Research - ISPRA for flood and landslide risks), in others it was necessary to request the support of specialised providers (for example, on emission intensities) or draw from appropriate certified external data sources (such as for energy performance certificates of production assets and/or guarantees).
In order to attribute an overall summary score, the information thus gathered is integrated with that made available by entrusted customers through the completion of specific qualitative questionnaires, demonstrating that Banco BPM continues its constant path of strengthening and refining the estimation models used to assess the potential impact of climatic and environmental risk factors on its own business model and on the definition of specific corporate strategies. The increasing availability of detailed information will allow for a substantial improvement in the quality, accuracy and timeliness of analyses in these particular assessment areas.

Considering the transmission channels listed above, Banco BPM's weighted average assessment of its exposure to climate drivers was "Medium". The analysis of only those counterparties with "High" and "Very High" scores in at

least one assessment context - i.e., with respect to acute and chronic physical drivers and those of climate transition assessed prior to mitigation measures - allows for the identification of clusters characterised by greater relevance in terms of exposure for i) type of counterparty (management Corporate segments, SMEs and individuals); ii) business sectors; and iii) geographical areas. Among these, in addition to Corporate customers operating in the most high-emissions sectors already reported in Net-Zero (see the relevant section) or in energy-intensive (metallurgy) sectors - exposed, therefore, to climate mitigation - small and medium-sized enterprises (SMEs) and individuals in the regions of Emilia-Romagna, Tuscany and Liguria are particularly exposed for acute physical hazards and Veneto and Liguria for chronic physical hazards.
Also in the context of mitigation, given the high average age of Italian real estate assets, the stock of exposures secured by real estate in the Parent Company's portfolio is concentrated in the least efficient energy classes. While the percentage of new mortgages granted for the purchase or construction of buildings in the most energy-efficient classes is much better.

With reference to credit risk, the materiality assessment on the loans, drawdowns and margins portfolio shows that climatic, physical and transition risks are material, but at the same time the score attributed to these types of risk is overall low, confirming the fact that Banco BPM's customers are on average concentrated in geographical areas and sectors that are not excessively exposed.
The results of the materiality analyses on the loan portfolio carried out show, on the whole, that the weighted average valuation of exposure to ESG drivers is "Medium" for climate factors and "Low" for environmental factors.
As far as environmental drivers are concerned, the Banco BPM Group's weighted average exposure valuation was medium-low, with a higher materiality for smaller customers operating in sectors where a high use of natural resources is expected (e.g., Construction, Oil & Gas, Chemicals and Pharmaceuticals).
In addition to and consistent with the assessment framework described above, the Risk Control function also performs specific sensitivity analyses aimed at estimating the impact of climatic and environmental factors on the main credit risk parameters (probability of default/PD and loss in the event of default/LGD), taking into account the expected evolutions in the different time horizons considered and in relation to the selected scenarios.

Specifically, in assessing its exposure to credit risk, the Group has taken the following steps:

- integrating climate risks into IFRS 9 provisioning measures (via post model adjustment/PMA) already starting from 2023 using December 2022 data;
- integrating climate risks into capital adequacy assessments - ICAAP[1] starting from March 2023, both from a regulatory and an economic point of view;
- defining and completing the implementation of the methodological framework for including climate risks in the internal rating system used for management purposes.

With reference to the first two points, climate risk has already been considered with the simplified approach since 2023, while it has been included in the long-term projections in the PD and LGD satellite models since 31 December 2024, through the use of specific exogenous factors as a vehicle for the higher costs due to the energy transition as well as the need for mitigation or reconstruction of damage caused by catastrophic events (e.g., flood).
To this end, satellite models have been developed that relate the change in default (PD) and expected recovery (LGD) rates, respectively, to the performance of the main macroeconomic drivers, also envisaging the use of sectoral financial KPIs[2] as additional explanatory drivers. In fact, financial KPIs divided by economic sector represent important indicators that make it possible to better understand the transmission of transition risk and, in the long-term, of physical risk depending on the climate scenario being analysed.
With regard to drivers, the increase in the carbon price associated with the need to reduce emissions translates into higher costs that a company has to bear for the increased taxation and investments to be undertaken to contribute to the climate transition. Moreover, the increased likelihood of extreme physical events leads to the use of insurance, as protection against such events, and the necessary investments in the prevention, mitigation and eventual reconstruction of damage caused by such events. The resulting increase in costs affects the balance sheets of companies and their prospective financial stability, and is also indirectly affected by the scoring assessments described above. In addition, the macroeconomic drivers for the projection of PD and LGD also include residential and non-residential property price indices that present shocks in relation to physical risk scenarios.
Both satellite models were used under IFRS9 and ICAAP as of the reference date 31 December 2024, applying the Net-Zero 2050 scenario for the transition component impacting sector KPIs. Physical risk is instead included through an average depreciation on properties from acute events (flood, wind, landslide, fire) based on the Current Policies

[1] Internal Capital Adequacy Assessment Process.
[2] *Key Performance Indicators.*

scenario and applied to residential and non-residential property indices. With specific reference to the economic perspective of the ICAAP, this methodology, outlined for credit risk, was also extended to the calculation of economic capital on the equity, banking and trading book portfolio.
In the 2025 ICAAP, the impact of the climate shock on the first prospective year, measured on the loan portfolio including equity, banking and trading book, is +3% of total economic capital.
With regard to the third point mentioned above, at the end of 2023 a framework was defined to support i) the Rating Desk structure, to attribute a credit rating to borrowing customers and ii) the manager who can override the rating.
This framework envisages the definition of a Climate rating, for management and accounting purposes, alongside the A-IRB reporting rating[1], while waiting for the climate and environmental risk drivers to be directly included in the regulatory rating system.
The Climate rating derives from the application of a specific model that can modify the counterparty A-IRB rating through the application of worsening or improving notches, in order to incorporate the impacts (negative or positive) on the assessment of the debtor's credit rating deriving from exposure to physical and transition risks.
With regard to transition risk, the Climate rating takes into account both the costs and investments impacting the borrower's single-name balance sheet projections under selected climate scenarios, and the information gathered from individual counterparties through qualitative ESG questionnaires.
These two factors are integrated so as to create a single Climate score to be compared with notch-up and notch-down thresholds for each estimation sector/cluster defined during the assessment of the model.
The factors considered by the Climate rating for physical risk, on the other hand, are represented by synthetic scores at counterparty level and by the answers to specific questions in the ESG qualitative questionnaires.
Also in this case, these factors are integrated so as to create a single Climate score to be compared with specific thresholds (notch-up and notch-down) defined during the model estimation phase.
Starting from June 2024, the Climate rating was introduced in the IFRS9 framework for the purpose of computing and refining the above-mentioned PMA to manage one of the main emerging risks that the Supervisory Authorities have been monitoring.
In addition, as part of the monthly monitoring of the RAF indicators (Risk Appetite Monitoring/RAM), since April 2025 the new rating has also been introduced in the calculation of the fair value underlying the quantification of economic capital at the reference date.
The increasing availability and quality of the information collected through the ESG questionnaire will allow the Group to strengthen the strategies put in place in relation to the specific management of such risk factors, allowing the competent company functions it to target appropriate initiatives to proactively manage the impacts of these special components on its business model, processes and company policies adopted internally. For more information, please see the section " Development of the ESG credit policy framework, also in line with Net-Zero commitments".
Banco BPM also assesses the potential impacts of climate change on its exposure to **market risks**. With reference to the specific risk of individual (corporate and financial) issuers of bonds and shares of the Group's proprietary portfolios, separately by trading book and banking book, the Parent Company conducts a Materiality Assessment of the exposure to ESG factors using certain indicators provided by a leading external info-provider.
The results of the analysis highlight that almost all of the exposure deriving from the financial instruments falling within the scope considered are only marginally impacted by climate and environmental risks.
Furthermore, in addition to the Materiality Assessment on ESG drivers, Banco BPM also conducts a transition risk impact estimate on the fair value of the (equity and bond) positions included in the trading portfolio. The analysis described is also extended, from a management point of view, to the banking books limited to the credit spread risk factor, as the latter represents the main risk factor of the portfolios in question. The methodology adopted by the Bank is mainly based on rationales and the evolution of macroeconomic variables conditioned by climate scenarios.
As part of the assessment of ESG factors applied to liquidity risk, in line with what was carried out for the other risks and in line with the materiality analyses conducted, the focus concerned the risks linked to the climate and environmental component. The valuation drivers assume scenarios of withdrawal of sums deposited with the Group or of increased unexpected utilisation of credit lines to cope with the consequences of the occurrence of acute and/or chronic physical events and the difficulties in bearing the burden of investments to continue the path towards Net-Zero 2050.
Potential climate change impacts are assessed by the Group with specific reference to three main transmission channels that represent the bank's operations in specific areas of analysis: credit lines, funding (funding mix) and securities portfolio.
The results of the analyses carried out show, on the whole, that the weighted average valuation of exposure to ESG drivers is "Medium" for climate factors and "Low" for environmental factors. The average materiality of climate transition drivers is significant especially for corporate counterparties operating in high-emission and energy-intensive

[1] *Advanced Internal Ratings-Based.*

sectors. On the other hand, the materiality of physical climate drivers is expected to grow steadily in the short-, medium- and long-term: the Italian territory is particularly exposed to hydrogeological phenomena and soil degradation, which especially exposes SMEs and farms.
Overall, the analysis shows Banco BPM Group's exposure to ESG factors to be insignificant, except in limited areas of specific operations for each driver analysed, thanks also to portfolios that are not very concentrated in the clusters with higher materiality.
In addition to the materiality assessment of ESG factors carried out by applying the framework described above, the Banco BPM Group uses specific sensitivity analyses aimed at assessing the impacts on liquidity and funding profiles originated by acute and unforeseen physical events that actually occurred, with a specific focus on liquidity funding through demand deposits.
The potential impacts related to climate change are assessed by the Group also in terms of **operational** risk in relation to the consequences arising from adverse events related to the climate and the environment (floods, landslides, fires, droughts, weather phenomena, etc.) that could cause an increase in operational risks, with a focus, in addition to the effects on business continuity and on the damage to the real estate and artistic assets of the Group, also on the potential losses directly or indirectly caused by legal actions (i.e., for greenwashing linked to the sale of banking and financial products or to legal action and complaints by stakeholders due to environmental non-compliance of products issued or placed or for Bank exposures in controversial sectors).
In particular, the objective is to assess the potential exposure of the Group to operational ESG risk factors, both through the historic reporting of the events and through the forward-looking analyses carried out, including the results of in-depth analyses.
The application of risk self-assessment analytical scenarios allowed for an assessment of potential exposures related to physical risk and the associated conduct risk, the outcome of which showed limited impacts even in terms of unexpected losses. These impacts were considered in determining second-pillar risks in the periodic capital adequacy assessment exercises (ICAAP).
For both transmission channels, the Bank estimates unexpected loss scenarios in the Risk Self-Assessment process whose purpose is to intercept vulnerabilities of the Bank systems and processes, also returning a materiality in terms of potential economic loss.
The Group continuously implements further methodological developments, also in line with the relevant regulatory developments. In this context, for example, the refinement of the operational risk taxonomy is noteworthy, as it aims to include the categorisation of climate events, thereby further enhancing the granularity of operational risk databases.
ESG risk factors have also been integrated into the measurement models of the other types of **Pillar 2 Risk**[1].
With reference to reputational risk, Banco BPM has defined a methodology for quantifying estimates of economic capital in order to include therein the possible deterioration of the Group's image, perceived by its various stakeholders, as a result of the potential emergence of specific sustainability-related factors. The reputational risk assessment model includes the Corporate Social Responsibility area and the ESG area on which, thanks to the use of specific indicators, the Group's reputational positioning is monitored over time. In particular, the ESG area uses specific indicators of web sentiment (subdivided into “E”, “S” and “G” for each area) in order to assess the news that matches the Group's image with these aspects online.
The "Environmental web sentiment" indicator evaluates news relating to the Group that is appropriately classified in this area through cataloguers developed with artificial intelligence techniques. In addition to an aggregate assessment, the score is opened to evaluate the marginal contribution of the various climate and environmental risk factors to the overall measure of economic capital necessary to deal with this particular type of risk were assessed. In particular, four different risk sub-categories are considered (transition risk, physical risk, conduct risk and "other") in which the news is further classified. Finally, the news is associated, where possible, with the business cases contained in the ECB Climate Stress Test.
The three E-S-G indicators are then condensed into a single Key Risk Indicator/KRI that enters the model for calculating economic capital deriving from reputational risk.
Lastly, with a view to stress testing and sensitivity analysis, the scores of the web sentiment indicators of the two areas mentioned previously are appropriately stressed by considering pejorative scoring on the basis of the probability distributions assigned by the machine learning engines.

With a view to the continuous development and refinement of the model, Banco BPM has also introduced an indicator into the calculation model, again relating to the ESG area, whose score is processed by analysing, through a specific provider, the reputation of the main counterparties financed by the Group in ESG terms. In particular, the provider monitors for these counterparties the possible occurrence of risk incidents related to ESG issues, providing a very

[1] Reputational, Strategic, Equity and Real Estate Risks.

thorough analysis of the phenomenon and factoring all the information collected into risk indicators, which the Group receives as input and processes.
Banco BPM has also defined a framework for continuous monitoring and for the preventive mitigation of the reputational risk of counterparties with loans. This framework is based on analyses deriving from instruments of the commercial network, from credit policy processes, from activities of the Rating Desk on the credit rating of counterparties and, lastly, envisages second-level controls conducted by the risk control function, both for purposes of monitoring, and ex-ante.
The tools available in the commercial network make it possible to analyse companies by collecting a wide range of information, including elements useful for identifying potential reputational risk factors.
The activities carried out by the Rating Desk envisage the option to override the credit rating of counterparties, in a negative sense, in the presence of potential reputational risks of an ESG nature. These risks are identified by reviewing the news of the main newspapers as well as the information acquired from the analysis through the acquisition of information from the Notes to the Financial Statements, the Report on Operations and, above all, the Independent Auditors' Report. If these events are considered material, an override/attribution is triggered with the appropriate ESG motive.
In order to carry out these assessments, the structure also makes use of the information provided by the manager, the decision maker or of the indications available in the ESG questionnaire. Its intervention may, in the most serious cases, lead the counterparty to be included on the watchlist.
The risk control function also manages the analysis of the reputational risk of counterparties, both as part of ex-ante assessments, and in periodic monitoring with reference to the second level controls.

With regard to **strategic risk**, the Group completed in the month of December 2024 a review of the main methodological assumptions to further strengthen assessments of short-term commercial objectives with the Business Plan targets, more oriented to a medium- and long-term horizon, at the same time strengthening the strategic controls relating to the impacts of ESG factors and the overall evolution of digitalisation processes.
In particular, to calculate the economic capital measure related to this risk, the quantitative KPIs underlying the pillars of the Group Strategic Plan are considered in order to provide the contribution of ESG issues to the overall measure of economic capital, as well as to carry out what-if and sensitivity assessments to assess changes in terms of capital absorption.

In addition, in the end of 2024 Banco BPM refined the **property risk** model by including the physical risk and transition risk components in the estimation methodologies. In particular, in the economic capital assessments aimed at assessing the Group's capital adequacy, the impacts of the potential occurrence of physical risk were considered on the basis of the scenarios associated with Flood Risk in the ECB Climate Stress Test 2022 and the scenarios published by NGFS.

At the end of 2025, the methodology was further revised and refined. In particular, various risk scores are considered in the quantification of economic capital, and no longer just the flood risk, by means of a synthetic figure that, for each property, estimates the percentage of damage from physical risks to which it could be exposed. Using these estimates, the historical series of prices underlying the geographical clusters in which the properties owned by the Group are located are projected on a three-year basis in order to assess the increase in the relative volatility that then impacts, for the same real estate portfolio, the measurement of economic capital.
The aforementioned scenarios derived from the ECB Climate Stress Test 2022 and NGFS (in particular considering the variable associated with real estate prices under the Net-Zero 2050 and Current Policies scenarios) are factored through specific sensitivity analyses, by direct application to the book value of the properties in the portfolio. Finally, as a current and prospective materiality analysis, the entire portfolio was mapped and traced back to different physical risk clusters provided by an external provider, in order to have an understanding of the Group's exposure in terms of the balance sheet value of the properties.
In addition, with regard to **equity risk**, with reference to economic capital measures, similar assessments were carried out by the Group in order to include the impact of the climate component, again with respect to the scenarios mentioned above, taking advantage of the overlaps with the credit, banking and trading book input perimeter of the portfolio model. The underlying logic is the determination of an impairment loss (fair value) of the assets in the event of the occurrence of the above-mentioned risks. Specifically, climate risk assessment methods, scenarios and transmission channels are borrowed from the above for credit risk.

Process of identifying and assessing impacts, risks and opportunities related to environmental factors [E2 IRO-1] [E3 IRO-1] [E4 IRO-1] [E5 IRO-1]

As part of its double materiality analysis, the Group implemented processes to identify and assess impacts, risks and opportunities related to pollution, water and marine resources, biodiversity, resource use and the circular economy. Banco BPM assessed:

- own operations: the level of air pollution/water and marine resources/resource use caused by its offices and the conduct of business operations, as well as the reputational and strategic risk profiles related to the issue and the opportunities to improve brand reputation arising from the definition of internal initiatives in support of the circular economy;
- upstream value chain: the level of air pollution/resource use generated by its supply chain (through analysis of a heterogeneous and representative sample of the Group's suppliers) and associated reputational risks;
- downstream value chain:
  - the level of exposure to particularly polluting counterparties that have an impact on water and marine resources, biodiversity and the circular economy;
  - the level of exposure to reputational and credit risks with reference to the issues in question;
  - possible business opportunities related to the development of a range of products aimed at meeting the needs of counterparties in this area.

As a result of the assessments carried out by internal stakeholders on the basis of qualitative and quantitative criteria, Banco BPM considered the impacts, risks and opportunities related to environmental factors as non-material. The results of the analyses conducted on impact materiality and financial materiality were validated through the engagement of external stakeholders[1]. For further information on the stakeholder engagement methods carried out during the double materiality analysis, please see the section "Material impacts, risks and opportunities and their interaction with strategy and business model".

Finally, with particular reference to the issue of "Biodiversity and Ecosystems", it is specified that the Subsidiary Lido dei Coralli, responsible for a bathing establishment, operates within a protected area in compliance with the regulations in force related to such positioning. In particular, with reference to 2025, it was not necessary to implement measures to mitigate the impacts on biodiversity deriving from its operations.

Process of identifying and assessing impacts, risks and opportunities related to business conduct [G1 IRO-1]

As part of the double materiality analysis, the Group has implemented processes to identify and assess impacts, risks and opportunities related to the topic of business conduct in terms of culture, whistleblowing, anti-corruption and management of supplier relations. In particular, these topics were assessed in relation to:

- own operations: the activities carried out by the Group in terms of business and products/services offered, as well as the regulatory context in which it operates and the operating model adopted;
- upstream value chain: the level of exposure to suppliers who are particularly involved in issues of business conduct;
- downstream value chain: the level of exposure to sectors particularly affected by issues relating to corporate conduct with reference to those in which the financed counterparties operate or in which the Group invests (including equity investments).

The process of identifying and assessing the impacts related to business conduct included the involvement of the relevant Parent Company functions. In this context, they formulated an expert-based opinion also on the basis of the Group's level of exposure to the sectors in which the main customers, issuers of securities in the portfolio and investee Companies operate.
To identify and assess the risks related to business conduct, the reputational, strategic and operating risk to which the Group is exposed was taken into consideration. In particular, the identification and assessment process carried out by the Risk Management function of the Parent Company was based on an assessment related to the results of the risk identification process and the internal risk assessment processes.
Following the assessments carried out by internal stakeholders on the basis of qualitative and quantitative criteria, the Banco BPM Group considered material:

[1] As part of the double materiality analysis related to the impacts, risks and opportunities concerning the circular economy, resource use and biodiversity, no consultations were conducted with the communities concerned.

- the positive impacts associated with a strong corporate culture based on ethics and integrity (including safeguards for its suppliers also in relation to their sustainability profile) and the establishment of whistleblowing processes;
- reputational risk relating to the potential occurrence of episodes of inappropriate business conduct and/or corruption and bribery.

The results of the analyses conducted on the impact materiality and financial materiality with reference to the issue of business conduct were validated through the involvement of external stakeholders. For further information on the stakeholder engagement methods carried out during the double materiality analysis, please see the section "Material impacts, risks and opportunities and their interaction with strategy and business model".

Material impacts, risks and opportunities and their interaction with strategy and business model [ESRS 2 SBM-3]

The impacts generated by the Group's operations (in terms of own operations or through the links in the upstream and downstream value chain) identified as material as a result of the double materiality analysis can generate positive and negative effects on people and the environment.
It should be noted that, compared to the impacts reported in the Sustainability Statement for fiscal year 2024, the methodological refinements made by Banco BPM to the double materiality analysis process in order to further improve the robustness of the underlying methodological framework, as better explained in the section "Process of identifying and assessing impacts, risks and opportunities", made it possible to verify the absence of material negative impacts generated by the Group:

- on the environment, through the provision of financing/investment with counterparties operating in sectors that contribute to air pollution and through the use of suppliers that use critical resources (e.g. virgin raw materials) without resource reduction strategies;
- on the Group's stakeholders, due to corruption/bribery, unlawful conduct, disputes, fraud, etc.

In general, the Group has an impact on the environment as follows:

- negatively, through greenhouse gas emissions from activities carried out directly and indirectly by its customers and suppliers;
- positively, mainly through the promotion of investment and financing products and services that accompany customers and companies in the path of climate transition and in the production/use of energy from renewable sources, also thanks to the adoption of credit strategies and creditworthiness assessment processes that favour companies operating with production processes that highly emit greenhouse gases/with high consumption of energy sources that have defined and published their own transition plans towards a more sustainable economic system.

In addition, the Group has a positive impact on people and communities through:

- offering its workforce quality employment, favourable working conditions, anti-violence and diversity inclusion measures, equal treatment and skills development programmes;
- local initiatives dedicated to supporting communities;
- protection of customer, supplier and employee data;
- promotion and consolidation of financial awareness, transparency and accessibility (physical and technological) to products and services for customers;
- dissemination of the culture of ethics and corporate integrity within the Group.

Finally, possible (potential) negative impacts on the own workforce could arise if clear gender pay disparities were to emerge, also as a result of the analysis activities currently under way aimed at the implementation of the "Pay Transparency Directive", scheduled to start on 7 June 2026.

During the double materiality analysis, Banco BPM estimated the time horizon within which the effects of potential impacts are reasonably expected, considering the short-, medium- and long-term horizons as defined in the paragraph "Process of identifying and assessing impacts, risks and opportunities".

The risks and opportunities to which the Group is exposed could have repercussions on its economic and financial condition. In particular, the potential financial effects of the risks to which Banco BPM is materially exposed may lead to reductions in equity and a deterioration in profitability through the following transmission channels:

- increase in defaults among carbon-emitting companies due to higher costs and investments that these companies undergo to reduce greenhouse gas emissions;
- loss of value of properties as collateral for financing transactions due to exposure to physical factors (landslides, floods, tornadoes, rising seas, drought, etc.);
- decrease in the amount of liquidity deposited by customers due to withdrawals to cover costs and investments related to mitigation, energy efficiency or climate change adaptation;
- negative impacts deriving from the variability of bond and equity prices of issuers operating in sectors exposed to transition risk or energy-intensive sectors;
- losses caused by incorrect, untimely or inconsistent decisions due to the use of inadequate/estimated quality data or by "adverse" changes in ESG regulations;
- increase of defaults and consequent loss (called "Loss Given Default/LGD") due to the damages suffered by production sites/properties of customers located in climate/environmental risk areas and/or the need to incur higher costs and make specific investments for their prevention/mitigation;
- losses caused by a deterioration in the Group's reputation due to lack of attention to ESG issues along the entire value chain;
- operational losses due to the occurrence of adverse events attributable to ESG aspects that impact own operations and the upstream value chain.

Banco BPM has insurance coverage to protect the Group's instrumental assets, both tangible and intangible, and the assets backing its business operations, in addition to the coverage of damage typical of its activities, with a view to appropriately and efficiently managing the transfer of operational risk.
The financial effects of the material opportunities that the Group has chosen to seize instead improve its financial performance, acting through the following transmission channels:

- expansion of the customer base;
- development of products that meet the needs of ESG counterparties;
- talent attraction through Talent Management programmes;
- improvement of the working climate through the dissemination of equality and inclusion initiatives.

Similarly to what has been reported for impacts, the methodological refinements introduced in the 2025 double materiality analysis process, as better described in the section "Process of identifying and assessing impacts, risks and opportunities", allowed the emergence of the following material risks in addition to those recorded in the previous reporting year:

- reputational and operational risks in the event of a breach of IT systems, resulting in compromised customer data and operational disruptions;
- reputational risks relating to the potential occurrence of corruption and bribery;
- reputational risks arising from potential conduct diverging from the principles enshrined in the Code of Conduct in relation to the corporate culture and relations with Group suppliers and/or customers.

For details of the material IROs along the value chain or associated with the Group's operations, please see the table at the beginning of each thematic chapter. In particular, there are no impacts, risks and opportunities other than those covered by the report obligations envisaged by the ESRS, for which it is not deemed necessary to use the specific additional disclosure.

In recent years Banco BPM has undertaken and consolidated the path of integrating into its operations, decision-making processes and governance mechanisms the IROs related to the most relevant ESG issues for its business model. This result was supported by the definition of the Group's strategic ambitions in the ESG sphere and emphasised in the Strategic Plan through specific metrics and measurable and achievable targets through the implementation of the operating model and monitoring dedicated KSIs.
Banco BPM plans to continue to focus its strategy on increasingly efficient management and broader integration of impacts, risks and opportunities emerging in the short-, medium- and long-term related to sustainability, ensuring that the company's operational and financial planning processes are adequate and interconnected. In particular, in light of the constantly evolving context, the Group will manage the emerging negative impacts generated in the short- and medium-term through a progressive and further evolution of its strategy and business model.

The resilience of the strategy concerns:

- the business model, in the definition and offer of solutions, products and consulting services that support customers in the transition to a sustainable economy;
- the analysis of the operating context (BES) as better described in the section "Process of identifying and assessing impacts, risks and opportunities related to climate change and their interaction with the strategy and business model";
- the Materiality Assessment, which identifies the risk transmission channels to which the Group is most exposed and which is described in detail in the section mentioned in the previous point;
- the transition plans that make it possible to achieve the pre-established Net-Zero objectives (see "Net-Zero transition plans");
- credit policies, through the integration of ESG factors in the framework that defines the Group's credit strategies;
- the risk management process, in the definition and implementation of assessments dedicated to monitoring the main ESG risk factors;
- IT and Data Governance architecture, through the enhancement of the IT infrastructure and related data management pertaining to ESG.

The following table shows the impacts, risks and opportunities identified as material in the double materiality analysis. The details related to the metrics used to assess their performance and effectiveness are subsequently included in the respective Topical Standards.

ESRS Topic	ESRS sub-topic or sub-sub-topic	Perimeter	Negative impact (potential)	Positive impact (potential)	Risk	Opportunity
ESRS E1 Climate Change	Climate change mitigation and Energy	Downstream value chain		x		x
	Climate change mitigation	Own operations	x			x
		Downstream value chain	x		x	
		Upstream value chain	x			
	Energy	Own operations	x			
		Downstream value chain	x		x	
	Climate change adaptation	Downstream value chain			x	x
S1 Own workforce	Gender equality and equal pay for work of equal value	Own operations	(x)			
	Safe employment Working hours	Own operations		x		x
	Adequate wages	Own operations		x		
	Social dialogue Freedom of association, existence of company Committees and information rights, consultation and participation of workers Collective bargaining	Own operations		x		
	Work-life balance	Own operations		x		
	Health and safety	Own operations		x		
	Training and skills development	Own operations		x		
	Measures against workplace violence and harassment	Own operations		x		
	Diversity Employment and inclusion of people with disabilities	Own operations		x		
	Confidentiality	Own operations		x		
S3 Affected communities	Economic, social and cultural rights of communities, Civil and political rights of communities	Own operations		x		
		Downstream value chain		x		
S4 Consumers and end-users	Confidentiality	Own operations		x		
	Freedom of expression	Own operations		x		
	Access to (quality) information	Own operations		x	x	
		Upstream value chain			x	
	Non-discrimination	Own operations		x		
	Access to products and services Responsible commercial practices	Own operations				x
		Downstream value chain				x
	Access to products and services	Own operations		x		
G1 Business conduct	Prevention and detection including training Accidents	Own operations			x	
	Corporate culture	Own operations		x	x	
	Protection of whistleblowers	Own operations		x		
	Management of relations with suppliers, including payment practices	Own operations		x		

ESRS disclosure obligations included in this Sustainability Statement [ESRS 2 IRO-2]

Content index

The report obligations that Banco BPM Group has fulfilled in preparing the Sustainability Statement, based on the results of the materiality assessment, are reported below, indicating the sections of the document in which the related information is found.

Section	ESRS	Disclosure obligation and corresponding information	Section	Pages
General Disclosures	ESRS 2	BP-1 - General basis for preparation of sustainability statements	General basis for preparation of sustainability statements	160
		BP-2 - Disclosures in relation to specific circumstances	Disclosures in relation to specific circumstances	162
		GOV-1 - The role of the Administrative, Management and Supervisory Bodies	Role of the Administrative, Management and Supervisory Bodies	166
		GOV 2 - Information provided to and sustainability matters addressed by the undertaking's Administrative, Management and Supervisory Bodies	Information provided to and sustainability matters addressed by the undertaking's Administrative, Management and Supervisory Bodies	172
		GOV-3 - Integration of sustainability-related performance in incentive schemes	Integration of sustainability-related performance in incentive schemes	173
		GOV-4 - Statement on due diligence	Statement on due diligence	176
		GOV-5 - Risk management and internal controls over sustainability reporting	Risk management and internal controls over Sustainability Statement	176
		SBM-1 - Strategy, business model and value chain	Strategy, business model and value chain	179
		SBM-2 - Interests and views of stakeholders	Interests and views of stakeholders	183
		SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	Material impacts, risks and opportunities and their interaction with strategy and business model	201
			Climate change	214
			Own workforce	264
			Affected communities	292
			Consumers and end-users	301
			Business conduct	318
		IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities	Process of identifying and assessing impacts, risks and opportunities	186
		IRO-2 - Disclosure requirements in ESRS covered by the undertaking's sustainability reporting	ESRS disclosure obligations included in this Sustainability Statement	205
			Process of identifying and assessing impacts, risks and opportunities	186
Environmental information	E1 Climate change	ESRS 2 GOV-3 - Integration of sustainability-related performance in incentive schemes	Integration of sustainability-related performance in incentive schemes	173
		E1-1 - Transition plan for climate change mitigation	Net-Zero transition plans	215
			Targets related to climate change mitigation and adaptation	222
		ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	Process of identifying and assessing impacts, risks and opportunities related to climate change and their interaction with the strategy and business model	190
		ESRS 2 IRO-1 - Description of the processes to identify and assess material climate-related impacts, risks and opportunities	Process of identifying and assessing impacts, risks and opportunities related to climate change and their interaction with the strategy and business model	190
		E1-2 - Policies related to climate change mitigation and adaptation	Policies related to climate change mitigation and adaptation	216
		E1-3 - Actions and resources in relation to climate change policies	Actions and resources in relation to climate change policies	217
			Net-Zero transition plans	215
			Targets related to climate change mitigation and adaptation	222
		E1-4 - Targets related to climate change mitigation and adaptation	Targets related to climate change mitigation and adaptation	222
			Net-Zero transition plans	215

Section	ESRS	Disclosure obligation and corresponding information	Section	Pages
		E1-5 - Energy consumption and mix	Metrics on energy consumption and mix	228
		E1-6 - Gross Scopes 1, 2, 3 and Total GHG emissions	Metrics on Gross Scopes 1, 2, 3 and Total GHG emissions	229
	E2 Pollution	ESRS 2 IRO-1 - Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	Process of identifying and assessing impacts, risks and opportunities related to environmental factors	200
	E3 Water and marine resources	ESRS 2 IRO-1 - Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	Process of identifying and assessing impacts, risks and opportunities related to environmental factors	200
	E4 Biodiversity and ecosystems	ESRS 2 IRO-1 - Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	Process of identifying and assessing impacts, risks and opportunities related to environmental factors	200
	E5 Resource use and circular economy	ESRS 2 IRO-1 - Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	Process of identifying and assessing impacts, risks and opportunities related to environmental factors	200
Social disclosure	**S1 Own workforce**	ESRS 2 SBM-2 - Interests and views of stakeholders	Interests and views of own workers	185
		ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	Material impacts, risks and opportunities for own workers and their interaction with the strategy and business model	265
		S1-1 - Policies related to own workforce	Policies related to own workforce	268
			Processes for engaging with own workforce and channels for expressing concerns	265
			Policies related to working conditions and the well-being of own workforce	269
			Policies related to the health and safety of own workforce	275
			Policies related to equal pay and opportunities for own workforce	278
		S1-2 - Processes for engaging with own workers and workers' representatives about impacts	Processes for engaging with own workforce and channels for expressing concerns	265
		S1-3 - Processes to remediate negative impacts and channels for own workers to raise concerns	Processes for engaging with own workforce and channels for expressing concerns	265
			Actions related to the management of IROs in relation to equal treatment and opportunities for own workforce	282
		S1-4 - Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Definition and monitoring of actions for own workforce	268
			Actions related to the management of IROs in relation to equal treatment and opportunities for own workforce	282
			Actions related to the management of IROs in relation to the confidentiality and correct processing of own workforce data	291
		S1-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Process of defining objectives related to own workforce	269
		S1-6 - Characteristics of the undertaking's employees	Metrics related to the characteristics of employees and non-employees in own workforce	273
		S1-7 - Characteristics of non-employee workers in the undertaking's own workforce	Metrics related to the characteristics of employees and non-employees in own workforce	273
		S1-8 - Collective bargaining coverage and social dialogue	Metrics related to adequate wages, remuneration and social protection	274
		S1-9 - Diversity metrics	Diversity and pay gap metrics	288
		S1-10 - Adequate wages	Metrics related to adequate wages, remuneration and social protection	274
		S1-11 - Social protection	Metrics related to adequate wages, remuneration and social protection	274
		S1-12 - Persons with disabilities	Diversity and pay gap metrics	288
		S1-13 - Training and skills development metrics	Training and skills development metrics	289
		S1-14 - Health and safety metrics	Health and safety metrics	277
		S1-15 - Work-life balance metrics	Work-life balance metrics	278
		S1-16 - Compensation metrics (pay gap and total compensation)	Diversity and pay gap metrics	288
			Metrics related to adequate wages, remuneration and social protection	274
		S1-17 - Incidents, complaints and severe human rights impacts	Metrics related to incidents, complaints and severe human rights impacts	290

Section	ESRS	Disclosure obligation and corresponding information	Section	Pages
	S3 Affected communities	ESRS 2 SBM-2 - Interests and views of stakeholders	Interests and views of the communities affected	186
		ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	Material impacts, risks and opportunities for the affected communities and their interaction with strategy and business model	292
		S3-1 - Policies related to affected communities	Policies related to affected communities	293
			Processes for engaging with affected communities and channels which allow to raise concerns	293
		S3-2 - Processes for engaging with affected communities about impacts	Processes for engaging with affected communities and channels which allow to raise concerns	293
		S3-3 - Processes to remediate negative impacts and channels for affected communities to raise concerns	Processes for engaging with affected communities and channels which allow to raise concerns	293
		S3-4 - Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	Actions related to the management of IROs in relation to the affected communities	294
			Policies related to affected communities	293
		S3-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Targets related to the affected communities	297
	S4 Consumers and end-users	ESRS 2 SBM-2 - Interests and views of stakeholders	Interests and views of consumers	186
		ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	Material impacts, risks and opportunities for consumers and their interaction with the strategy and business model	301
		S4-1 - Policies related to consumers and end-users	Policies related to consumers and end-users	304
		S4-2 - Processes for engaging with consumers and end-users about impacts	Processes for engaging with consumers and end-users and channels for consumers and end-users to express concerns	302
		S4-3 - Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	Processes for engaging with consumers and end-users and channels for consumers and end-users to express concerns	302
		S4-4 - Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	Actions related to the management of IROs in relation to consumers and end-users	311
			Policies related to consumers and end-users	304
		S4-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Targets related to consumers and end-users	314
Governance disclosure	**G1 Business conduct**	ESRS 2 GOV-1 - The role of the administrative, supervisory and management bodies	Role of the Administrative, Management and Supervisory Bodies	166
		ESRS 2 IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities	Process of identifying and assessing impacts, risks and opportunities related to business conduct	200
		G1-1 - Corporate culture and business conduct policies and corporate culture	Policies related to corporate culture and business conduct	318
		G1-2 - Management of relationships with suppliers	Management of relations with suppliers and metrics related to payment practices	328
		G1-3 - Prevention and detection of corruption and bribery	Prevention and identification of corruption and bribery and confirmed cases of corruption	327
			Actions related to the management of IROs in relation to corporate culture and conduct	325
			Policies related to corporate culture and business conduct	318
		G1-4 - Confirmed incidents of corruption or bribery	Prevention and identification of corruption and bribery and confirmed cases of corruption	327
		G1-6 - Payment practices	Management of relations with suppliers and metrics related to payment practices	328

Datapoints deriving from other EU legislative acts listed in Appendix B

Below are all the datapoints deriving from other EU legislative acts listed in Appendix B, indicating where they can be found in this document and indicating those assessed as non-material.

Disclosure requirements and corresponding datapoint	Reference to other EU legislative acts	Materiality	Section
ESRS 2 GOV-1 Board's gender diversity, paragraph 21, (d)	SFDR reference: Annex I, table 1, indicator no. 13 Benchmark Regulation reference: Commission Delegated Regulation (EU) 2020/1816, annex II	Not subject to double materiality analysis	"Role of the Administrative, Management and Supervisory Bodies"
ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21, e)	Benchmark Regulation reference: Commission Delegated Regulation (EU) 2020/1816, annex II	Not subject to double materiality analysis	"Role of the Administrative, Management and Supervisory Bodies"
ESRS 2 GOV-4 Statement on due diligence, paragraph 30	SFDR reference: Annex I, table 3, indicator no. 10	Not subject to double materiality analysis	"Statement on due diligence"
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities, paragraph 40, (d), point i)	SFDR reference: Annex I, table 1, indicator no. 4 Pillar 3 reference: Article 449-bis of Regulation (EU) no. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Table 1 - Qualitative Information on environmental risk and Table 2 - Qualitative Information on social risk Benchmark Regulation reference: Commission Delegated Regulation (EU) 2020/1816, annex II	Not subject to double materiality analysis	Disclosure not applicable as the Group is not involved in fossil fuel-related activities
ESRS 2 SBM-1 Involvement in activities related to chemical production, paragraph 40, (d), point ii)	SFDR reference: Annex I, table 2, indicator no. 9 Benchmark Regulation reference: Commission Delegated Regulation (EU) 2020/1816, annex II	Not subject to double materiality analysis	Disclosure not applicable as the Group is not involved in activities related to the production of chemicals
ESRS 2 SBM-1 Participation in activities related to controversial weapons, paragraph 40, (d), point iii)	SFDR reference: Annex I, table 1, indicator no. 14 Benchmark Regulation reference: Article 12, paragraph 1) of Delegated Regulation (EU) 2020/1818 and annex II of Delegated Regulation (EU) 2020/1816	Not subject to double materiality analysis	Disclosure not applicable as the Group is not involved in controversial arms-related activities
ESRS 2 SBM-1 Involvement in activities related to the cultivation and production of tobacco, paragraph 40, (d), point iv)	Benchmark Regulation reference: Article 12, paragraph 1) of Delegated Regulation (EU) 2020/1818 and annex II of Delegated Regulation (EU) 2020/1816	Not subject to double materiality analysis	Disclosure not applicable as the Group is not involved in activities related to the cultivation and production of tobacco
ESRS E1-1 Transition plan to reach climate neutrality by 2050, paragraph 14	EU climate Law reference: Article 2, paragraph 1) of Regulation (EU) 2021/1119	Material	"Net-Zero transition plans"
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks, paragraph 16, (g)	Pillar 3 reference: Article 449-bis of Regulation (EU) no. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking portfolio - Indicators of potential transition risk related to climate change: credit quality of exposures by sector, emissions and residual maturity Benchmark Regulation reference: Article 12, paragraph 1, letters d) to g) and paragraph 2 of Delegated Regulation (EU) 2020/1818	Material	"Net-Zero transition plans"
ESRS E1-4 GHG emission reduction targets, paragraph 34	SFDR reference: Annex I, table 2, indicator no. 4 Pillar 3 reference: Article 449-bis of Regulation (EU) no. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book - Indicators of potential transition risk related to climate change: alignment metrics Benchmark Regulation reference: Article 6 of Delegated Regulation (EU) 2020/1818	Material	"Targets related to climate change mitigation and adaptation"
ESRS E1-5 Energy consumption from fossil fuels disaggregated by sources (only high climate impact sectors), paragraph 38	SFDR reference: Annex I, table 1, indicator no. 5 and annex I, table 2, indicator no. 5	Material	"Metrics on energy consumption and mix"
ESRS E1-5 Energy consumption and mix, paragraph 37	SFDR reference: Annex I, table 1, indicator no. 5	Material	"Metrics on energy consumption and mix"
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43	SFDR reference: Annex I, table 1, indicator no. 6	Material	"Metrics on energy consumption and mix"
ESRS E1-6 Gross Scope 1, 2, 3 and total GHG emissions, paragraph 44	SFDR reference: Annex I, table 1, indicators no. 1 and 2 Pillar 3 reference: Article 449-bis of Regulation (EU) no. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking portfolio - Indicators of potential transition risk related to climate change: credit quality of exposures by sector, emissions and residual maturity Benchmark Regulation reference: Article 5, paragraph 1), Article 6 and Article 8, paragraph 1) of Delegated Regulation (EU) 2020/1818	Material	"Metrics on Gross Scopes 1, 2, 3 and Total GHG emissions"
ESRS E1-6 Gross GHG emissions intensity, paragraphs 53 to 55	SFDR reference: Annex I, table 1, indicator no. 3 Pillar 3 reference: Article 449-bis of Regulation (EU) no. 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book - Indicators of potential transition risk related to climate change: alignment metrics Benchmark Regulation reference: Article 8, paragraph 1 of Delegated Regulation (EU) 2020/1818	Material	"Metrics on Gross Scopes 1, 2, 3 and Total GHG emissions"

Disclosure requirements and corresponding datapoint	Reference to other EU legislative acts	Materiality	Section
ESRS E1-7 GHG removals and carbon credits, paragraph 56	EU climate Law reference: Article 2, paragraph 1) of Regulation (EU) 2021/1119	Material	Disclosure not applicable as the Group, in order to reduce the environmental impact of its operations and after having explored the possibilities of the carbon credit market, focused on reducing direct consumption in 2025 while waiting for the carbon credit market to mature and reach the threshold of incompressibility of direct emissions
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66	Benchmark Regulation reference, Annex II of Delegated Regulation (EU) 2020/1818 and annex II of Delegated Regulation (EU) 2020/1816	Material	*Disclosure subject to progressive entry into force*
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66, (a) ESRS E1-9 Location of significant assets at material physical risk, paragraph 66, (c)	Pillar 3 reference: Article 449-bis of Regulation (EU) no. 575/2013; points 46 and 47 of Commission Implementing Regulation (EU) 2022/2453; Template 5: Banking book - Indicators of potential physical risk related to climate change: exposures subject to physical risk	Material	*Disclosure subject to progressive entry into force*
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy efficiency classes, paragraph 67, (c)	Pillar 3 reference: Article 449-bis of Regulation (EU) no. 575/2013; point 34 of Commission Implementing Regulation (EU) 2022/2453; Model 2: Banking book - Indicators of potential transition risk related to climate change: loans secured by real estate - Energy efficiency of collateral	Material	*Disclosure subject to progressive entry into force*
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities, paragraph 69	Benchmark Regulation reference: Annex II of Delegated Regulation (EU) 2020/1818	Material	*Disclosure subject to progressive entry into force*
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 soil, paragraph 28	SFDR reference: Annex I, table 1, indicator no. 8; annex I, Table 2, indicator no. 2; annex 1, table 2, indicator no. 1; annex I, Table 2, indicator no. 3	Not material	
ESRS E3-1 Water and marine resources, paragraph 9	SFDR reference: Annex I, table 2, indicator no. 7	Not material	
ESRS E3-1 Dedicated policy, paragraph 13	SFDR reference: Annex I, table 2, indicator no. 8	Not material	
ESRS E3-1 Sustainable oceans and seas, paragraph 14	SFDR reference: Annex I, table 2, indicator no. 12	Not material	
ESRS E3-4 Total water recycled and reused, paragraph 28, (c)	SFDR reference: Annex I, table 2, indicator no. 6.2	Not material	
ESRS E3-4 Total water consumption in m^3 per net revenue on own operations, paragraph 29	SFDR reference: Annex I, table 2, indicator no. 6.1	Not material	
ESRS 2 SBM-3 - E4 paragraph 16, (a), point i)	SFDR reference: Annex I, table 1, indicator no. 7	Not material	
ESRS 2 SBM-3 - E4 paragraph 16, (b)	SFDR reference: Annex I, table 2, indicator no. 10	Not material	
ESRS 2 SBM-3 - E4 paragraph 16, (c)	SFDR reference: Annex I, table 2, indicator no. 14	Not material	
ESRS E4-2 Sustainable land/agriculture practices or policies, paragraph 24, (b)	SFDR reference: Annex I, table 2, indicator no. 11	Not material	
ESRS E4-2 Sustainable oceans/seas use practices or policies, paragraph 24, (c)	SFDR reference: Annex I, table 2, indicator no. 12	Not material	
ESRS E4-2 Policies to address deforestation, paragraph 24, (d)	SFDR reference: Annex I, table 2, indicator no. 15	Not material	
ESRS E5-5 Non-recycled waste, paragraph 37, (d)	SFDR reference: Annex I, table 2, indicator no. 13	Not material	
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	SFDR reference: Annex I, table 1, indicator no. 9	Not material	
ESRS 2 - SBM3 - S1 Risk of incidents of forced labour, paragraph 14, (f)	SFDR reference: Annex I, table 3, indicator no. 13	Material	"Material impacts, risks and opportunities for own workers and their interaction with the strategy and business model"
ESRS 2 - SBM3 - S1 Risk of incidents of child labour, paragraph 14, (g)	SFDR reference: Annex I, table 3, indicator no. 12	Material	"Material impacts, risks and opportunities for own workers and their interaction with the strategy and business model"
ESRS S1-1 Human rights policy commitments, paragraph 20	SFDR reference: Annex I, table 3, indicator no. 9 and annex I, table 1, indicator no. 11	Material	"Processes for engaging with own workforce and channels for expressing concerns"

Disclosure requirements and corresponding datapoint	Reference to other EU legislative acts	Materiality	Section
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21	Benchmark Regulation reference: Commission Delegated Regulation (EU) 2020/1816, annex II	Material	"Policies related to the health and safety of own workforce"
ESRS S1-1 Processes and measures for preventing trafficking in human beings, paragraph 22	SFDR reference: Annex I, table 3, indicator no. 11	Material	"Policies related to own workforce"
ESRS S1-1 Workplace accident prevention policy or management system, paragraph 23	SFDR reference: Annex I, table 3, indicator no. 1	Material	"Policies related to the health and safety of own workforce"
ESRS S1-3 Grievance/complaints handling mechanisms, paragraph 32, (c)	SFDR reference: Annex I, table 3, indicator no. 5	Material	"Processes for engaging with own workforce and channels for expressing concerns"
ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88, letters b) and c)	SFDR reference: Annex I, table 3, indicator no. 2 Benchmark Regulation reference: Commission Delegated Regulation (EU) 2020/1816, annex II	Material	"Health and safety metrics"
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illnesses, paragraph 88, (e)	SFDR reference: Annex I, table 3, indicator no. 3	Material	"Health and safety metrics"
ESRS S1-16 Unadjusted gender pay gap, paragraph 97, (a)	SFDR reference: Annex I, table 1, indicator no. 12 Benchmark Regulation reference: Commission Delegated Regulation (EU) 2020/1816, annex II	Material	"Diversity and pay gap metrics"
ESRS S1-16 Excessive CEO pay ratio, paragraph 97, (b)	SFDR reference: Annex I, table 3, indicator no. 8	Material	"Metrics related to adequate wages, remuneration and social protection"
ESRS S1-17 Incidents of discrimination, paragraph 103, (a)	SFDR reference: Annex I, table 3, indicator no. 7	Material	"Metrics related to incidents, complaints and serious impacts on human rights"
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD, paragraph 104, (a)	SFDR reference: Annex I, table 1, indicator no. 10 and annex I, table 3, indicator no. 14 Benchmark Regulation reference: Annex II of Delegated Regulation (EU) 2020/1816 and Article 12, paragraph 1 of Delegated Regulation (EU) 2020/1818	Material	"Metrics related to incidents, complaints and severe human rights impacts"
ESRS 2 SBM-3 - S2 Significant risk of child labour or forced labour in the labour chain, paragraph 11, (b)	SFDR reference: Annex I, table 3, indicators no. 12 and 13	Not material	
ESRS S2-1 Human rights policy commitments, paragraph 17	SFDR reference: Annex I, table 3, indicator no. 9 and annex I, table 1, indicator no. 11	Not material	
ESRS S2-1 Policies related to value chain workers, paragraph 18	SFDR reference: Annex I, table 3, indicators no. 11 and 4	Not material	
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 19	SFDR reference: Annex I, table 1, indicator no. 10 Benchmark Regulation reference: Annex II of Delegated Regulation (EU) 2020/1816 and Article 12, paragraph 1) of Delegated Regulation (EU) 2020/1818	Not material	
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19	Benchmark Regulation reference: Commission Delegated Regulation (EU) 2020/1816, annex II	Not material	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, paragraph 36	SFDR reference: Annex I, table 3, indicator no. 14	Not material	
ESRS S3-1 Human rights policy commitments, paragraph 16	SFDR reference: Annex I, table 3, indicator no. 9 and annex I, table 1, indicator no. 11	Material	"Processes for engaging with affected communities and channels which allow to raise concerns" "Policies related to affected communities"
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines, paragraph 17	SFDR reference: Annex I, table 1, indicator no. 10 Benchmark Regulation reference: Annex II of Delegated Regulation (EU) 2020/1816 and Article 12, paragraph 1) of Delegated Regulation (EU) 2020/1818	Material	"Policies related to the affected communities"
ESRS S3-4 Human rights issues and incidents, paragraph 36	SFDR reference: Annex I, table 3, indicator no. 14	Material	"Policies related to the affected communities"
ESRS S4-1 Policies related to consumers and end-users, paragraph 16	SFDR reference: Annex I, table 3, indicator no. 9 and annex I, table 1, indicator no. 11	Material	"Policies related to consumers and end-users"
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines, paragraph 17	SFDR reference: Annex I, table 1, indicator no. 10 Benchmark Regulation reference: Annex II of Delegated Regulation (EU) 2020/1816 and Article 12, paragraph 1) of Delegated Regulation (EU) 2020/1818	Material	"Policies related to consumers and end-users"
ESRS S4-4 Human rights issues and incidents, paragraph 35	SFDR reference: Annex I, table 3, indicator no. 14	Material	"Actions related to the management of IROs in relation to consumers and end-users"
ESRS G1-1 United Nations Convention against corruption, paragraph 10, (b)	SFDR reference: Annex I, table 3, indicator no. 15	Material	"Policies related to corporate culture and business conduct"

Disclosure requirements and corresponding datapoint	Reference to other EU legislative acts	Materiality	Section
ESRS G1-1 Protection of whistleblowers, paragraph 10, (d)	SFDR reference: Annex I, table 3, indicator no. 6	Material	"Policies related to corporate culture and business conduct"
ESRS G1-4 Fines imposed for violations of anti-corruption and anti-bribery laws, paragraph 24, (a)	SFDR reference: Annex I, table 3, indicator no. 17 Benchmark Regulation reference: Annex II of Delegated Regulation (EU) 2020/1816	Material	"Prevention and identification of corruption and bribery and confirmed cases of corruption"
ESRS G1-4 Standards of anti-corruption and anti-bribery, paragraph 24, (b)	SFDR reference: Annex I, table 3, indicator no. 16	Material	"Prevention and identification of corruption and bribery and confirmed cases of corruption"

Disclosures required by other legislation or generally accepted sustainability reporting requirements [ESRS 2 BP-2]

Since 2021, the Group has also taken into account the recommendations of the Task Force on Climate-related Financial Disclosures (hereinafter, also "TCFD") in the preparation of its reporting, including the SS.[1]
The table below provides a description of each of the recommendations, broken down by thematic area, and explicitly associates them with the paragraphs of the SS in which their dictates are applied.

Thematic areas	TCFD recommendations	References	Pages
Governance	a) Description of the supervision of the Board of Directors on climate-related risks and opportunities. b) Description of management's role in in assessing and managing climate-related risks and opportunities.	General Information Governance. Role of the Administrative, Management and Supervisory Bodies	166
		General Information Governance. Information provided to and sustainability matters addressed by the undertaking's Administrative, Management and Supervisory Bodies	172
		General Information Governance. Integration of sustainability-related performance in incentive schemes	173
Strategy	a) Description of risks and opportunities related to climate that the organisation has identified in the short-, medium- and long-term. b) Description of the impact of climate-related risks and opportunities on operations, strategy and financial planning of the organisation. c) Description of the resilience of the strategy of the organisation, taking into account different climate scenarios, including that of 2° C or lower.	General Information Strategy. Strategy, business model and value chain	179
		Environmental Information Climate change	214
		Environmental Information Climate change. Net-Zero transition plans	215
		Environmental Information Climate change. Policies related to climate change mitigation and adaptation	216
		Environmental Information Climate change. Actions and resources in relation to climate change policies	217
		Environmental Information Climate change. Targets related to climate change mitigation and adaptation	222
Risk management	a) Description of the processes put in place by the organisation for the identification and evaluation of climate risks. b) Description of the processes implemented by the organisation for managing climate risks. c) Description of how the processes for the identification, assessment and management of climate risks are integrated in overall risk management.	General Information Management of impacts, risks and opportunities. Process of identifying and assessing impacts, risks and opportunities	186
		General Information Management of impacts, risks and opportunities. Process of identifying and assessing impacts, risks and opportunities related to climate change and their interaction with the strategy and business model	190

[1] This is an initiative of the Financial Stability Board created to improve the communication of risks and opportunities related to climate change.

Thematic areas	TCFD recommendations	References	Pages
Metrics and targets	a) Disclosure on the metrics used by the organisation for the assessment of climate-related risks and opportunities in line with its own strategy and risk management process.	Environmental Information Climate change. Targets related to climate change mitigation and adaptation	222
		Environmental Information Climate change. Metrics on energy consumption and mix	228
	b) Disclosure of Scope 1, 2 and, where applicable, Scope 3 greenhouse gas emissions and related risks. c) Description of the objectives identified by the organisation for the management of climate-related risks and opportunities and performance with respect thereto.	Environmental Information Climate change. Metrics on Gross Scopes 1, 2, 3 and Total GHG emissions	229

In addition, the Group's SS includes the information required by Article 8 of Regulation (EU) 2020/852 of the European Parliament (see "Taxonomy pursuant to Article 8 of Regulation (EU) 2020/852").

ENVIRONMENTAL INFORMATION

Climate change [ESRS E1]

The following table provides a description of the impacts, risks and opportunities that the Group has assessed as material in relation to climate change following its double materiality analysis.

ESRS Topic, sub-topic, or sub-sub-topic	**IRO**	**Perimeter**	**Description**	**Metrics used to assess performance and effectiveness in relation to a material IRO**
Climate change mitigation and Energy	Positive impact	Downstream value chain	Climate change mitigation and promotion of sustainable development through investments in Green Bonds in the financial market	
			Group's commitment to support households in the purchase of energy-efficient properties and in the implementation of energy efficiency measures for buildings through dedicated products and services	
			Offering products that, in line with the Group's commitment to Net-Zero, accompany corporate customers in the transition process and in the implementation of energy efficiency systems through, among other things, the adoption of credit strategies and creditworthiness assessments that favour companies with transition plans	E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions
	Opportunity	Downstream value chain	Increasing special purpose lending and/or expanding the range of products aligned with counterparty needs in climate change mitigation, supporting the transition to a low-emission economy and strengthening the Group's competitive positioning in the Corporate & Corporate Investment Banking segment. In particular, the opportunity concerns both the financing of projects for energy transition (e.g. renewable energies such as solar and wind, electrification of processes and mobility, reduction of dependence on fossil fuels), and energy efficiency measures for buildings and production activities (e.g. insulation, cogeneration and trigeneration plants)	
Climate change mitigation	Negative impact	Own operations	Direct contribution of the Group's operations to climate change through Scope 1 and 2 emissions	E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions
		Downstream value chain	Investment activities (through the purchase of corporate bonds/financing) vis-à-vis counterparties that, in the course of their operations, generate greenhouse gas emissions and contribute to the acceleration of climate change (e.g. clients that depend on fossil fuels or do not adopt transition and/or decarbonisation plans)	E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions
		Upstream value chain	Greenhouse gas emissions generated by the Group's suppliers	E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions
	Transition risk	Downstream value chain	Risk of deterioration of the portfolio's creditworthiness due to additional costs that the financed companies will be called upon to bear in order to adapt to new climate and environmental standards (i.e., transition risk faced by carbon-emitter companies that must incur higher costs and make specific investments for technological development aimed at reducing CO2 emissions or energy efficiency) and regulatory requirements	
	Opportunity	Own operations	Improvement of the Group's reputation resulting from the adequate definition and relative achievement of objectives supporting climate change mitigation	
Energy	Negative impact	Own operations	Consumption caused by the Group's activities and the failure to implement energy self-generation solutions	E1-5 Energy consumption and mix
		Downstream value chain	Loans to households for the purchase of real estate (pledged as credit guarantee) with inefficient energy class (class B to class G)	
	Transition risk	Downstream value chain	Credit risk arising from the failure of counterparties to define energy efficiency targets, resulting in an inability to meet debts (e.g. costs for counterparties related to a failure to define an energy efficiency plan for operating sites)	
Climate change adaptation	Physical risk	Downstream value chain	Credit risk associated with counterparties exposed to physical risk (e.g. decrease in liquid deposits due to large withdrawals as a result of adverse events, loss of value of real estate pledged as collateral for credit because it is located in areas exposed to physical risk)	
	Opportunity		Increase in the disbursement of targeted loans and/or extension of the range of products aligned with the needs of counterparties in terms of climate change adaptation (e.g., granting loans for the implementation of data backup and recovery systems, loan for infrastructure/work for climate change adaptation, etc.)	

Net-Zero transition plans [E1-1]

Banco BPM's commitment to contribute to the objectives of the European Green Deal - zeroing net greenhouse gas emissions by 2050 - is realised by supporting the transition paths of the counterparties in its loan and securities portfolios (investments in the banking book). Following participation in the voluntary NZBA initiative in March 2023, Net-Zero Transition Plans were developed for the most emitting sectors, after the intermediate decarbonisation targets to 2030 of the aforementioned portfolios were published in August 2024, limited to Corporate counterparties (turnover from €75 to €500 million) and Large Corporate (turnover equal to or greater than €500 million). The Transition Plans - which contain the short-term actions, already in place, and the medium- to long-term actions that may need to be activated in order to reach the aforementioned targets - were approved by Banco BPM's BoD and published on the Group's institutional website at the end of May 2025. The five most emitting sectors to which the counterparties in the Group's Credit and Securities portfolios belong are: Automotive, Cement, Coal, Oil & Gas and Power Generation.
The official closure of the NZBA in October 2025 - with the decision approved by a majority of the banks to transform the initiative into a framework - does not change Banco BPM's commitment to achieving the intermediate targets by 2030, which are therefore confirmed and closely monitored, with the publication on the Group's institutional website of the path actually achieved[1].

With reference to Anima, although it does not currently have a strategy to increase climate resilience and has not defined a transition plan for climate change mitigation nor a timeline for its implementation, it plans its activities and economic initiatives taking into account international policies for environmental sustainability and climate change mitigation, in compliance with applicable laws and regulations.

Banco BPM's Net-Zero strategy, expressed in the main business processes, is based on the development of a commercial offer and investment decisions with the goal of fully meeting the needs of customers who have to decarbonise their production processes and make consumption more energy efficient, with consequent benefits on the decarbonisation of Banco BPM's loans and securities portfolios.
In order to align its corporate strategy with its commitments, Banco BPM has integrated data and targets into the tools and processes for guiding, assessing and reviewing the financing and investment activities of its proprietary portfolio, also including specific indicators in the Risk Appetite Framework.
Moreover, as will be better reported in the section "Actions and resources relating to climate change policies", with reference to its lending and monitoring activities, Banco BPM has progressively integrated ESG factors into the following processes:

- governance: Strategic Plan, Financial Planning, Risk Appetite Framework, Credit Policies and Remuneration Policies, providing in particular specific analyses for counterparties operating in highly emitting sectors;
- business: developing a commercial offer of financing products to support customers' transition paths and products to cover catastrophic risks to which customers are or may be exposed;
- training: developing and delivering intensive training activities - thanks also to the support of the 2024-27 Strategic Plan initiative called “ESG Factory” - for the Group's customers.

With reference to the proprietary portfolio, on the other hand, as will be better reported in the section "Actions and resources relating to climate change policies", in selecting the securities to be purchased Banco BPM applies inclusion and exclusion criteria that integrate, among others, specific considerations with respect to the sectors for which a Net-Zero target has been defined.

[1] In this context, it should be noted that Banco BPM, pursuant to Article 12 of the Commission's Delegated Regulation (EU) 2020/1818 ("Climate Benchmark Regulation"), is not excluded from the EU benchmark indices aligned with the Paris Agreement.

Policies related to climate change mitigation and adaptation [E1-2] [E1 MDR-P]

The main policies adopted to manage climate change mitigation and adaptation, energy efficiency and renewable energy deployment are as follows:

- Guidelines on environmental, energy, climate change and Coal and Oil & Gas operations
- Guidelines for the integration of sustainability factors in the investment strategies of the proprietary portfolio

Guidelines on environmental, energy, climate change and Coal and Oil & Gas operations

In October 2025, the Guidelines on Environmental, Energy and Climate Change Matters and on Operations in the Coal and Oil & Gas Sectors were updated. These Guidelines are applied by the Group to its own operations and the value chain, and regulate principles, roles and responsibilities for managing the aforementioned issues, with particular regard to the impacts arising from the operations of Group companies.
With these Guidelines, the Banco BPM Group sets the objective of:

- taking action to seize business opportunities arising from the green transition of its stakeholders by supporting customers throughout their transition;
- acting concretely with practices, products, services and initiatives to combat climate change, contributing to the European target of zero net greenhouse gas emissions by 2050;
- preventing, managing, and, where possible, reducing environmental impacts and impacts related to the use of natural resources arising from its activities;
- integrating environmental and climate risks within its credit and risk management frameworks;
- implementing a rational use of electricity, which already comes only from renewable sources.

In addition, with the implementation of the aforementioned Guidelines, the Group notes its commitment to:

- take inspiration from the principles of the Global Compact and the Sustainable Development Goals (SDGs) promoted by the United Nations and in Agenda 2030;
- take inspiration from Net-Zero criteria and define policies to align its loan portfolio and investments with a view to achieving the objective of net zero greenhouse gas emissions by 2050;
- support its customers in their climate change mitigation and adaptation activities, in line with the EU Taxonomy[1].

The highest management level responsible for the enforcement of the aforementioned Guidelines coincides with the role of the Chief Executive Officer.

Internal stakeholders can consult the full version of the document on the company intranet. An extract of the document is available on the Group's institutional website.

Guidelines for the integration of sustainability factors in the investment strategies of the proprietary portfolio

The Guidelines for the integration of sustainability factors in the investment strategies of the proprietary portfolio, updated in December 2025 and applied by the Parent Company at the level of the downstream value chain, regulate the principles, roles and responsibilities regarding the integration of environmental, social and governance sustainability factors in the tools included in the proprietary portfolio investment strategy of Banco BPM. In particular, the Guidelines define the principles and values that guide the Parent Company in this area, directing strategic and operational choices, with particular reference to the direct and indirect impacts deriving from its activities, describing:

- the exclusion criteria, aimed at avoiding:
  - Investments in securities of issuers that are involved in controversial activities or that violate principles established by treaties, International Guidelines or international initiatives to which the Group has adhered;
  - investments in sovereign issuers involved in human rights violations or subject to restrictive measures;
- the inclusion criteria, through which the bank undertakes to favour:
  - investments in companies that are more active in the field of environmental responsibility and respect for human and minority rights;
  - investments in bonds aimed at financing environmental, social and governance improvement projects of the issuer.

[1] Commission Delegated Regulation EU 2023/2486 of 27 June 2023 supplementing Regulation EU 2020/852 of the European Parliament.

The Guidelines seek to build portfolios that avoid financing activities that are not aligned with the Group's ESG profile, instead including those considered virtuous from an environmental, social and governance point of view, making it possible to:

- manage the indirect negative impacts generated by investments in sectors and companies:
  - that generate greenhouse gas emissions, accelerating climate change and/or which have inadequate/delayed decarbonisation plans;
  - with high energy impact dependent on high amounts of energy generated from fossil sources that slow down the transition to renewable energies and low-emission technologie;
- manage the transition risk associated with mitigating the causes that are generating climate change and the physical risks caused by the consequences of climate change. The physical and transition risk profiles of the portfolio are monitored on a dedicated and regular basis.

The top management level responsible for enforcing the Guidelines on the integration of sustainability factors in the investment strategies of the proprietary portfolio coincides with the role of the Chief Executive Administrator.
The Guidelines are made available to internal stakeholders via the company intranet.

Actions and resources in relation to climate change policies [E1 MDR-A] [E1-3]

The Group has adopted and planned multiple actions in order to manage relevant climate change issues, as well as to achieve the purposes and objectives of its internal policies.
In particular, in order to achieve the objectives defined by:

- Guidelines on Environmental, Energy and Climate Change Matters and on Operations in the Coal and Oil & Gas Sectors, commitments were made in the following:
  - development of a "green" commercial offer;
  - use of remote work and activation of initiatives aimed at promoting sustainable mobility;
  - replacing obsolete boilers and installing new refrigeration units and/or heat pumps;
  - monitoring and integration into the RAF of the Net-Zero Target;
  - development of the ESG credit policy framework, also in line with Net-Zero commitments;
- Guidelines for the Integration of Sustainability Factors into the Investment Strategies of the Proprietary Portfolio: the main action taken concerns the purchase of ESG bonds within the Parent Company's own securities portfolio.

Lastly, in line with what the Group declares in the Code of Ethics, namely to believe "in the distinctive value of the professionalism and merit of our people, encouraging the continuous development of skills and competencies, providing suitable training, refresher training and development tools", specific ongoing ESG training initiatives were activated, both internally in the commercial production chain and externally to customers.

Together, these actions enable the Group to contribute to remedying the negative impacts generated by Scope 1 greenhouse gas emissions (direct emissions from its own operations) and Scope 2 (emissions from consumption of non-renewable energy sources) and through its downstream value chain as a result of investment or financing activities with counterparties that, in their operations, generate greenhouse gas emissions contributing to the acceleration of climate change.

Finally, it should be noted that the development and implementation of the mentioned initiatives are supported by economic resources allocated in accordance with the Group's financial policies and the expected return on investment timeframe. This approach ensures that climate change mitigation commitments are met and that the necessary resources are made available. At the same time, the Group is also engaged in awareness-raising and organisational measures to steer staff behaviour towards increasingly responsible actions.
Anima has adopted and planned multiple actions in order to manage relevant climate change issues, as well as to achieve the purposes and objectives of its internal policies. In particular: the replacement of uninterruptible power supplies (UPS) at the Milan headquarters (Anima Holding and Anima SGR) was carried out, resulting in energy savings of 21.8% in 2025 compared to 2024.

Development of a "green" commercial offer

Consistent with the objective of supporting companies in their transition to a sustainable business model, during the year Banco BPM worked to further develop, as well as rationalise, its offering through:

- the launch of a new ordinary finance product of the Sustainability Linked Loan type (also called "SLL") named "Impresa Sostenibile" and offered to customers since February 2025. This financing solution allows business customers to access resources without restrictions on the allocation of funds, rewarding companies that effectively improve their ESG performance by reducing the interest rate applied, following the achievement of sustainability objectives which are compared with a list of predefined KSIs. During the course of the year, the product underwent developments aimed at expanding the list of selectable ESG targets as much as possible;
- the definition of solutions to support companies in the "management" of institutional facilitation measures (e.g., "Linea Impresa Efficiente", aimed at facilitating energy efficiency investments for Lombardy companies);
- the evolution of existing products to make them consistent with the "green" logic envisaged by the Bank in application of external regulations (e.g., "Condominium Energy Efficiency Credit" intended to finance building renovation and energy efficiency expenditure on the shared parts of condominiums);
- the provision of advisory services to customers for the management and control of physical risks, the offer of financing to mitigate them, and the marketing of basic (non-personalised) CAT/NAT policies on favourable terms;
- new sustainability advisory and assistance services provided to companies through qualified partners in order to guide/support clients on their path to sustainable transition.

With the aim of making the offer more and more complete and usable, a number of further initiatives were also launched in the year 2025:

- developing an integrated and sustainable offer for companies operating in the agricultural sector, due to be released in 2026;
- a further rationalisation of the product catalogue, which will be carried out gradually over the course of 2026, to meet customer needs in line with the evolving regulatory environment.

Use of remote work and activation of initiatives aimed at promoting sustainable mobility

Consistent with the "Guidelines on Environmental, Energy, Climate Change and Operations with the Coal and Oil & Gas Sectors" and with particular reference to greenhouse gas emissions generated by commuting, Banco BPM has implemented the following initiatives at Group level:

- the implementation of solutions and technologies that favour virtual communication and the use of remote work, which makes it possible to avoid home-work commuting with a consequent reduction in emissions deriving from daily commuting. Remote work was activated for the first time on an experimental basis in 2018, and subsequently extended as an organisational measure to all professional roles compatible with remote services. In 2025, an experiment was introduced to increase the number of monthly days working remotely and the flexibility to use these days without a minimum weekly presence in the office;
- in the last two weeks of October 2025, employees of locations with more than 100 resources were invited to answer the mobility questionnaire. In addition to supporting the preparation of Home-Work Travel Plans, as required by law, this tool allows to learn about people's commuting habits and the propensity to change towards more sustainable mobility alternatives;
- creation of the webinar "Può la mobilità cambiare strada?" [Can mobility change the way?] in cooperation with an influencer active on environmental and sustainability issues;
- activated, through the Mobility Company platform, the annual public transport season ticket purchase service, with the possibility of receiving the ticket directly at the office and spreading the cost over 12 monthly payments by withholding it from pay slips;
- presence, in line with the previous year, on the company portal of a section dedicated to Mobility Management with info-training content on sustainable mobility and a set of agreements dedicated to green mobility.

Replacing obsolete boilers and installing new refrigeration units and/or heat pumps

During 2025, the Group continued to pursue an overall reduction in its energy consumption through initiatives to replace obsolete boilers with condensing boilers or heat pumps and the installation of new, higher-performing cooling units and/or heat pumps. In addition, following the energy diagnoses carried out in 2023, the Group undertook a series of interventions on its properties in 2025, such as the installation of new LED lighting systems, the installation of occupancy sensors in garages, and the installation of condensing boilers to replace obsolete systems.

During the year, the project to close 64 branches was approved. Completed in the last weekend of December, it will have its greatest impact in terms of consumption in 2026, while also recognising its contribution to heating in the latter part of 2025.

Part of the interventions on the Group's offices started in 2024 were successfully completed in the first half of 2025. Specifically:

- the installation of a new LED lighting system;
- the installation of reluctance motors;
- the installation of inverters on AHU pumps;
- the first power quality project.

Regarding the savings related to these interventions in terms of gigajoules (GJ), the forecasts are specified below:

- for the installation of LEDs the estimate is 684 GJ;
- for the installation of magnetic reluctance motors, the estimate is 525 GJ;
- for the installation of inverters on AHU pumps, the estimate is 248 GJ.

For these savings, no provision was made for timely verification through the installation of ad hoc meters. In any case, the savings already achieved on the various properties create confidence regarding the soundness of the estimate.
With regard to power quality, the project was started on a single site and, while recognising the contribution of this intervention to the consumption reduction target (savings of approximately 5%), it was decided not to extend the project to other sites, as the particularly long payback time makes the result unsatisfactory for extension to other sites.

The above-mentioned interventions guarantee, in addition to savings in terms of consumption for greater efficiency of the installed systems, a better quality of the environment and therefore a situation of greater well-being for the personnel working in the redeveloped sites. In fact, in some cases, the choices of plant requalification depend on the intervention requests from personnel following anomalies in system operation (e.g., incorrect temperatures, humidity, and poor air quality).

All the initiatives undertaken are aimed at the Group's instrumental properties, distributed throughout the country, and normally last for about 12 months. The planning of actions to achieve the 2024-27 Strategic Plan targets is generally spread over the individual years, with the 2027 target being measured against the individual years. Some of the timeframes for energy upgrades could straddle two years, thus reflecting the estimated savings in the year following that in which the work is completed. This circumstance is in any case also taken into account when forecasting the estimated savings. Initiatives on properties owned by third parties can be implemented where heating or cooling is the Group's responsibility and the lease agreements allow these activities.

Monitoring and integration of Net-Zero Targets into the Risk Appetite Framework (RAF)

Banco BPM has envisaged the integration in the Group's 2025 RAF, in continuity with previous years, of specific KSIs to monitor the carbon footprint by 2030 for the most emitting sectors defined as part of the Net-Zero strategy (Automotive, Cement, Coal, Oil & Gas and Power Generation).
In detail, the main KSI, called the "NZBA synthetic indicator" and included among the strategic RAF indicators, is calculated as the average of the index numbers (2030=100) of the emission intensities of each of the 4 most emitting sectors (Coal excluded as it is in run-off), whose KSIs have been included among the RAF management indicators.
Finally, each management KSI was opened between the Corporate and Finance Network, defining a specific KSI that serves as an Early Warning Indicator.
The related monitoring activity, already active in 2024, envisages the involvement of the two aforementioned organisational units responsible for managing the related portfolios.
The results of monitoring are periodically reported and presented to corporate bodies as part of the Risk Appetite Monitoring (RAM) process.
Continuous portfolio monitoring makes it possible to avoid taking on material positions that are not compatible with the Group's targets, enabling the progressive concentration of the portfolio on the counterparties with the best emissions intensity.

Development of the ESG credit policy framework, also in line with Net-Zero commitments

During 2025, the Group[1] continued to strengthen the integration of ESG factors within the framework of lending policies with the aim of ensuring that lending processes systematically incorporate climate change factors and ESG factors more generally.
Specifically, the framework of credit policies has been enriched with the "ESG Analysis", carried out for counterparties belonging to the Large Corporate, Corporate, Small business and Small Economic Operators (hereafter, also "SEO")[2] segment and which takes into account:

- transition risk through the assignment of a transition score;
- physical risk through the assignment of a physical risk score;
- ESG questionnaire through which the overall management of ESG risks is assessed;
- green transactions to support the transition of counterparties that choose financing products with ESG KPIs or aimed at hedging specific ESG investments.

In particular, the ESG Questionnaire is a tool aimed at understanding how the counterparty manages ESG factors and what strategic actions it intends to take in the medium-/long-term, through the collection of both qualitative (strategies, policies, mitigation plans) and quantitative (e.g., collection of GHG emissions) data.
The scope of mandatory completion of the ESG Questionnaire includes all counterparties with a transition risk rated as medium, high or very high, or an acute physical risk rated as high or very high, as well as all companies operating in the most emitting sectors identified and reporting on sustainability in accordance with the CSRD.
This helps ensure that ESG assessments are focused on exposures that have a material impact in terms of climate factors, increasing the ability to anticipate and mitigate their potential impacts on the traditional risks to which the Group is exposed.

In addition, the process of assessing the prospective financial sustainability of the counterparties to which the Bank is exposed has been progressively strengthened, integrating the impacts of ESG factors on prospective economic and financial data (e.g. costs, investments, revenues attributable to transition; costs of physical risk hedging) through the use of an evolved forward-looking tool.
The financial sustainability of the counterparty, integrated with the assessment of the ESG component, contributes to the definition of the final credit strategy.

As of 2023, *ad hoc* assessment logic was introduced for the five most emissive sectors, identified within the Net-Zero strategy. These sectors were subject to more stringent credit strategies, in particular with regard to those counterparties which, in general, have not begun a transition process. During 2025, the alignment of the transition targets of the Corporate and Large Corporate counterparties falling within the Net-Zero scope with respect to the targets, represented an additional element of assessment in the definition of the credit strategy.
It is confirmed that the application of a run-off strategy towards coal-related sectors, which are strongly impacted by the climate transition, has paid off in advance as, compared to the Strategic Plan target of gradually reducing their exposure to zero by 2026, the Parent Company was already not financing counterparties belonging to coal nor securities in the portfolio of issuers in this sector at the end of 2025.

During 2026, the ESG framework of credit policies will be further enhanced by adding environmental factors to climate factors, with the aim of improving the Group's ability to anticipate, manage and mitigate risks arising from Environmental factors throughout the credit cycle.
The interventions will cover:

- the introduction of the assessment of chronic physical and environmental risks in the counterparty analysis, in addition to the already present components of transition risk and acute physical risk, including the mitigation measures adopted, so as to obtain a more complete representation of the ESG profile of counterparties and a greater ability to identify those most exposed to structural climatic factors. To this end, as early as December 2025 Banco BPM began collecting data on chronic and environmental factors, expanding the questions included in the ESG questionnaire administered to counterparties;
- the modification of the ESG Questionnaire's mandatory scope, which will also be extended to counterparties with high or very high chronic physical risk and exposed to environmental risk, while smaller counterparties

[1] Banco BPM, Banca Aletti and Banca Akros, consistent with the specific characteristics of the business of each
[2] Large Corporate: turnover ≥ €1 billion; Corporate: turnover between €75 million and €1 billion; Corporate: turnover/assets between €5 million and €75 million; Small Business: turnover/assets less than €5 million; SEO: Small Economic Operators other than the above that meet certain characteristics.

(Small Business and SEOs) will be excluded in order to focus information collection on the most relevant ESG exposures.

In addition to the framework of lending policies, it should be noted that the Parent Company has also provided for the formulation of climate fact sheets intended for the deliberating Bodies and containing an indication of the contribution of new operations to specific climate performance indicators, including current and prospective emission intensities. In particular, it allows to compare the targets of counterparty decarbonisation to 2030 with the targets that Banco BPM communicated to the market within the context of Net-Zero.

Publication of the European Green Bond Factsheet and issuance of green bonds

As further confirmation of the Group's commitment to supporting the climate transition towards a zero-carbon economy, it should be noted that Banco BPM is constantly engaged in raising funds on the financial markets to be channelled into specific sustainable activities through the placement of bond issues with Green, Social & Sustainability characteristics.
The bond issues are carried out under the Green, Social & Sustainability Bonds Framework (GSS Bond Framework), a document designed to regulate, according to the ICMA Principles[1] raising funds to be used to finance projects with a positive environmental and social impact. Banco BPM published the first GSS Bond Framework in July 2021 at the same time as the first Social Bond issuance transaction. The GSS Bond Framework was updated in November 2023, introducing both new asset categories and criteria for alignment with the European Taxonomy for certain types of green finance.
The categories of assets that can be financed with the proceeds raised through the issuance of green bonds are:

- mortgages to individuals and residential and commercial construction (aligned with the EU Taxonomy or other "green" criteria);
- Renewable energies (including solar, wind, hydro and biomass energy aligned with the Taxonomy);
- production of organic base chemicals (aligned with the EU Taxonomy);
- energy efficiency;
- pollution prevention and control;
- sustainable water infrastructure;
- sustainable transport;
- loans with SACE Green guarantee;
- sustainable agriculture.

All activities with potentially negative or controversial environmental or social impacts are excluded. Specifically, any type of financing related to the use of fossil fuels, the controversial armaments sector or the tobacco and gambling sectors, as well as investments aimed at nuclear energy production, are not eligible for refinancing.
In order to ensure full transparency on the allocation of the proceeds of the issue and the related social and environmental impacts, in accordance with the ICMA principles, an annual report on the allocation and impacts is expected to be provided to the market throughout the life of each bond. In June, the third Green, Social & Sustainability Bonds Report was published, containing data and information on the allocation of the proceeds of the bonds issued and the measurement of the positive environmental and social impacts achieved as at 31 December 2024.
In October, the Parent Company also published its European Green Bond Factsheet, becoming one of the first European financial issuers and the first in Italy to adopt a document fully aligned with Regulation (EU) 2023/2361. The Factsheet clearly and comprehensively illustrates the use of the proceeds intended to finance activities that comply with the criteria of the European Taxonomy.
The categories of assets that can be financed with the proceeds collected through the issue of European green bonds are as follows:

- 7. Construction and real estate activities: 7.1. Construction of new buildings, 7.2. Renovation of existing buildings and 7.7. Acquisition and ownership of buildings;
- 4. Energy: 4.1. Electricity generation using solar photovoltaic technology, 4.3. Electricity generation from wind power, 4.5. Electricity generation from hydropower, 4.8. Electricity generation from bioenergy.

Since 2021, the bank has issued 12 bonds totalling €7.5 billion in the form of Green and Social Bonds, of which 7 Green Bond issues amounting to €4.5 billion. In particular, the first EuGB in Senior Non-Preferred format was issued

[1] In particular, the framework is aligned with the ICMA "Green Bond Principles" (2022), "Sustainability Bond Guidelines" (2023) as well as the "Sustainability Bond Guidelines" (2022).

in October 2025, for a nominal amount of €500 million to refinance loans for the purchase of buildings aligned with the European Taxonomy.

Purchase of ESG bonds within the securities portfolio owned by the Parent Company[1]

In order to achieve the objectives defined by the Guidelines on the management of environmental, energy and climate change issues and the Guidelines for the Integration of sustainability factors into the investment strategies of the ownership portfolio, the Parent Company envisages:

- an increase in purchases on the primary and secondary ESG bonds market from Corporate and Financial issuers that mainly invest in projects aimed at reducing the negative effects generated on the climate, in line with the objective of reaching a share equal to 40% of these bonds relative to the overall portfolio of non-government bonds owned by the end of 2026, and further detailed in the section "Targets related to climate change mitigation and adaptation";[2]
- refocusing investments towards those attributable to the companies most committed to environmental and social sustainability issues, as well as decarbonisation if belonging to priority sectors in the Net-Zero, obtained by using the inclusion and exclusion criteria defined in the Guidelines for the integration of sustainability factors in the investment strategies of the proprietary portfolio.

Activation of training for the commercial chain and customers

In order to promote and spread awareness of ESG issues both internally and externally, the Group has set up:

- a basic and detailed training offer, customised for the different professional figures and supplemented with new content compared to similar initiatives in previous years;
- specific training modules dedicated to the Commercial Network in relation to the 2025 new products/services offer (e.g., SLL Impresa Sostenibile, Finservice, etc.);
- the renewal of the ESG disclosure initiative through meetings with entrepreneurs and clients (e.g., ESG Factory Project described in the section "Actions related to the management of IROs in relation to consumers and end-users").

Targets related to climate change mitigation and adaptation [E1-4] [E1 MDR-T]

The main targets aimed at managing relevant climate change issues as well as monitoring the effectiveness of policies and actions undertaken are:

- reduced direct energy consumption[3];
- reduced Scope 1 and 2 emissions (market-based)[4];
- Net-Zero Target;
- maintenance of the current value of indirect emissions deriving from commuting;
- new disbursements of medium-long-term low-carbon loans;
- issue of Green, Social & Sustainability bonds as Joint Bookrunner/Lead Manager;
- Within the securities portfolio owned by the Parent Company, achievement by 2026 of a share of ESG bonds equal to 40% of the total Corporate bonds managed by the Finance function.

When setting the targets, the various functions responsible for the matter envisaged a formal step involving Top Management in order to share the methodologies and approaches employed.

Reduced direct energy consumption[5]

In line with the update of the 2024-27 Strategic Plan, the Group aims to achieve, by 2027, a total energy consumption of 472,000 GJ - 131,111 MWh, down compared to what was consumed in 2024 (485,998 GJ - 135,000 MWh).

[1] The Corporate debt securities in the portfolio are classified under Consolidated Balance Sheet item "40. Financial assets at amortised cost - b) loans to customers" and "30. Financial assets measured at fair value through other comprehensive income".
[2] The ESG corporate bond amount as at 31 December 2025 is €2,596 million. The percentage share is calculated on the total "Other corporate debt securities" managed by the Finance function and equal to €6,495 million as at 31 December 2025. In particular, with respect to the total "non-government securities" (equal to €10,560 million as at 31 December 2025), the denominator of the indicator in question does not consider: supranational securities, securities in the commercial portfolio and GACS senior notes.
[3] Excluding consumption relating to Anima Holding.
[4] Excluding emissions deriving from HFC gas leaks and those attributable to Anima Holding.
[5] Excluding the consumption of Anima Holding.

In the energy reduction process implemented to achieve this target, the Group further expects to achieve the following interim targets:

Consumption 2025	Target 2025	Target 2026	Target 2027
466,251 GJ 129,514 MWh	483,000 GJ 134,167 MWh	477,000 GJ 132,500MWh	472,000 GJ 131,111 MWh

The 2027 target was defined in line with:

- the objectives declared in the Guidelines for the management of environmental and energy issues and the fight against climate change;
- the initiatives and objectives declared in the Energy Plan[1];
- the Group's commitments in seeking the best and most innovative solutions to reduce the direct impacts deriving from the conduct of its activities.

The reduction targets for total energy consumption were defined by considering the expected effects of the necessary technical and organisational interventions. In particular, the reduction in consumption deriving from:

- the closure of 100 branches[2], with estimated savings of 9,099 GJ - 2,527 MWh, determined on the basis of historical analysis of previous closure plans[3]. This contribution was then spread over two years and divided by energy carrier;
- ordinary revamping activity, with an estimated annual saving of 3,320 GJ - 922MWh, determined on the basis of a historical analysis of the savings achieved as a result of plant upgrades and planned interventions to respond to reports of plant malfunctions by Group personnel. This contribution was divided by energy carrier;
- the revamping activity resulting from the Energy Diagnostics, with a total estimated saving of 3,567 GJ - 991 MWh, determined on the basis of feasibility studies to calculate the potential savings according to the technical data sheets of the proposed solutions. This contribution was spread over several years in order to identify the correct period of benefit as the intervention became fully operational. The annual quota was then broken down by energy carrier.

In addition, as part of the 2024-27 Strategic Plan, the Group confirmed the target of purchasing 100% of its electricity needs from renewable sources.

Reduced Scope 1 and 2 emissions (market-based)[4]

As part of the update of the 2024-27 Strategic Plan, the Group has declared the target of reducing[5] its CO_2e emissions (Scope 1 and 2 market-based) by -94 tCO_2e by 2027, compared to the 10,994 tCO_2e[6] emitted in 2024, a year in which there were no influences from external factors (for example, COVID-19) and representative of the efficiency and reduction process undertaken.
The Scope 1 and 2 (market-based) emission reduction target refers to the consumption of renewable and non-renewable electricity and gas, as well as district heating, condominium heating, LPG for heating, diesel for generators and car fleet.

As part of this process, the Group expects to achieve the following interim targets:

Actual emissions 2025	Target emissions 2025	Target emissions 2026	Target emissions 2027
10,670	10,968 tCO2e	10,920 tCO_2e	10,900 tCO_2e

[1] The Energy Plan is the document that, drawn up by the Group's Energy Management structure, reports the consolidated energy consumption of the previous year and identifies the actions to be taken in order to make them more efficient.
[2] According to the Strategic Plan, the closure of 100 branches in 2025 while, following organizational assessments, the actual number of closures was 64.
[3] With the exception of cases in which the decommissioning of entire buildings made it possible to precisely determine the amount of consumption saved (relative to an entire site).
[4] Excluding emissions deriving from HFC GAS leaks and those attributable to Anima Holding.
[5] *In order to reduce the environmental impact deriving from its operations and after having explored the possibilities of the carbon credit market, in 2025 the Group focused on reducing direct consumption, expecting a greater maturity of the carbon credit market and the achievement of the incompressibility threshold of direct emissions.*
[6] Of which 8,019 tCO2e related to Scope 1 and 2, 975 tCO2e related to Scope 2 market-based (excluding the emissions of properties owned by the Group and leased to third parties and the emissions deriving from HFC gas leaks).

Compared to the market-based Scope 1 and 2 GHG reduction target for 2027, Scope 1 covers 72% of total emissions in targets of 7,844 tCO_2e. Market-based Scope 2 emissions cover 28% of the target, equal to 3,056 tonnes of CO_2e. The objective does not include HFC GAS and Anima.

With regard to the 2027 target of reducing Scope 1 and 2 (market-based) emissions, the Group had set an interim target of 10,968 tCO2e for 2025. The closing figures show the complete achievement of the intermediate and final target with an emissions figure of 10,670 tCO2e (market-based net of HFC gases).[1]

The 2027 target for the reduction of Scope 1 and 2 (market-based) emissions was defined in line with:

- the objectives declared in the Guidelines for the management of environmental and energy issues and the fight against climate change;
- the initiatives and objectives declared in the Energy Plan;
- the Group's commitments in seeking the best and most innovative solutions to reduce the direct impacts deriving from the conduct of its activities.

In particular, the objective was outlined considering savings deriving from:[2]

- plant upgrading following energy audits;
- consumption reduction actions (revamping, organisational and management actions including branch closures);
- electrification of heating sources (replacement of boilers by heat pumps);
- choice of hybrid, hybrid plug-in and electric cars within the car fleet;
- maintenance of the purchase of electricity from renewable sources.

The decision to purchase only certified electricity with Guarantees of Origin is completely in line with the market-based objective, as this energy is considered zero-emission.

The contributions of each intervention category were broken down by energy carrier (electricity and gas) and, subsequently, an annual forecast of total consumption was defined, spread over several years according to the expected benefits. This made it possible to accurately quantify only the consumption that contributes to determining the market-based Scope 1 and 2 emissions.
In fact, the reductions in emissions deriving from the reductions in electricity consumption are not considered for the purposes of this target, as 100% of electricity is purchased from renewable sources and the related market-based emissions are considered nil.

The actions underlying the definition of the target constitute the decarbonisation levers that the Group expects to activate to achieve the market-based Scope 1 and 2 reduction objective.

Estimated emission reductions	**2026**	**2027**
Plant revamping	-91 tCO2e (corresponding to -1,540 GJ of gas consumption)	-91 tCO2e (corresponding to -1,540 GJ of gas consumption)
Energy Diagnosis	-28 tCO2e (corresponding to -474 GJ of gas consumption)	-28 tCO2e (corresponding to -474 GJ of gas consumption)
Rationalisation of branches	-81 tCO2e (corresponding to -1,353 GJ of gas consumption)	

In addition to these planned reductions, there was a reduction during the year of 47 tCO2e (corresponding to 793 GJ of gas consumption) attributable to plant revamping activities.
In the light of the reductions highlighted above and considering the assumption of increased consumption of the car fleet resulting from higher utilisation compared to 2024, the total projected emissions of Scope 1 and 2 market-based to 2027 is 10,900 tCO2eq.
It should be noted that, as these objectives are set out within the medium-term timeframe of the strategic plan, a diverse range of climate scenarios has not been taken into account.

[1] In 2024, this figure amounted to 10,994 tCO2e.
[2] It should be noted that as this target does not fall within the Net-Zero targets, it was determined using an internal calculation method.

GHG emissions Scope 1 + 2	2024 (base year)	2027 (target year)
Absolute value of GHG emissions in tCO_2e	10,994	10,900
% change in GHG emissions compared to the base year	-	-1%

Net-Zero target

In August 2024, Banco BPM published the decarbonisation targets to 2030 for the five most emissive sectors present in its loans and securities portfolios in the banking book.
The targets are aimed at mitigating the negative impact associated with "financing counterparties that, in their operations, generate greenhouse gas emissions contributing to the acceleration of climate change (e.g., customers that depend on fossil fuels or that do not adopt transition and/or decarbonisation plans)" and have been defined in line with:

- the objectives declared in the Guidelines for the management of environmental and energy issues and the fight against climate change;
- the initiatives and objectives declared in the 2023-26 Strategic Plan and confirmed in the 2024-27 Strategic Plan.

For the purpose of setting the target, the "Net-Zero" 2050 scenarios proposed by the best market standards (International Energy Agency - IEA) were applied to the Bank's loan and securities portfolios, based on the situation as at 31 December 2022[1].
The target setting methodology was based on the so-called "physical WACI[2]" metric, which represents the weighted average per utilised (loans and securities) of the total GHG emissions of each financed counterparty with respect to the amount of output that generated those emissions, summarised through the use of a metric typical of the business sector to which it belongs.
In order to estimate the inertial path of the portfolio from the starting point until 2050, the metric was projected from a "static balance sheet" perspective for each counterparty based on the available information (transition plans published by the counterparty) or, alternatively, by projecting the business metric of the sector to which it belongs using the STEPS and APS inertial scenarios produced on a scientific basis by the IEA.

The final quantification of the targets is the result of a recalibration of the inertial scenarios, as they are not sufficient to reach a metric level in line with the "Net-Zero" logic in 2050. The point of passage of the recalibrated "Net-Zero" paths in the year 2030 identifies the percentage reduction target of the metric with respect to the starting point.

The selection of the target metrics was based on sound scientific elements, analysing the metrics also suggested by the Regulators (for example, indications of the European Banking Authority for the compilation of Pillar 3, ESG section) in the context of transition risk and verifying its usefulness and dissemination - in the reference standards and benchmarks - in the context of the NZBA Framework.

While defining the target and monitoring, considering that the Scope 3 emissions of the counterparties are only relevant for the Automotive and Oil & Gas sectors, the five most emissive sectors selected by Banco BPM are representative of approximately 70% of the total emissions financed to companies operating in the emission-intensive sectors identified by the NZBA Framework.

[1] The reference base year, identified in line with the Net-Zero framework, is representative of the typical financing and investment activities of the Banco BPM Group.
[2] *Weighted Average Carbon Intensity*.

The following table shows the 2030 targets of each of the five most emissive sectors, expressed in terms of percentage reduction compared to the emission intensity at the end of 2022, as well as the monitoring results as at 31 December 2025.

Sector	Reference metric	2022 (base year)	*TARGET* Δ % 2030 vs 2022	Monitoring as at 31/12/2025	Δ % 2025 vs 2022
Automotive (Scope 1, 2 & 3)	Tonnes of CO_2e per billion passenger-kilometres travelled by vehicles sold	0.45	-48%	0.42	-7%
Cement (Scope 1 & 2)	Tonnes of CO_2e per tonne of cement product	0.50	-23%	0.36	-27%
Oil & Gas (Scope 1, 2 & 3)	Grams of CO_2e per megajoules of oil/natural gas product produced or distributed	60.7	-14%	58.8	-3%
Power Generation (Scope 1 & 2)	Tonnes of CO_2e per megawatt-hour of energy produced	0.17	-56%	0.08	-55%

With regard to the coal-based sectors, Banco BPM opted to implement a run-off strategy by 2026, in line with what was stated in the 2024-27 Strategic Plan. It should be noted that as at 31 December 2025 Banco BPM had completed this run-off, achieving the Strategic Plan target.[1]

In interpreting the results achieved by the Group, it should be noted that the targets, excluding that on coal, are based on emission intensity and not on the absolute amount of greenhouse gas financed.
This approach does not place constraints on the volume of operations to support the real economy, but requires supporting counterparties in the fulfilment of their transition plans through the gradual streamlining of production processes or by changing the portfolio composition in favour of the most efficient counterparties. For sectors for which the portfolio composition is already aligned with the targets, Banco BPM's Net-Zero approach allows it to invest or finance new counterparties that need financial support in defining or implementing their transition plans.
As a Financial Institution, a large part of the Group's total CO2 emissions are attributable to indirect emissions related to the downstream value chain (Scope 3 cat.15), and it is on this most relevant perimeter that the Transition Plan and the 2030 and 2050 targets have been defined. However, with reference to its own direct and indirect emissions (Scope 1 and Scope 2), Banco BPM recognises that the environmental impacts associated with its own operations can also contribute to the transition to a net zero-emission economy. To this end and as explained later in the chapter, it has undertaken several initiatives aimed at reducing their impact, continuing its commitment to reduce them through, for example, energy efficiency measures, on the entire Banco BPM Group including Anima.

Maintenance of the current value of indirect emissions deriving from commuting

In updating the 2024-27 Strategic Plan, the Group has set itself the target of maintaining a cumulative indirect emissions value deriving from employee commuting in line with the value recorded as at 31 December 2024, equal to 12,000 tCO_2.
The target was set in line with:

- the objectives declared in the Guidelines on Environmental, Energy and Climate Change Matters and on Operations in the Coal and Oil & Gas Sectors;
- the Group's commitments in seeking the best and most innovative solutions to reduce the direct impacts deriving from the conduct of its activities.

The objective was defined while also considering the expected evolution of the Group's workforce and according to the agreements signed with regard to the agile working methods in force from time to time.
In particular, for the estimation of emissions, the Group considered the conversion and emission factors from the ISPRA portal for cars and the ABI guidelines for trains and the number of days worked in the offices by the average work-home distance in terms of total km travelled.

Monitoring activities revealed indirect commuting emissions in 2025 of 11,587 tCO2, in line with the Plan's target.

[1] At the end of 2024, direct exposure to the coal sector amounted to €0.8 million.

New disbursements of medium-long-term Low-Carbon loans;

In line with what is indicated in the Strategic Plan for 2024-27, the Parent Company has planned a target of new medium-/long-term low-carbon loans of at least €7 billion in 2027[1].
The target was set in accordance with the Guidelines on the management of environmental and energy issues and the fight against climate change, in which the Group declares to "achieve objectives and lines of action aimed at ensuring more favourable access to capital for green activities or to companies involved in a transition process".
The target was set considering the trend in disbursements achieved in 2024, those budgeted and with the support of the distribution channels involved (bottom-up approach), estimating the volumes expected at the end of the period.
Monthly monitoring of the indicator was carried out during the year.

In 2025, new Low-Carbon loans of approximately €7.6 billion[2] exceeded the Plan value by almost 30%.

Issue of Green, Social and Sustainability bonds as Joint Bookrunner/Lead Manager

Confirming its commitment to the financial markets in raising funds for ESG sustainability projects, including by providing support in the placement process for other issuing companies, the Group, through its subsidiary Banca Akros, plans to participate in the placement of ESG bonds between 2025 and 2027 as Joint Bookrunner or Joint Lead Manager for a total nominal value of €19.5 billion.
The target was set in line with the objectives of the Guidelines on the management of environmental and energy issues and the fight against climate change, in particular facilitating the reduction of environmental impact and support for the transition to a low greenhouse gas emission economy.
In 2025 Banca Akros supported the placement of ESG bonds as Joint Bookrunner or Lead Manager for a value of €9.7 billion.[3]

To set this target in the 2024-27 Strategic Plan, the historical trends relating to the results achieved by Banca Akros were taken into consideration, together with an analysis of the maturity of the current market and of potential developments and future volatility.

Achievement, within the securities portfolio owned by the Parent Company, of a share of ESG bonds equal to 40% of the total Corporate bonds managed by the Finance function by 2026.

In line with the 2023-26 Strategic Plan and confirmed in the 2024-27 Plan update, Banco BPM has set itself the goal of increasing the share of ESG corporate bonds[4] in its proprietary portfolio managed by the Finance department to 40% by 2026, a target that is also maintained for 2027.

The target was defined in line with the objectives declared in the Guidelines for the integration of sustainability factors in the investment strategies of the proprietary portfolio.

In particular, when formalising the 2023-26 Strategic Plan, to define this objective, the share of ESG bonds in place as at 30 September 2023 (equal to 27% of the corporate investment portfolio managed by the Finance Function) was considered as the starting point. In addition, internal and in-depth analyses were carried out on the current market conditions and possible evolutionary prospects, on the basis of which the maximum share of the proprietary portfolio investable in ESG bonds without substantial negative impacts on the profitability of the investments was determined.

Based on target monitoring, at 31 December 2025 the percentage of the non-government portfolio invested in this type of bond was just under 40%[5], being fully in line with the target of 40% at the end of 2027.

[1] The target perimeter includes: new loans to Households, Companies and Businesses with an original due date of > 18 months, including green lending products (targeted loans, project financing and SLL) and ordinary loans granted to sectors classified as "green" or with low exposure to climate transition risk drivers.
[2]New low-carbon loans are classified in the Consolidated Balance Sheet under item "40. Financial assets at amortised cost - b) loans to customers". It should also be noted that this figure amounted to €5.7 billion in 2024.
[3] In 2024, this figure amounted to approximately € 9.4 billion.
[4] The Corporate debt securities in the portfolio are classified under Consolidated Balance Sheet item "40. Financial assets at amortised cost - b) loans to customers" and "30. Financial assets measured at fair value through other comprehensive income".
[5] The ESG corporate bond amount as at 31 December 2025 is €2,596 million. The percentage share is calculated on the total "Other corporate debt securities" managed by the Finance function and equal to €6,495 million as at 31 December 2025. In particular, with respect to the total "non-government securities" (equal to €10,650 million as at 31 December 2025), the denominator of the indicator in

Metrics on energy consumption and mix [E1-5]

As at 31 December 2025, the Group recorded a total energy consumption of 131,338 MWh, compared to a total energy consumption of 135,000 MWh in 2024[1]. The figure on electricity consumption was defined considering the conversion factors in the manual "ABI Lab - Support document for Sustainability Statement according to the European Sustainability Reporting Standards (ESRS) on environmental matters - Focus on disclosure obligations E1-5, E1-6 - December 2025 version". The total electric energy consumption is certified by the supplier. In addition, for this consumption, the relevant Guarantees of Origin are issued by the GSE, as required by the supply contract itself. The energy mix is detailed below.

Energy consumption and mix	2025	2024 revised	2024
Fuel consumption from coal and coal products (in MWh)	-	-	-
Fuel consumption from crude oil and petroleum products (in MWh)	7,527	7,924	7,924
Natural gas consumption (in MWh) (*)	27,625	27,695	57,165
Fuel consumption from other fossil sources (in MWh)	-	-	-
Consumption of electricity, heat, steam and cooling purchased or acquired from fossil sources (in MWh)	13,268	13,617	62,407
Total fossil energy consumption (in MWh)	48,420	49,236	127,496
% share of fossil fuels in total energy consumption	37%	36%	57%
Consumption from nuclear sources (in MWh)	-	-	-
% of consumption from nuclear sources of total energy consumption	-	-	-
Consumption of fuel from renewable sources, including biomass (also including industrial and municipal waste of biological origin, biogas, renewable hydrogen, etc.) (in MWh)	-	-	-
Consumption of electricity, heat, steam and cooling purchased or acquired from renewable sources (in MWh)	82,821	85,664	94,292
Consumption of self-generated non-combustible renewable energy (in MWh)	97	99	99
Total renewable energy consumption (in MWh)	82,918	85,763	94,392
% share of renewable sources of total energy consumption	63%	64%	43%
Total energy consumption (in MWh)	131,338	135,000	221,888

(*) The natural gas consumption for condominium heating is estimated using a significant sample of condominiums (around 15%) to project the relative consumption (obtained from reports, invoices or other documentation) on the entire condominium area of the Group. For further information, please see the section "Metrics on energy consumption and mix".

It should be noted that the 2025 data, which show the figure net of Group-owned properties leased to third parties, are comparable with those shown in the "2024 revised"[2] column, which represent the figures on the same perimeter, showing a reduction in total energy consumption of approximately 3%.

The Group has three photovoltaic plants at the Milan offices (two on the Via Massaua complex and one on the Viale Eginardo complex), equipped with meters from which it is possible to obtain the consumption and production figures. Specifically, as at 31 December 2025, 122 MWh of electricity was produced with renewable sources, compared to 119 MWh of electricity from renewable sources in 2024.

As at 31 December 2025, the energy intensity of the companies operating in sectors with a high climate impact was 0.00006 MWh per euro of net revenue.
The sectors with high climate impact analysed for reporting purposes are:

- the purchase and sale of real estate on own assets, in which the companies BRF Property and Sirio Immobiliare operate;
- agricultural crops associates with animal breeding: mixed activity, in which the company Sagim operates;
- the construction of residential and non-residential buildings, in which the company Lido dei Coralli operates.

With regard to net revenues, it should be noted that the item in the financial statements used is "Other operating expenses/income - Other management income - Rental income on real estate."

question does not consider: supranational securities, securities in the commercial portfolio and GACS senior notes. At the end of 2024, this percentage amounted to 35%.

[1] This figure excludes consumption related to Group-owned properties leased to third parties.

[2] For more information, please see the section "Changes in the preparation and presentation of sustainability information".

The consumption figure is calculated for the company Sagim, whose consumption relates to utilities in the company's name. For the remaining companies operating in high-impact sectors, there is no consumption with registered utilities.[1]
The revenue figure is calculated for the company:

- Lido dei Coralli;
- Sirio Immobiliare;
- Sagim.

BRF Property has no values in the balance sheet under "Other operating expenses/income - Rental income on real estate".

Energy intensity of companies operating in sectors with a high climate impact	2025	2024 revised	2024
Total energy consumption of activities in high climate impact sectors (in MWh)	93	75	2,915
Net revenue deriving from activities in high climate impact sectors (in euro)	1,604,000	1,565,000	1,565,000
Energy intensity of activities in sectors with a high climate impact compared to net revenues from these activities (MWh/euro)	0.00006	0.00005	0.002

It should be noted that the 2025 data, which show the figure net of Group-owned real estate leased to third parties, are comparable with those shown in the "2024 revised"[2] column.

Metrics on Gross Scopes 1, 2, 3 and Total GHG emissions [E1-6]

The Group's emissions (Scope 1, 2 and 3) as at 31 December 2025 amounted to 78,935,793 tCO_2e market-based and 78,957,144 tCO_2e location-based (including 34 tCO_2e market-based and 72 tCO_2e location-based in Switzerland and 129,718 tCO_2e market-based and 129,726 tCO_2e location-based in Ireland).
The figure, not certified by an external body, was defined according to the manual "ABI Lab - Support document for Sustainability Statement according to the European Sustainability Reporting Standards (ESRS) on environmental matters - Focus on disclosure obligations E1-5, E1-6 - December 2025 version".

[1] In fact, these companies operate within properties owned by the Parent Company and the utilities are in the name of the latter.
[2] For more information, please see the section "Changes in the preparation and presentation of sustainability information".

The Scope 1, 2 and 3 emissions are shown below, broken down by geographical area as at 31 December 2025.

Greenhouse gas emissions (GHG)	2025				2024			
	Italy	Switzerland	Ireland	Total	Italy	Switzerland	Ireland	Total
Gross GHG Scope 1 emissions (in tCO_2e) *(excl. emissions of owned properties leased to third parties)*	9,390	4	-	9,394	10,525	-	-	10,525
Gross GHG Scope 2 emissions location-based (in tCO_2e) *(excl. emissions of owned properties leased to third parties)*	24,225	54	11	24,289	29,408	-	-	29,408
Gross GHG Scope 2 emissions market-based (in tCO_2e) *(excl. emissions of owned properties leased to third parties)*	2,919	16	3	2,938	2,975	-	-	2,975
Total gross indirect GHG emissions, Scope 3 (in tCO2e)	**78,793,733**	**14**	**129,715**	**78,923,461**	**58,050,363**	**10**	**47,261**	**58,097,634**
of which category 1. Purchased goods and services[1] (in tCO2e)	1,927	-	7	1,934	2,088	-	-	2,088
of which category 2. Capital goods[2] (in tCO2e)	112	3	5	120	502	-	-	502
of which category 6. Business trips[2] (in tCO2e)	1,600	1	24	1,624	1,405	-	-	1,405
of which category 7. Employee commuting[2] (in tCO2e)	11,800	10	16	11,826	11,974	10	13	11,997
of which category 13. Downstream leased assets (in tCO2e)[2]	14,811	-	-	14,811	-	-	-	-
of which category 15. Investments (in tCO2e)	78,763,483	0	129,663	78,893,146	58,034,394	-	47,248	58,081,642
of which banking business (in tCO2e) (*)	53,967,974	-	-	53,967,974	56,597,635	-	-	56,597,635
of which insurance business (in tCO2e)	1,533,466	-	129,663	1,663,129	1,436,759	-	47,248	1,484,007
of which SGR business (in tCO2e) (**)	23,262,043	-	-	23,262,043	N/A	N/A	N/A	N/A
Total GHG emissions, Scope 1, 2 and 3 location-based (in tCO2e)	**78,827,348**	**72**	**129,726**	**78,957,144**	58,090,296	10	47,261	58,137,567
Total GHG emissions, Scope 1, 2 and 3 market-based (in tCO2e)	**78,806,042**	**34**	**129,718**	**78,935,793**	58,063,863	10	47,261	58,111,134

(*) Including LULUCF in the "Sovereign" asset class, the total emissions of the banking business would be 53,601,816 tCO2e.
(**) Excludes investments in derivatives, funds of funds and cash & equivalents. Scope 1 and Scope 2 emissions of the companies in which Anima has invested have been considered. Also including the Scope 3 emissions of the companies in which Anima has invested, the total category 15 emissions in 2025 amounted to 75,536,386 tCO2e (excluding LULUCF) and 74,201,366 (including LULUCF).

[1] The perimeter considered is the same as that defined in the consolidated financial statements.
[2] It should be noted that in 2024, the emission figures for owned properties leased to third parties amounted to 28,690 tco2eq (market based) and 24,008 tco2eq (location based). This figure cannot be compared with the 2025 figure because the calculation methodology has changed.

For the sake of completeness, the data reported in the 2024 SS on the gross Scope 1 and 2 GHG emissions (location-based and market-based) including the emissions of owned properties leased to third parties are shown below.

Greenhouse gas emissions (GHG)	2024			
	Italy	Switzerland	Ireland	Total
Gross Scope 1 GHG emissions (in tCO_2e)	16,813	-	-	16,813
Gross Scope 2 GHG emissions location-based (in tCO_2e)	47,045	69	15	47,129
Gross Scope 2 GHG emissions market-based (in tCO_2e)	25,355	16	7	25,377

It should be noted that the 2025 data for Scope 1 and Scope 2 emissions (market- and location-based) are comparable with the 2024 values, which exclude emissions from owned properties leased to third parties.

It should be noted that 86% of scope 2 (market-based) emissions are covered by contracted guarantees of origin in electricity supply, compared to 46% in 2024.
With regard to Scope 3 emissions, the excluded categories (not considered significant enough to be calculated), are listed below:

- category 3. Fuel and energy-related activities;
- category 4. Upstream transport and distribution;
- category 5. Waste generated during operations;
- category 8. Upstream leased assets;
- category 9. Downstream transport;
- category 10. Transformation of products sold;
- category 11. Use of products sold;
- category 12. End-of-life treatment of products sold;
- category 14. Franchising.

The scope for calculating categories 1, 2, 6, 7 and 13 is aligned with the scope of the financial statement. The methodological reference for accounting Scope 3 (for categories other than 15) is the GHG Protocol, Technical Guidance for Calculating Scope 3 Emissions, transposed by the Manual "ABI Lab - Supporting Document for Sustainability Statement according to the European Sustainability Reporting Standard (ESRS) on Environmental Matters - Focus on E1-5, E1-6 Reporting Requirements - version December 2025". Calculation methods:

- *category 1* - Goods and services purchased: includes emissions deriving from the consumption of office paper, calculated starting from the Kg purchased and the type of paper used (recycled or not), and applying the conversion factors provided by the "UK Government GHG Conversion Factors for Company Reporting" (latest available update);
- *category* 2 - Capital Goods: includes emissions deriving from purchases of IT equipment (PCs, smartphones, printers, etc.) calculated on the basis of the weight and type of equipment and applying the conversion factors envisaged by Ademe (French environment and energy management agency);
- *category 6* - Business travel[1]: emissions from business travel by car, aeroplane and train, for which the provisions of the Handbook "ABI Lab - Supporting Document for Sustainability Statement according to the European Sustainability Reporting Standard (ESRS) on Environmental Matters - Focus on Reporting Requirements E1-5, E1-6 - version December 2025" were applied in both cases. For Companies that do not have any Full Time Equivalent (FTE) employees, the contribution in terms of commuting is considered equal to zero;
- *category 7* - Employee commuting[2]: includes only emissions from home-work commuting. The emissions are calculated starting from the average home-work distance and the number of days in the offices, applying the conversion factors envisaged by ISPRA for car travel and by the ABI LAB Guidelines on the application in the Bank of ESRSs on environmental matters, version 17/12/2024, for the train. For Companies that do not

[1] Scope 3 emissions category 6. Business trips: the calculation of emissions related to employees' business travelling is carried out based on precise input data for train and air travel, while the travel by private car is estimated, assuming that the car fleet of the Group is representative in terms of supply of the private car fleet of employees. For more details on the calculation methodologies, please see the section "Metrics on Gross Scopes 1, 2, 3 and Total GHG emissions".
[2] Scope 3 emissions category 7. Employee commuting: emissions related to employee commuting are estimated on the basis of the actual attendance of employees assuming, as a precaution, that 70% of the travels are carried out by car and 30% by train, excluding the possibility of travel with zero emissions (on foot or by bicycle). In addition, it was assumed that the Group's car fleet is representative in terms of fuel of the private car fleet of employees. For more details on the calculation methodologies, please see the section "Metrics on Gross Scopes 1, 2, 3 and Total GHG emissions.

have any Full Time Equivalent (FTE) employees, the contribution in terms of commuting is considered equal to zero;

- *category* 13 - Downstream leased assets[1]: includes emissions deriving from owned properties leased to third parties, calculated starting from specific consumption by type of activity for heating and electricity based on the actual square metres leased. From these the relative emissions derive with the application of the factors envisaged by the ABI Lab Manual - Support Document for Sustainability Statement according to the European Sustainability Reporting Standard (ESRS) on Environmental Matters - Focus on disclosure requirements E1-5, E1-6 - December 2025 version. The figure is always based on the duration of the lease. For information on the methodological refinement adopted compared to the previous year, please see the section "Changes in the preparation and presentation of sustainability information".

For the calculation of Scope 3 emissions in categories 1, 2, 6, 7 and 13: in 6% of the cases (paper purchasing), input from specific activities along the upstream and downstream value chain was used, and in 5% of the cases (business travel) from primary data obtained from suppliers or other partners along the value chain.

As regards Scope 3 emissions category 15[2], these were calculated using a methodology compliant with the Global GHG Accounting and Reporting Standard, developed by the Partnership for Carbon Accounting Financials (PCAF) - Financed Emissions, Part A in its second edition. More specifically:

- for the banking business, the calculation focuses on the exposures in the banking book, thus excluding the assets in the trading book, comprising the following asset classes identified by the PCAF standard for reporting: Listed equity and corporate bonds; Business loans and unlisted equity; Project finance; Commercial real estate; Mortgages; Motor vehicle loans[3]; Sovereign debt; the scope excluded the portion of Anima's contribution to consolidation;
- for the insurance business, the calculation focuses on the emissions related to the investments of the Group's insurance companies according to the PCAF methodology. With reference to the asset classes identified by PCAF, the calculation activity therefore covered the following portfolios: Listed equity and corporate bonds; Business loans and unlisted equity; Sovereign debt. UCIT funds issued by Anima and mandated thereto were excluded from the perimeter, in order to avoid double counting;
- for the Asset Management Company, the calculation focuses on investment-related emissions according to the PCAF methodology. With reference to the asset classes identified by PCAF, the calculation activity covered the portfolios Listed equity and corporate bonds; Business Loans and unlisted equity; Commercial real estate; Sovereign debt.

With reference to the Scope 3 emissions category 15 related to exposures to financial and non-financial companies, the Banco BPM Group based the calculation on the collection of information on counterparties with the support of an external supplier. In particular, the information on greenhouse gas emissions was collected and determined in compliance with the PCAF considering, where available, the precise emissions, communicated directly by the individual counterparties subject to analysis through public reports (such as the Non-Financial Statement and Sustainability Statement). In the absence of precise data, the emissions are estimated using methodologies aligned with market practices.
The estimation methodology is based on official data from public sources (Eurostat) on emission intensity, broken down by sector (NACE code). This coefficient is further refined by incorporating, where available, more detailed data on emissions for specific NACE/Ateco codes[4].

---

[1] *[*Scope 3 emissions category 13. Downstream leased assets: for properties owned by the Group leased to third parties, the emissions related to the consumption of electricity, heat, steam and cooling from fossil sources, purchased or acquired, and the consumption of natural gas are calculated through estimation. Firstly, electricity consumption factors per square metre (KWh/sqm) and natural gas consumption per square metre (Sm3/sqm) specific for the type of activity are applied to the surfaces of leased properties, then emission factors are applied to obtain the amount of emissions. For further information, please see the section "Metrics on energy consumption and mix".

[2]Scope 3 emissions category 15. Investments: with reference to the emissions related to exposures to financial and non-financial companies, the portion of emissions related to investments that is not obtained from precise data published by counterparties is estimated starting from official data obtained from public sources on emission intensity. In addition, for emissions by "Commercial real estate" and "Mortgage" asset classes, the estimate is made based on the building's APE Certificate or through the use of PCAF grids. For more details on the calculation methodologies, please see the section "Metrics on Gross Scopes 1, 2, 3 and Total GHG emissions".

[3] With reference to the asset class of "Motor vehicle loans", the materiality of the type of loan within the activities analysed is residual; therefore, taking into account the complexities of treatment envisaged by the PCAF methodology on this type of asset class, these loans were included in the generic "Business loans" category.

[4] The sources used are mainly the Higher Institute for Environmental Protection and Research (ISPRA) and the Single Register for the Emissions Trading System.

The emissions intensity, expressed in tonnes of CO_2 per euro of added value, is then recalibrated to obtain a measure of intensity per euro of revenues. The sector emission factor obtained is finally applied to the turnover of the individual counterparty to determine the estimated volume of emissions.
With reference to the emissions deriving from the "Commercial real estate" and "Mortgages" asset classes, the Group based the calculation of the estimate through the building's EPC Certificate (which reports a reference value in tCO2e/m2), if available, or through the use of PCAF grids.
With regard to the Project Finance asset class, the Banco BPM Group has adopted, for the Power Generation from photovoltaics projects, a Scope 1 and 2 emission intensity obtained from the average of the data of companies operating in the same sector, which publish precise data.
The Scope 3 emissions category 15 are calculated as part of exposures amounting to €134.7 billion (of which €123.4 billion related to the banking business and €11.3 billion related to the insurance business), corresponding to 76% of the total Gross Carrying Amount (GCA).[1]
This perimeter will be subject to further progressive extension. More specifically, with reference to the insurance business, the activation of specific projects is envisaged that will make it possible to expand the calculation of the emissions to portfolios not currently covered, in particular to UCIT funds (exposures of approximately €6,4 billion), ideally by means of look-throughs in order to promptly identify the related underlyings, and to other unlisted companies. The look-through will only concern third-party funds (€2.8 billion), Anima's funds (€3.6 billion) are already in the SGR's perimeter.

With regard to the banking business, it should be noted that the Group have directed specific activities aimed at strengthening the coverage of the information assets necessary for each counterparty and, at the same time, at structuring an adequate data collection process in order to ensure a precise quantification of the emissions related to the "Project Finance" asset class. During 2026, the Group will evaluate the extension of the scope of analysis on the additional accounting items envisaged by the Global GHG Accounting and Reporting Standard, developed by the Partnership for Carbon Accounting Financials (PCAF) - Financed Emission, Part A in the third edition published in December 2025.
With particular reference to the asset management business, the asset management companies belonging to Anima (Anima SGR, Anima Alternative SGR, Castello SGR, Kairos Partners SGR) consider the Scope 1 and 2 issues of the companies in which Anima has invested. Investments in derivatives and funds of funds and cash & equivalents were excluded, as well as data relating to LULUCF (Land Use, Land-Use Change and Forestry) from Sovereign debt.

With respect to the exposures under analysis, the actual coverage of precise data for banking and insurance business was 47.14%, compared to 42.8% last year. With reference to the asset management business, on the other hand, the actual coverage of precise data is 77%.
Finally, there are no biogenic emissions of Scope 1, 2 and 3. Nevertheless, the emission factors applied to the electricity consumed do not distinguish the percentage of biomass or biogenic CO_2.

With reference to the significant changes in the definition of what the Group has reported and its upstream and downstream value chain in the calculation of the Group's emissions, the incorporation of Anima should be highlighted. Net of Scope 3 cat. 15 emissions, the calculation of Anima's emissions considered the last nine months of the year, in line with the acquisition date from 01/04/2025.
The acquisition of Anima had an increase of around 1.5% in Scope 1 and 2 emissions market-based, and around 1.8% in Scope 3 emissions (net of cat. 15).
With reference to Scope 3 cat. 15 emissions, the acquisition of Anima accounts for 29% of total emissions.

[1] Anima does not take the Gross Carrying Amount (GCA) into account, but rather the financial assets under management, 97% of which are hedged against the AUM under analysis, amounting to €183 billion.

With reference to the aforementioned emissions, as at 31 December 2025, the intensity of its greenhouse gas emissions with respect to net revenues, shown in the following table, is equal to 0.01 tCO_2e per euro[1], both for location-based and market-based emissions.

GHG intensity compared to net revenues	2025	2024
Total GHG emissions location-based (in tCO_2e)	78,957,144	58,161,576
Total GHG emissions market-based (in tCO_2e)	78,935,793	58,139,824
Net revenues (in thousands of euro)	9,325,598	9,690,050
Intensity of GHG emissions location-based (tCO_2e / euro)	0.01	0.01
Intensity of GHG emissions market-based (tCO_2e / euro)	0.01	0.01

The revenue items in the Income Statement used to calculate the intensity of greenhouse gas emissions are:

- 10. Interest and similar income;
- 40. Fee and commission income;
- 70. Dividends and similar income;
- 80. Net trading income;
- 90. Fair value gains/losses on hedging derivatives;
- 100. Gains (losses) on disposal or repurchase;
  - Financial assets at amortised cost;
  - Financial assets measured at fair value through other comprehensive income;
  - Financial liabilities;
- 110. Net gains (losses) from other financial assets and liabilities measured at fair value through profit and loss;
- 160. Profit (loss) on insurance services (ex-Net premiums);
- 230. Other operating expenses/income - Other management income - Income on current accounts and loans;
- 230. Other operating expenses/income - Other management income - Rental income on real estate.

These items were included only if their amount is greater than 0 (positive).

Taxonomy pursuant to Article 8 of Regulation (EU) 2020/852

The following tables include the disclosure requirements of Article 8 of the Disclosures Delegated Act, which supplements the EU Taxonomy Regulation (2020/852).
These obligations require financial companies to report KPIs for eligibility and alignment with the Taxonomy, according to the annexes provided in EU Delegated Regulation 2026/73 (published in the Official Journal of the European Union on 8 January 2026 - hereinafter also "OJEU" - and applicable from 28 January 2026), which calls for a substantial simplification and revision of the previous regulations.
As a financial Conglomerate, it should be noted that the template provided for insurance companies has also been completed (Annex X Template 2 - Investment KPI), the template provided for asset management companies (Annex IV - Template for the KPI of financial asset managers) and the summary indicator of the Group Taxonomy, as required by Commission Notice 2024/6691 published in the Official Journal of the European Union on 8 November 2024, which from this year, therefore, also considers Anima's Green Investment Ratio (GIR) in the weighting.
The new regulation introduces simplified reporting templates in order to streamline the structure and content of the specific disclosure to the Market by eliminating, in particular, duplication of information as well as annexes dedicated to the fossil gas and nuclear sectors. It should also be noted that no assessments were made as to any exclusion of the scope of the activities under analysis on the basis of the materiality thresholds laid down in the Regulation.

Banking business

With reference to this specific business, in terms of structural changes, the denominator for eligible assets was revised for the purpose of calculating the Green Asset Ratio (GAR). Specifically, those Asset items were expunged that, given their nature and special characteristics, could never be assessed as environmentally sustainable (i.e., loans to small

[1] It should be noted that the exact emission intensity figure is 0.008 compared to 0.006 recorded in 2024.

and medium-sized enterprises, loans to companies not subject to EU Taxonomy regulations, derivatives, interbank loans and cash and cash equivalents).
Following these changes, the GAR KPI published in the previous Sustainability Statement and relating to the year 2024 has been recalculated, standing at 7.8% (previously 2.5%) of the portfolio based on turnover and at 8.7% (previously 2.8%) of the portfolio based on CapEx.
On a like-for-like basis, the figures for the end of 2025 show a substantial improvement compared with the corresponding figures for 2024 (turnover rising from 7.8% to 9.2%; CapEx rising from 8.7% to 10.5%).
This increase is mainly due to a rise in the number of Green mortgages and greater availability of information (regarding eligibility and alignment) relating to companies subject to the European taxonomy regulations.
In order to correctly define the scope of the analysis, approximately €400 million in UCITS funds issued by Anima SGR were excluded from the eligible assets.
Also excluded from total Assets were the Anima Group's overall on-balance exposures, present in the relative prudential reporting, as they were not representative of the specific banking business. This latest adjustment affects only the percentage of hedged assets out of total assets and has no direct impact on the calculation of the KPI.
The main portfolios affected appear to be those relating to exposures to companies subject to reporting requirements and mortgage loans to private individuals.
For these loans, the Group continued to collect Energy Performance Certificates (EPC) on its existing stock as well.
During the last financial year, targeted Data Quality activities were also carried out, focusing on the verification and possible integration of information obtained via info-providers.
In addition, specific refinements were made to the databases feeding the calculation processes in order to exclude energy performance certificates deemed non-compliant, i.e., characterised by energy class labels which were substantially misaligned with respect to the expected average consumption.
The Banco BPM Group is particularly committed to promoting the growth of assets linked to the taxonomy, adopting targeted and responsible strategies. The main areas of development in this field primarily involve commercial initiatives designed to encourage the provision of financing for energy-efficient properties or those capable of improving their energy efficiency, thereby supporting the transition towards a more real estate asset.
At the same time, structured projects are identified which, by their very nature, are better suited to meeting the criteria of the taxonomy, thereby ensuring transparency and consistency with environmental objectives.

Insurance business

In light of the new regulations outlined above, the Investment KPI for the insurance business has also been recalculated compared with the figures published in the previous disclosure.
Specifically, there has been an increase in both the Turnover figure (from 0.7% to 0.8%) and the CapEx figure (from 1.3% to 1.5%). It should also be noted that the total covered assets for the year 2024 also include the UCIT funds issued by Anima, as this group was not yet subject to consolidation at the date of analysis.
The 2025 KPI stands at 1.9% (Turnover) and 3.3% (CapEx) respectively, showing significant growth due mainly to greater coverage of taxonomic information and the aforementioned improvements in data quality.
Furthermore, from a scope perspective, the analysis of UCIT funds entailed the exclusion of those subscribed by insurance companies, issued and managed on behalf of the Anima Group, in order to avoid double counting that would have altered the overall representation of the data.
With regard to funds issued by other asset managers (called third-party funds), the Group plans, during the coming financial year, to launch specific in-depth analyses to assess the possibility of further refining and extending the scope of analysis for this specific indicator.

Managed Financial Assets Business

With regard to the asset management business, it should be noted that Anima Holding's Green Investment Ratio (GIR) – a taxonomic KPI – for the previous financial year has not been restated, as that company was not part of the Group nor was it subject to the current non-financial reporting requirements. As at 31 December 2025, the GIR KPI stood at 5.90% (Turnover) and 10.50% (CapEx) respectively. The manager's template does not include Banco BPM Invest, whose portfolio is almost entirely held by Banco BPM; the underlying assets of these funds consist mainly of investments in SMEs (which do not prepare financial statements).

Synthetic Indicator

In order to provide an overall picture of the taxonomic alignment of the Banco BPM financial conglomerate, a consolidated indicator (summary KPI) has also been calculated, obtained as the weighted average of the main KPIs relating to the specific businesses under analysis.
The weightings were determined by considering the marginal contribution of the individual business areas to the group total for the Net Revenue item. In the Turnover view, the synthetic KPI stands at 8.3%, whilst in the CapEx view it is 10.0%.

Num_ Template	Nome_Template	Rif_Template
0.	Summary of key performance indicators (KPIs) to be reported by credit institutions pursuant to Article 8 of the Taxonomy Regulation	Template0 Template0 T-1
1.	Assets for GAR calculation	Template1_CapEx_Stock
		Template1_Turnover_Stock
		Template1_CapEx_Flow
		Template1_Turnover_Flow
2.	GAR Information on the sector	Template2_CapEx_Stock
		Template2_ Turnover _Stock
3.	GAR KPI stock	Template3_CapEx_Stock
		Template3_Turnover_Stock
4.	GAR KPI flow	Template4_CapEx_Flow
		Template4_ Turnover _Flow
5.	KPIs for off-balance sheet exposures	Template5_CapEx_Stock
		Template5_ Turnover _Stock
		Template5_CapEx_Flow
		Template5_ Turnover _Flow
8.	Annex X - Template 2 _ Investment KPI (insurance business)	Annex X_Template 2
	Annex IV - Template for the KPI of financial asset managers	Annex IV
	Synthetic indicator at Group level	

Template no. 0: Summary of key performance indicators (KPIs) to be reported by credit institutions pursuant to Article 8 of the Taxonomy Regulation

Template 0

Disclosure period T		Total exposure to Taxonomy-aligned activities (currency)		KPI %	KPI %	% coverage (of total assets)	Exposures not measured (% of hedged assets) (%)	Exposures not measured (% of hedged assets) (%)
		Turnover	Capital Expenditure	Turnover	Capital Expenditure		Turnover	Capital Expenditure
Main KPI	**Green asset ratio (GAR) stock**	3,872.4	4,443.0	9.2	10.5	22.6		
Additional KPIs	GAR (flow)	875.8	1,094.0	8.7	10.9	9.6		
	Trading book							
	Financial guarantees	2.4	2.9	4.3	5.3			
	Assets under management	7.4	12.6	0.4	0.6			
	Fees and commissions income							

Template 0_T-1

Disclosure Period T-1		Total exposure to Taxonomy-aligned activities (currency)		KPI %	KPI %	% coverage (of total assets)	Exposures not measured (% of hedged assets) (%)	Exposures not measured (% of hedged assets) (%)
		Turnover	Capital Expenditure	Turnover	Capital Expenditure		Turnover	Capital Expenditure
Main KPI	**Green asset ratio (GAR) stock**	3,292.7	3,702.6	7.8	8.7	23.3		
Additional KPIs	GAR (flow)	846.8	1,041.4	10.4	12.8	11.6		
	Trading book							
	Financial guarantees	0.1	0.2	0.2	0.3			
	Assets under management	7.3	14.5	0.4	0.8			
	Fees and commissions income							

Template 1: Assets for the calculation of GAR

Template1: Turnover_Stock

Disclosure period T Stock in millions of euro		a	b	c	d	e	f	g	h	i
		Total (gross) carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Substantial contribution to environmental objectives				Pollution (PPC)	Biodiversity and ecosystems (BIO)
					Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)		
1	**GAR - Assets hedged in both the numerator and the denominator**	42,192.9	30,717.3	3,872.4	3,838.8	1.9	10.7	19.7	1.4	-
2	**Loans and advances, debt securities and equity instruments not held for trading, eligible for GAR calculation**	41,901.8	30,426.2	3,872.4	3,838.8	1.9	10.7	19.7	1.4	-
3	**Financial corporations**	4,691.4	991.4	69.3	67.7	1.7	-	-	0.0	-
4	Loans and advances	1,491.4	331.0	19.3	19.2	0.2	-	-	0.0	-
5	Debt securities, including UoP	1,763.1	452.9	42.1	40.8	1.3	-	-	0.0	-
6	Equity instruments	1,437.0	207.5	7.9	7.7	0.2	-	-	-	-
7	**Non-financial corporations**	4,248.1	1,655.0	947.3	915.3	0.2	10.7	19.7	1.4	-
8	Loans and advances	3,699.8	1,365.9	744.6	724.0	0.1	1.9	18.6	0.0	-
9	Debt securities, including UoP	548.3	289.1	202.6	191.3	0.1	8.8	1.0	1.4	-
10	Equity instruments	-	-	-	-	-	-	-	-	-
11	**Households**	32,773.7	27,779.8	2,855.8	2,855.8	-		-		
12	of which loans collateralised by residential immovable property	27,679.4	27,679.4	2,855.8	2,855.8	-		-		
13	of which building renovation loans	46.3	46.3	-	-	-		-		
14	of which motor vehicle loans	54.1	54.1	-	-					
15	**Financing of local administrations**	188.6	-	-	-	-	-	-	-	-
16	Construction financing	-	-	-	-	-		-		
17	Other local government financing	188.6		-	-	-	-	-	-	-
18	**Real collateral obtained by taking possession: residential and commercial immovable properties**	291.1	291.1	-	-	-		-		
19	**Exposures included on a voluntary basis**			-						
20	**Total GAR assets**	**42,192.9**								
21	**Assets not covered by the GAR calculation**	144,374.2								
22	**Sovereigns**	39,250.0								
23	**Central banks' exposure**	5,663.4								
24	**Trading book**	11,355.7								
25	**Companies and entities not subject to the CSRD**	72,426.5								
26	SMEs and NFCs (other than SMEs) not subject to CSRD disclosure obligations	69,383.8								

	Disclosure period T Stock in millions of euro	a	b	c	d	e	f	g	h	i
		Total (gross) carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Substantial contribution to environmental objectives				Pollution (PPC)	Biodiversity and ecosystems (BIO)
					Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)		
27	Loans and advances	64,260.5								
28	of which loans collateralised by commercial immovable property	9,912.3								
29	of which building renovation loans	1.5								
30	Debt securities	4,559.8								
31	Equity instruments	563.5								
32	Non-EU country counterparties not subject to CSRD disclosure obligations	3,042.6								
33	Loans and advances	820.8								
34	Debt securities	2,213.7								
35	Equity instruments	8.1								
36	**Derivatives**	834.7								
37	**Interbank loans on demand**	361.6								
38	**Cash and cash equivalents**	682.5								
39	**Other assets (e.g. goodwill, commodities, etc.)**	13,799.8								
40	**Total assets**	**186,567.1**								
Off-balance sheet exposures (stock) to companies subject to CSRD disclosure obligations and local administrations										
41	Financial guarantees	55.8	16.6	2.4	0.5	1.9	-	0.0	-	-
42	Assets under management	1,983.4	58.6	7.4	7.3	0.1	0.0	0.0		-
43	Of which debt securities	266.3	45.8	5.2	5.1	0.1	0.0	-	-	-
44	Of which equity instruments	160.8	12.8	2.2	2.2	0.0	-	0.0	-	-

(continued) Template1: Turnover _Stock

Disclosure period T Stock in millions of euro		j	k	l	m	n	o	p
		Of which specialised lending	Of which transitional	Of which enabling	Exposures not assessed	Of which loans to non-material assets of counterparties	Of which exposures financing counterparties reporting in accordance with Article 7	Of which not assessed as non-material by the credit institution
1	**GAR - Assets hedged in both the numerator and the denominator**	2,855.8	2.3	377.6	-	-	-	-
2	**Loans and advances, debt securities and equity instruments not held for trading, eligible for GAR calculation**	2,855.8	32.3	377.6	-	-	-	-
3	**Financial corporations**	-	8.0	8.5	-	-	-	-
4	Loans and advances	-	5.4	2.5	-			
5	Debt securities, including UoP	-	2.5	5.3	-			
6	Equity instruments		0.1	0.6	-			
7	**Non-financial corporations**	-	24.3	369.1	-	-		-
8	Loans and advances	-	10.9	304.3	-			
9	Debt securities, including UoP	-	13.4	64.8	-			
10	Equity instruments		-	-	-			
11	**Households**	2,855.8	-	-	-	-		-
12	of which loans collateralised by residential immovable property	2,855.8	-	-	-			
13	of which building renovation loans	-	-	-	-			
14	of which motor vehicle loans	-	-	-	-			
15	**Financing of local administrations**	-	-	-	-	-		-
16	Construction financing	-	-	-	-			
17	Other local government financing	-	-	-	-			
18	**Real collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-			
19	**Exposures included on a voluntary basis**					-		
20	**Total GAR assets**				-	-	-	-
21	**Assets not covered by the GAR calculation**							
22	**Sovereigns**							
23	**Central banks' exposure**							
24	**Trading book**							
25	**Companies and entities not subject to the CSRD**							
26	SMEs and NFCs (other than SMEs) not subject to CSRD disclosure obligations							
27	Loans and advances							

Disclosure period T Stock in millions of euro	j	k	l	m	n	o	p
	Of which specialised lending	Of which transitional	Of which enabling	Exposures not assessed	Of which loans to non-material assets of counterparties	Of which exposures financing counterparties reporting in accordance with Article 7	Of which not assessed as non-material by the credit institution
28 of which loans collateralised by commercial immovable property							
29 of which building renovation loans							
30 Debt securities							
31 Equity instruments							
32 Non-EU country counterparties not subject to CSRD disclosure obligations							
33 Loans and advances							
34 Debt securities							
35 Equity instruments							
36 **Derivatives**							
37 **Interbank loans on demand**							
38 **Cash and cash equivalents**							
39 **Other assets (e.g. goodwill, commodities, etc.)**							
40 **Total assets**							
Off-balance sheet exposures (stock) to companies subject to CSRD disclosure obligations and local administrations							
41 Financial guarantees	-	0.0	0.1				
42 Assets under management	-	-	-				
43 Of which debt securities	-	-	-				
44 Of which equity instruments	-	-	-				

Template 1: CAPEX Stock

Disclosure period T Stock in millions of euro		a	b	c	d	e	f	g	h	i
		Total (gross) carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Substantial contribution to environmental objectives					
					Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)
1	**GAR - Assets hedged in both the numerator and the denominator**	42,192.9	31,441.6	4,443.0	4,304.3	96.9	16.2	24.2	1.5	-
2	**Loans and advances, debt securities and equity instruments not held for trading, eligible for GAR calculation**	41,901.8	31,150.5	4,443.0	4,304.3	96.9	16.2	24.2	1.5	-
3	**Financial corporations**	4,691.4	1,011.3	84.0	78.8	5.2	-	-	-	-
4	Loans and advances	1,491.4	337.9	23.6	22.7	0.9	-	-	-	-
5	Debt securities, including UoP	1,763.1	464.9	51.7	47.6	4.0	-	-	-	-
6	Equity instruments	1,437.0	208.5	8.7	8.5	0.2	-	-	-	-
7	**Non-financial corporations**	4,248.1	2,359.4	1,503.1	1,369.6	91.7	16.2	24.2	1.5	-
8	Loans and advances	3,699.8	1,896.1	1,118.8	1,046.9	47.9	0.2	23.7	0.0	-
9	Debt securities, including UoP	548.3	463.3	384.3	322.7	43.8	15.9	0.5	1.5	-
10	Equity instruments	-	-	-	-	-	-	-	-	-
11	**Households**	32,773.7	27,779.8	2,855.8	2,855.8	-		-		
12	of which loans collateralised by residential immovable property	27,679.4	27,679.4	2,855.8	2,855.8	-		-		
13	of which building renovation loans	46.3	46.3	-	-	-		-		
14	of which motor vehicle loans	54.1	54.1	-	-					
15	**Financing of local administrations**	188.6	-	-	-	-	-	-	-	-
16	Construction financing	-		-	-	-		-		
17	Other local government financing	188.6		-	-	-	-	-	-	-
18	**Real collateral obtained by taking possession: residential and commercial immovable properties**	291.1	291.1	-	-	-		-		
19	**Exposures included on a voluntary basis**			-						
20	**Total GAR assets**	**42,192.9**								
21	**Assets not covered by the GAR calculation**	144,374.2								
22	**Sovereigns**	39,250.0								
23	**Central banks' exposure**	5,663.4								
24	**Trading book**	11,355.7								
25	**Companies and entities not subject to the CSRD**	72,426.5								
26	SMEs and NFCs (other than SMEs) not subject to CSRD disclosure obligations	69,383.8								
27	Loans and advances	64,260.5								
28	of which loans collateralised by commercial immovable property	9,912.3								

Disclosure period T Stock in millions of euro		a	b	c	d	e	f	g	h	i
		Total (gross) carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Substantial contribution to environmental objectives					
					Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)
29	of which building renovation loans	-								
30	Debt securities	4,559.8								
31	Equity instruments	563.5								
32	Non-EU country counterparties not subject to CSRD disclosure obligations	3,042.6								
33	Loans and advances	820.8								
34	Debt securities	2,213.7								
35	Equity instruments	8.1								
36	**Derivatives**	834.7								
37	**Interbank loans on demand**	361.6								
38	**Cash and cash equivalents**	682.5								
39	**Other assets (e.g. goodwill, commodities, etc.)**	13,799.8								
40	**Total assets**	186,567.1								
Off-balance sheet exposures (stock) to companies subject to CSRD disclosure obligations and local administrations										
41	Financial guarantees	55.8	18.3	2.9	0.6	2.3	-	0.0	-	-
42	Assets under management	1,983.4	78.4	12.6	12.3	0.3	0.0	0.0	-	-
43	Of which debt securities	266.3	56.0	9.1	8.8	0.3	0.0	0.0	-	-
44	Of which equity instruments	160.8	22.4	3.5	3.5	0.0	-	0.0	-	-

(Continued) Template1: CAPEX_Stock

Disclosure period T Stock in millions of euro		j	k	l	m	n	o	p
		Of which specialised lending	Of which transitional	Of which enabling	Exposures not assessed	Of which loans to non-material assets of counterparties	Of which exposures financing counterparties reporting in accordance with Article 7	Of which not assessed as non-material by the credit institution
1	**GAR - Assets hedged in both the numerator and the denominator**	2,855.8	41.8	737.6	-	-	-	-
2	**Loans and advances, debt securities and equity instruments not held for trading, eligible for GAR calculation**	2,855.8	41.8	737.6	-	-	-	-
3	**Financial corporations**	-	8.2	15.0	-	-	-	-
4	Loans and advances	-	5.6	4.7	-			
5	Debt securities, including UoP	-	2.4	9.5	-			
6	Equity instruments		0.1	0.8	-			
7	**Non-financial corporations**	-	33.7	722.7	-	-		-
8	Loans and advances	-	19.2	581.6	-			
9	Debt securities, including UoP	-	14.5	141.1	-			
10	Equity instruments		-	-	-			
11	**Households**	2,855.8	-	-	-	-		-
12	of which loans collateralised by residential immovable property	2,855.8	-	-	-			
13	of which building renovation loans	-	-	-	-			
14	of which motor vehicle loans	-	-	-	-			
15	**Financing of local administrations**	-	-	-	-	-		-
16	Construction financing	-	-	-	-			
17	Other local government financing	-	-	-	-			
18	**Real collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-			
19	**Exposures included on a voluntary basis**				-			
20	**Total GAR assets**				-	-	-	-
21	**Assets not covered by the GAR calculation**							
22	**Sovereigns**							
23	**Central banks' exposure**							
24	**Trading book**							
25	**Companies and entities not subject to the CSRD**							
26	SMEs and NFCs (other than SMEs) not subject to CSRD disclosure obligations							
27	Loans and advances							

Disclosure period T Stock in millions of euro		j	k	l	m	n	o	p
		Of which specialised lending	Of which transitional	Of which enabling	Exposures not assessed	Of which loans to non-material assets of counterparties	Of which exposures financing counterparties reporting in accordance with Article 7	Of which not assessed as non-material by the credit institution
28	of which loans collateralised by commercial immovable property							
29	of which building renovation loans							
30	Debt securities							
31	Equity instruments							
32	Non-EU country counterparties not subject to CSRD disclosure obligations							
33	Loans and advances							
34	Debt securities							
35	Equity instruments							
36	**Derivatives**							
37	**Interbank loans on demand**							
38	**Cash and cash equivalents**							
39	**Other assets (e.g. goodwill, commodities, etc.)**							
40	**Total assets**							
Off-balance sheet exposures (stock) to companies subject to CSRD disclosure obligations and local administrations								
41	Financial guarantees	-	0.0	0.2				
42	Assets under management	-	-	-				
43	Of which debt securities	-	-	-				
44	Of which equity instruments	-	-	-				

Template1: Turnover_Flow

Disclosure period T Flow in millions of euro		a	b	c	d	e	f	g	h	i
		Total (gross) carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Substantial contribution to environmental objectives					
					Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)
1	**GAR - Assets hedged in both the numerator and the denominator**	10,036.8	4,540.1	875.8	870.6	0.9	3.0	1.0	0.3	-
2	**Loans and advances, debt securities and equity instruments not held for trading, eligible for GAR calculation**	10,035.1	4,540.1	875.8	870.6	0.9	3.0	1.0	0.3	-
3	**Financial corporations**	2,298.5	529.8	42.5	41.7	0.8	-	-	0.0	-
4	Loans and advances	1,277.2	267.7	18.4	18.2	0.2	-	-	-	-
5	Debt securities, including UoP	1,021.2	262.2	24.2	23.5	0.7	-	-	0.0	-
6	Equity instruments	-	-	-	-	-	-	-	-	-
7	**Non-financial corporations**	1,887.9	568.1	319.3	314.9	0.1	3.0	1.0	0.3	-
8	Loans and advances	1,710.4	501.4	267.3	264.5	0.0	1.9	0.9	0.0	-
9	Debt securities, including UoP	177.5	66.7	52.0	50.4	0.0	1.1	0.1	0.3	-
10	Equity instruments	-	-	-	-	-	-	-	-	-
11	**Households**	5,815.1	3,442.1	514.0	514.0	-		-		
12	of which loans collateralised by residential immovable property	3,372.2	3,372.2	514.0	514.0	-		-		
13	of which building renovation loans	31.0	31.0	-	-	-		-		
14	of which motor vehicle loans	38.9	38.9	-	-					
15	**Financing of local administrations**	33.6	-	-	-	-	-	-	-	-
16	Construction financing	-		-						
17	Other local government financing	33.6	-	-	-	-	-	-	-	-
18	**Real collateral obtained by taking possession: residential and commercial immovable properties**	1.7		-						
19	**Exposures included on a voluntary basis**			-						
20	**Total GAR assets**	**10,036.8**								
21	**Assets not covered by the GAR calculation**	94,379.1								
22	**Sovereigns**	39,250.0								
23	**Central banks' exposure**	5,663.4								
24	**Trading book**	11,355.7								
25	**Companies and entities not subject to the CSRD**	32,468.1								
26	SMEs and NFCs (other than SMEs) not subject to CSRD disclosure obligations	31,461.3								
27	Loans and advances	28,693.7								

	Disclosure period T Flow in millions of euro	a	b	c	d	e	f	g	h	i
		Total (gross) carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Substantial contribution to environmental objectives					
					Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)
28	of which loans collateralised by commercial immovable property	-								
29	of which building renovation loans	0.4								
30	Debt securities	2,521.1								
31	Equity instruments	246.5								
32	Non-EU country counterparties not subject to CSRD disclosure obligations	1,006.9								
33	Loans and advances	305.3								
34	Debt securities	701.1								
35	Equity instruments	0.5								
36	**Derivatives**	834.7								
37	**Interbank loans on demand**	361.6								
38	**Cash and cash equivalents**	682.5								
39	**Other assets (e.g. goodwill, commodities, etc.)**	13,799.8								
40	**Total assets**	104,415.9								
	Off-balance sheet exposures (flow) to companies subject to CSRD disclosure obligations and local administrations									
41	Financial guarantees	0.0	0.0	0.0	0.0	-	-	0.0	-	-
42	Assets under management	93.6	31.0	4.2	4.2	0.0	0.0	-	-	-
43	Of which debt securities	165.9	27.0	3.4	3.4	0.0	0.0	-	-	-
44	Of which equity instruments	33.4	4.0	0.8	0.8	0.0	-	-	-	-

(Continued) Template1: Turnover_Flow

	Disclosure period T Flow in millions of euro	j	k	l	m	n	o	p
		Of which specialised lending	Of which transitional	Of which enabling	Exposures not assessed	Of which loans to non-material assets of counterparties	Of which exposures financing counterparties reporting in accordance with Article 7	Of which not assessed as non-material by the credit institution
1	**GAR - Assets hedged in both the numerator and the denominator**	514.0	10.4	88.8	-	-	-	-
2	**Loans and advances, debt securities and equity instruments not held for trading, eligible for GAR calculation**	514.0	10.4	88.8	-	-	-	-
3	**Financial corporations**	-	-	5.5	-	-	-	-
4	Loans and advances	-	-	2.4	-			
5	Debt securities, including UoP	-	-	3.2	-			
6	Equity instruments	-	-	-	-			
7	**Non-financial corporations**	-	10.4	83.23	-	-		-
8	Loans and advances	-	4.4	65.9	-			
9	Debt securities, including UoP	-	6.0	17.3	-			
10	Equity instruments	-	-	-	-			
11	**Households**	514.0	-	-	-	-		-
12	of which loans collateralised by residential immovable property	514.0	-	-	-			
13	of which building renovation loans	-	-	-	-			
14	of which motor vehicle loans	-	-	-	-			
15	**Financing of local administrations**	-	-	-	-	-		-
16	Construction financing				-			
17	Other local government financing	-	-	-	-			
18	**Real collateral obtained by taking possession: residential and commercial immovable properties**				-			
19	**Exposures included on a voluntary basis**				-			
20	**Total GAR assets**				-	-	-	-
21	**Assets not covered by the GAR calculation**							
22	**Sovereigns**							
23	**Central banks' exposure**							
24	**Trading book**							
25	**Companies and entities not subject to the CSRD**							
26	SMEs and NFCs (other than SMEs) not subject to CSRD disclosure obligations							
27	Loans and advances							

Disclosure period T Flow in millions of euro		j	k	l	m	n	o	p
		Of which specialised lending	Of which transitional	Of which enabling	Exposures not assessed	Of which loans to non-material assets of counterparties	Of which exposures financing counterparties reporting in accordance with Article 7	Of which not assessed as non-material by the credit institution
28	of which loans collateralised by commercial immovable property							
29	of which building renovation loans							
30	Debt securities							
31	Equity instruments							
32	Non-EU country counterparties not subject to CSRD disclosure obligations							
33	Loans and advances							
34	Debt securities							
35	Equity instruments							
36	**Derivatives**							
37	**Interbank loans on demand**							
38	**Cash and cash equivalents**							
39	**Other assets (e.g. goodwill, commodities, etc.)**							
40	**Total assets**							
Off-balance sheet exposures (flow) to companies subject to CSRD disclosure obligations and local administrations								
41	Financial guarantees	-	-	0.0				
42	Assets under management	-	-	-				
43	Of which debt securities	-	-	-				
44	Of which equity instruments	-	-	-				

Template1: CapEx_Flow

Disclosure period T Flow in millions of euro		a	b	c	d	e	f	g	h	i
		Total (gross) carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Substantial contribution to environmental objectives					
					Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)
1	**GAR - Assets hedged in both the numerator and the denominator**	10,036.8	4,918.5	1,094.0	1,039.6	50.4	1.4	2.1	0.5	-
2	**Loans and advances, debt securities and equity instruments not held for trading, eligible for GAR calculation**	10,035.1	4,918.5	1,094.0	1,039.6	50.4	1.4	2.1	0.5	-
3	**Financial corporations**	2,298.5	544.2	52.6	49.1	3.5	-	-	-	-
4	Loans and advances	1,277.2	274.0	22.2	21.6	0.6	-	-	-	-
5	Debt securities, including UoP	1,021.2	270.1	30.4	27.5	2.9	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-	-	-
7	**Non-financial corporations**	1,887.9	932.2	527.4	476.5	46.8	1.4	2.1	0.5	-
8	Loans and advances	1,710.4	820.9	434.3	394.3	37.9	0.2	1.9	0.0	-
9	Debt securities, including UoP	177.5	111.3	93.1	82.2	8.9	1.2	0.2	0.5	-
10	Equity instruments	-	-	-	-	-	-	-	-	-
11	**Households**	5,815.1	3,442.1	514.0	514.0	-		-		
12	of which loans collateralised by residential immovable property	3,372.2	3,372.2	514.0	514.0	-		-		
13	of which building renovation loans	31.0	31.0	-	-	-		-		
14	of which motor vehicle loans	38.9	38.9	-	-					
15	**Financing of local administrations**	33.6	-	-	-	-	-	-	-	-
16	Construction financing	-		-						
17	Other local government financing	33.6	-	-	-	-	-	-	-	-
18	**Real collateral obtained by taking possession: residential and commercial immovable properties**	1.7		-						
19	**Exposures included on a voluntary basis**			-						
20	**Total GAR assets**	**10,036.8**								
21	**Assets not covered by the GAR calculation**	94,379.1								
22	**Sovereigns**	39,250.0								
23	**Central banks' exposure**	5,663.4								
24	**Trading book**	11,355.7								
25	**Companies and entities not subject to the CSRD**	32,468.1								
26	SMEs and NFCs (other than SMEs) not subject to CSRD disclosure obligations	31,461.3								
27	Loans and advances	28,693.7								
28	of which loans collateralised by commercial immovable property	-								

Disclosure period T Flow in millions of euro		a	b	c	d	e	f	g	h	i
		Total (gross) carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Substantial contribution to environmental objectives					
					Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)
29	of which building renovation loans	0.4								
30	Debt securities	2,521.1								
31	Equity instruments	246.5								
32	Non-EU country counterparties not subject to CSRD disclosure obligations	1,006.9								
33	Loans and advances	305.3								
34	Debt securities	701.1								
35	Equity instruments	0.5								
36	**Derivatives**	834.7								
37	**Interbank loans on demand**	361.6								
38	**Cash and cash equivalents**	682.5								
39	**Other assets (e.g. goodwill, commodities, etc.)**	13,799.8								
40	**Total assets**	104,415.9								
	Off-balance sheet exposures (flow) to companies subject to CSRD disclosure obligations and local administrations									
41	Financial guarantees	0.0	0.0	0.0	0.0	-	-	0.0	-	-
42	Assets under management	93.6	39.9	6.3	6.1	0.1	0.0	0.0	-	-
43	Of which debt securities	165.9	32.3	5.0	4.9	0.1	0.0	0.0	-	-
44	Of which equity instruments	33.4	7.6	1.3	1.3	0.0	-	-	-	-

(Continued) Template1: CapEx_Flow

Disclosure period T Flow in millions of euro		j	k	l	m	n	o	p
		Of which specialised lending	Of which transitional	Of which enabling	Exposures not assessed	Of which loans to non-material assets of counterparties	Of which exposures financing counterparties reporting in accordance with Article 7	Of which not assessed as non-material by the credit institution
1	**GAR - Assets hedged in both the numerator and the denominator**	514.0	11.2	192.7	-	-	-	-
2	**Loans and advances, debt securities and equity instruments not held for trading, eligible for GAR calculation**	514.0	11.2	192.7	-	-	-	-
3	**Financial corporations**	-	-	10.0	-	-	-	-
4	Loans and advances	-	-	4.4	-			
5	Debt securities, including UoP	-	-	5.6	-			
6	Equity instruments	-	-	-	-			
7	**Non-financial corporations**	-	11.2	182.7	-	-		-
8	Loans and advances	-	5.8	145.7	-			
9	Debt securities, including UoP	-	5.4	37.0	-			
10	Equity instruments	-	-	-	-			
11	**Households**	514.0	-	-	-	-		-
12	of which loans collateralised by residential immovable property	514.0	-	-	-			
13	of which building renovation loans	-	-	-	-			
14	of which motor vehicle loans	-	-	-	-			
15	**Financing of local administrations**	-	-	-	-	-		-
16	Construction financing				-			
17	Other local government financing	-	-	-	-			
18	**Real collateral obtained by taking possession: residential and commercial immovable properties**				-			
19	**Exposures included on a voluntary basis**				-			
20	**Total GAR assets**							
21	**Assets not covered by the GAR calculation**							
22	**Sovereigns**							
23	**Central banks' exposure**							
24	**Trading book**							
25	**Companies and entities not subject to the CSRD**							
26	SMEs and NFCs (other than SMEs) not subject to CSRD disclosure obligations							
27	Loans and advances							

Disclosure period T Flow in millions of euro		j	k	l	m	n	o	p
		Of which specialised lending	Of which transitional	Of which enabling	Exposures not assessed	Of which loans to non-material assets of counterparties	Of which exposures financing counterparties reporting in accordance with Article 7	Of which not assessed as non-material by the credit institution
28	of which loans collateralised by commercial immovable property							
29	of which building renovation loans							
30	Debt securities							
31	Equity instruments							
32	Non-EU country counterparties not subject to CSRD disclosure obligations							
33	Loans and advances							
34	Debt securities							
35	Equity instruments							
36	**Derivatives**							
37	**Interbank loans on demand**							
38	**Cash and cash equivalents**							
39	**Other assets (e.g. goodwill, commodities, etc.)**							
40	**Total assets**							
Off-balance sheet exposures (flow) to companies subject to CSRD disclosure obligations and local administrations								
41	Financial guarantees		-	-	0.0			
42	Assets under management		-	-	-			
43	Of which debt securities		-	-	-			
44	Of which equity instruments		-	-	-			

Template 2: GAR sector information

Template 2: Turnover_Stock

Disclosure period T										
	A	b	c	d	e	f	g	H	i	j
	Breakdown by sector - NACE 4 digits level (code on label) (in millions of euro)	Total (gross) carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)
1	M7010 - Activities of head offices	1,280.1	423.6	295.9	295.1	-	0.5	0.3	-	-
2	D3523 - Trade of gas through mains	244.2	14.9	2.2	2.2	-	-	-	-	-
3	D3511 - Production of energy	223.0	89.5	74.2	66.4	-	7.2	0.1	0.6	-
4	D3512 - Transmission of electricity	188.3	186.4	161.9	161.9	-	-	-	-	-
5	Fossil gas related activities	186.2	119.4	39.1	39.1	-	-	-	-	-
6	C3011 - Building of ships and floating structures	149.1	96.1	15.2	15.2	-	-	-	-	-
7	C1101 - Distilling, rectifying and blending of spirits	141.0	-	-	-	-	-	-	-	-
8	C2120 - Manufacture of medicines and pharmaceutical preparations	139.7	33.1	-	-	-	-	-	-	-
9	H4910 - Passenger rail transport	123.2	122.5	122.3	122.3	-	-	-	-	-
10	C2825 - Manufacture of non-domestic air conditioning equipment	98.0	81.9	-	-	-	-	-	-	-
11	Nuclear energy related activities	1,882.2	10.7	10.6						
12	Fossil gas related activities	2,383.3	60.1	44.9						
13	Of which exposures not assessed									

Template 2: CapEx_Stock

Disclosure period T										
	a	b	c	d	e	f	g	h	i	j
	Breakdown by sector - NACE 4 digits level (code on label) (in millions of euro)	**Total (gross) carrying amount**	**Of which Taxonomy-eligible**	**Of which Taxonomy-aligned**	**Climate change mitigation (CCM)**	**Climate change adaptation (CCA)**	**Water and marine resources (WTR)**	**Circular economy (CE)**	**Pollution (PPC)**	**Biodiversity and ecosystems (BIO)**
1	M7010 - Activities of head offices	1,280.1	792.2	488.9	446.3	35.7	0.1	6.9	-	-
2	D3523 - Trade of gas through mains	244.2	25.9	19.3	19.3	-	-	-	-	-
3	D3511 - Production of energy	223.0	186.3	116.7	102.7	1.1	12.5	0.1	0.3	-
4	D3512 - Transmission of electricity	188.3	188.0	186.4	186.4	-	-	-	-	-
5	G4672 - Wholesale of metals and metal ores	186.2	151.2	121.4	121.4	-	-	-	-	-
6	C3011 - Building of ships and floating structures	149.1	62.5	10.8	10.5	-	-	0.3	-	-
7	C1101 - Distilling, rectifying and blending of spirits	141.0	53.5	5.5	4.9	-	-	0.5	-	-
8	C2120 - Manufacture of medicines and pharmaceutical preparations	139.7	7.5	-	-	-	-	-	-	-
9	H4910 - Passenger rail transport	123.2	123.1	122.9	122.8	0.2	-	-	-	-
10	C2825 - Manufacture of non-domestic air conditioning equipment	98.0	55.4	-	-	-	-	-	-	-
11	Nuclear energy related activities	1,882.2	10.0	9.9						
12	Fossil gas related activities	2,383.3	117.9	101.2						
13	Of which exposures not assessed									

Template 3: GAR KPI stock

Template3: Turnover_Stock

Disclosure period T % (compared to total covered assets in the denominator)		A	b	c	d	e	f	g	h	i	j	k	L	m
		Taxonomy eligible	Taxonomy aligned	Substantial contribution to environmental objectives						Of which specialised lending	Of which transitional	Of which enabling	Share of Taxonomy-Aligned Assets vs. Taxonomy-Eligible Assets	Exposures not assessed
				Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)					
1	**GAR - Assets hedged in both the numerator and the denominator**	72.8	9.2	9.1	0.0	0.0	0.0	0.0	-	6.8	0.1	0.9	12.6	
2	**Loans and advances, debt securities and equity instruments not held for trading, eligible for GAR calculation**	72.1	9.2	9.1	0.0	0.0	0.0	0.0	-	6.8	0.1	0.9	12.6	
3	**Financial corporations**	2.3	0.2	0.2	0.0	-	-	0.0	-	-	0.0	0.0	0.2	
4	Loans and advances	0.8	0.0	0.0	0.0	-	-	0.0	-	-	0.0	0.0	0.1	
5	Debt securities, including UoP	1.1	0.1	0.1	0.0	-	-	0.0	-	-	0.0	0.0	0.1	
6	Equity instruments	0.5	0.0	0.0	0.0	-	-	-	-	-	0.0	0.0	0.0	
7	**Non-financial corporations**	3.9	2.2	2.2	0.0	0.0	0.0	0.0	-	-	0.1	0.9	3.1	
8	Loans and advances	3.2	1.8	1.7	0.0	0.0	0.0	0.0	-	-	0.0	0.7	2.4	
9	Debt securities, including UoP	0.7	0.5	0.5	0.0	0.0	0.0	0.0	-	-	0.0	0.2	0.7	
10	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	
11	**Households**	65.8	6.8	6.8	-	-	-	-	-	6.8	-	-	9.3	
12	of which loans collateralised by residential immovable property	65.6	6.8	6.8	-	-	-	-	-	6.8	-	-	9.3	
13	of which building renovation loans	0.1	-	-	-	-	-	-	-	-	-	-	-	
14	of which motor vehicle loans	0.1	-	-	-	-	-	-	-	-	-	-	-	
15	**Financing of local administrations**	-	-	-	-	-	-	-	-	-	-	-	-	
16	Construction financing	-	-	-	-	-	-	-	-	-	-	-	-	
17	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	
18	**Real collateral obtained by taking possession: residential and commercial immovable properties**	0.7	-	-	-	-	-	-	-	-	-	-	-	
19	**Exposures included on a voluntary basis**	-	-	-	-	-	-	-	-	-	-	-	-	
20	**GAR - Total GAR assets**	**72.8**	**9.2**	**9.1**	**0.0**	**0.0**	**0.0**	**0.0**	**-**	**6.8**	**0.1**	**0.9**	**12.6**	

Template 3: CAPEX_Stock

Disclosure period T % (compared to total covered assets in the denominator)		a	b	c	d	e	f	g	h	i	j	k	l	M
		Taxonomy eligible	Taxonomy aligned	Substantial contribution to environmental objectives						Of which specialised lending	Of which transitional	Of which enabling	Share of Taxonomy-Aligned Assets vs. Taxonomy-Eligible Assets	Exposures not assessed
				Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)					
1	**GAR - Assets hedged in both the numerator and the denominator**	74.5	10.5	10.2	0.2	0.0	0.1	0.0	-	6.8	0.1	1.7	14.1	
2	**Loans and advances, debt securities and equity instruments not held for trading, eligible for GAR calculation**	73.8	10.5	10.2	0.2	0.0	0.1	0.0	-	6.8	0.1	1.7	14.1	
3	**Financial corporations**	2.4	0.2	0.2	0.0	-	-	-	-	-	0.0	0.0	0.3	
4	Loans and advances	0.8	0.1	0.1	0.0	-	-	-	-	-	0.0	0.0	0.1	
5	Debt securities, including UoP	1.1	0.1	0.1	0.0	-	-	-	-	-	0.0	0.0	0.2	
6	Equity instruments	0.5	0.0	0.0	0.0	-	-	-	-	-	0.0	0.0	0.0	
7	**Non-financial corporations**	5.6	3.6	3.2	0.2	0.0	0.1	0.0	-	-	0.1	1.7	4.8	
8	Loans and advances	4.5	2.7	2.5	0.1	0.0	0.1	0.0	-	-	0.0	1.4	3.6	
9	Debt securities, including UoP	1.1	0.9	0.8	0.1	0.0	0.0	0.0	-	-	0.0	0.3	1.2	
10	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	
11	**Households**	65.8	6.8	6.8	-	-	-	-	-	6.8	-	-	9.1	
12	of which loans collateralised by residential immovable property	65.6	6.8	6.8	-	-	-	-	-	6.8	-	-	9.1	
13	of which building renovation loans	0.1	-	-	-	-	-	-	-	-	-	-	-	
14	of which motor vehicle loans	0.1	-	-	-	-	-	-	-	-	-	-	-	
15	**Financing of local administrations**	-	-	-	-	-	-	-	-	-	-	-	-	
16	Construction financing	-	-	-	-	-	-	-	-	-	-	-	-	
17	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	
18	**Real collateral obtained by taking possession: residential and commercial immovable properties**	0.7	-	-	-	-	-	-	-	-	-	-	-	
19	**Exposures included on a voluntary basis**	-	-	-	-	-	-	-	-	-	-	-	-	
20	**GAR - Total GAR assets**	**74.5**	**10.5**	**10.2**	**0.2**	**0.0**	**0.1**	**0.0**	**-**	**6.8**	**0.1**	**1.7**	**14.1**	

Template 4: GAR KPI flow

Template 4: Turnover_Flow

Disclosure period T % (compared to total covered assets in the denominator)		a	b	c	d	e	f	g	h	i	j	k	l	m
		Taxonomy eligible	Taxonomy aligned	Substantial contribution to environmental objectives										
				Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Of which specialised lending	Of which transitional	Of which enabling	Share of Taxonomy-Aligned Assets vs. Taxonomy-Eligible Assets	Exposures not assessed
1	**GAR - Assets hedged in both the numerator and the denominator**	45.2	8.7	8.7	0.0	0.0	0.0	0.0	-	5.1	0.1	0.9	19.3	
2	**Loans and advances, debt securities and equity instruments not held for trading, eligible for GAR calculation**	45.2	8.7	8.7	0.0	0.0	0.0	0.0	-	5.1	0.1	0.9	19.3	
3	**Financial corporations**	5.3	0.4	0.4	0.0	-	-	0.0	-	-	-	0.1	0.9	
4	Loans and advances	2.7	0.2	0.2	0.0	-	-	-	-	-	-	0.0	0.4	
5	Debt securities, including UoP	2.6	0.2	0.2	0.0	-	-	0.0	-	-	-	0.0	0.5	
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	
7	**Non-financial corporations**	5.7	3.2	3.1	0.0	0.0	0.0	0.0	-	-	0.1	0.8	7.0	
8	Loans and advances	5.0	2.7	2.6	0.0	0.0	0.0	0.0	-	-	0.0	0.7	5.9	
9	Debt securities, including UoP	0.7	0.5	0.5	0.0	0.0	0.0	0.0	-	-	0.1	0.2	1.1	
10	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	
11	**Households**	34.3	5.1	5.1	-	-	-	-	0	5.1	-	-	11.3	
12	of which loans collateralised by residential immovable property	33.6	5.1	5.1	-	-	-	-	0	5.1	-	-	11.3	
13	of which building renovation loans	0.3	-	-	-	-	-	-	-	-	-	-	-	
14	of which motor vehicle loans	0.4	-	-	-	-	-	-	-	-	-	-	-	
15	**Financing of local administrations**	-	-	-	-	-	-	-	-	-	-	-	-	
16	Construction financing	-	-	-	-	-	-	-	-	-	-	-	-	
17	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	
18	**Real collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	
19	**Exposures included on a voluntary basis**	-	-	-	-	-	-	-	-	-	-	-	-	
20	**GAR - Total GAR assets**	**45.2**	**8.7**	**8.7**	**0.0**	**0.0**	**0.0**	**0.0**	**-**	**5.1**	**0.1**	**0.9**	**19.3**	

Template 4: CapEx_Flow

	Disclosure period T % (compared to total covered assets in the denominator)	a	b	c	d	e	f	g	h	i	j	k	l	m
			Taxonomy aligned	Substantial contribution to environmental objectives										
		Taxonomy eligible		Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Of which specialised lending	Of which transitional	Of which enabling	Share of Taxonomy-Aligned Assets vs. Taxonomy-Eligible Assets	Exposures not assessed
1	**GAR - Assets hedged in both the numerator and the denominator**	49.0	10.9	10.4	0.5	0.0	0.0	0.0	-	5.1	0.1	1.9	22.2	
2	**Loans and advances, debt securities and equity instruments not held for trading, eligible for GAR calculation**	49.0	10.9	10.4	0.5	0.0	0.0	0.0	-	5.1	0.1	1.9	22.2	
3	**Financial corporations**	5.4	0.5	0.5	0.0	-	-	-	-	-	-	0.1	1.1	
4	Loans and advances	2.7	0.2	0.2	0.0	-	-	-	-	-	-	0.0	0.5	
5	Debt securities, including UoP	2.7	0.3	0.3	0.0	-	-	-	-	-	-	0.1	0.6	
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	
7	**Non-financial corporations**	9.3	5.3	4.7	0.5	0.0	0.0	0.0	-	-	0.1	1.8	10.7	
8	Loans and advances	8.2	4.3	3.9	0.4	0.0	0.0	0.0	-	-	0.1	1.5	8.8	
9	Debt securities, including UoP	1.1	0.9	0.8	0.1	0.0	0.0	0.0	-	-	0.1	0.4	1.9	
10	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	
11	**Households**	34.3	5.1	5.1	-	-	-	-	0	5.1	-	-	10.5	
12	of which loans collateralised by residential immovable property	33.6	5.1	5.1	-	-	-	-	0	5.1	-	-	10.5	
13	of which building renovation loans	0.3	-	-	-	-	-	-	-	-	-	-	-	
14	of which motor vehicle loans	0.4	-	-	-	-	-	-	-	-	-	-	-	
15	**Financing of local administrations**	-	-	-	-	-	-	-	-	-	-	-	-	
16	Construction financing	-	-	-	-	-	-	-	-	-	-	-	-	
17	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	
18	**Real collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	
19	**Exposures included on a voluntary basis**	-	-	-	-	-	-	-	-	-	-	-	-	
20	**GAR - Total GAR assets**	**49.0**	**10.9**	**10.4**	**0.5**	**0.0**	**0.0**	**0.0**	**-**	**5.1**	**0.1**	**1.9**	**22.2**	

Template 5: KPIs for off-balance sheet exposures

Template 5: Turnover Stock

Disclosure period T % (compared to total off-balance sheet assets)		a	b	c	d	e	f	g	h	i	j	k	l
		Substantial contribution to environmental objectives											
		Taxonomy eligible	Taxonomy aligned	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Of which specialised lending	Of which transitional	Of which enabling	Exposures not assessed
1	Financial guarantees (FinGuar KPI)	29.7	4.3	1.0	3.3	-	0.0	-	-	-	0.1	0.3	-
2	Assets under management (AuM KPI)	3.0	0.4	0.4	0.0	0.0	0.0	-	-	-	-	-	-

Template 5: CapEx_Stock

Disclosure period T % (compared to total off-balance sheet assets)		a	b	c	d	e	f	g	h	i	j	k	l
		Substantial contribution to environmental objectives											
		Taxonomy eligible	Taxonomy aligned	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Of which specialised lending	Of which transitional	Of which enabling	Exposures not assessed
1	Financial guarantees (FinGuar KPI)	32.9	5.3	1.1	4.1	-	0.0	-	-	-	0.1	0.3	-
2	Assets under management (AuM KPI)	4.0	0.6	0.6	0.0	0.0	0.0	-	-	-	-	-	-

Template 5: Turnover_Flow

Disclosure period T % (compared to total off-balance sheet assets)		a	b	c	d	e	f	g	h	i	j	k	l
		Substantial contribution to environmental objectives											
		Taxonomy eligible	Taxonomy aligned	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Of which specialised lending	Of which transitional	Of which enabling	Exposures not assessed
1	Financial guarantees (FinGuar KPI)	8.7	7.0	6.9	-	-	0.1	-	-	-	-	4.1	-
2	Assets under management (AuM KPI)	33.1	4.5	4.5	0.0	0.0	-	-	-	-	-	-	-

Template 5: CapEx_Flow

Disclosure period T % (compared to total off-balance sheet assets)		a	b	c	d	e	f	g	h	i	j	k	l
		Substantial contribution to environmental objectives											
		Taxonomy eligible	Taxonomy aligned	Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and ecosystems (BIO)	Of which specialised lending	Of which transitional	Of which enabling	Exposures not assessed
1	Financial guarantees (FinGuar KPI)	9.5	9.2	5.7	-	-	3.5	-	-	-	-	1.4	-
2	Assets under management (AuM KPI)	42.6	6.7	6.6	0.1	0.0	0.0	-	-	-	-	-	-

Template 8: Annex X - Template 2 Investment KPI (insurance business)

Template 8: Annex X_Model 2[1]

Template Del. Reg. 2026/73 31/12/2025			
Exposures		**%**	**Millions of euro**
1	**Total financial assets**	100	19,214.2
2	**Financial assets covered by the KPI**	22.8	4,375.0
	% hedged financial assets	% based on turnover	% based on CapEx
3	**Taxonomy eligible**	**9.3**	**11.3**
4	Assets in the nuclear sector	0.0	0.0
5	Assets in the fossil gas sector	0.0	0.0
6	**Taxonomy aligned**	**1.9**	**3.3**
7	Companies subject to the application of Articles 19a and 29a of Directive 2013/34/EU	0.6	0.7
8	Of which non-financial companies	0.3	0.4
9	Of which financial companies	0.3	0.3
10	Other hedged counterparties and real estate	0.0	0.0
11	Investments other than investments held in relation to life insurance contracts, in which the investment risk is borne by the policyholders	1.3	2.6
12	Exposures included on a voluntary basis		
13	Transitional activities	0.1	0.2
14	Enabling activities	1.2	0.5
15	Assets in the nuclear sector	0.0	0.0
16	Assets in the fossil gas sector	0.0	0.0
	Taxonomy-aligned by objective	% based on turnover	% based on CapEx
17	Climate change mitigation (CCM)	1.8	3.1
18	Climate change adaptation (CCA)	0.0	0.0
19	Water and marine resources (WTR)	0.0	0.0
20	Circular economy (CE)	0.1	0.1
21	Pollution (PPC)	0.0	0.0
22	Biodiversity and ecosystems (BIO)	-	-
23	**Exposures not assessed**		
24	Exposures financing non-assessed and immaterial counterparty assets (4)		
25	Exposures financing counterparties making the declaration referred to in Article 7, paragraph 9 of this Regulation		
26	Exposures not assessed, considered not material by the reporting entity		
	Breakdown of hedged financial assets	%	Millions of euro
27	Companies subject to the application of Articles 19a and 29a of Directive 2013/34/EU	13.3	581.0
28	Of which non-financial companies	2.7	117.7
29	Of which financial companies	10.6	463.3
30	Other hedged counterparties and real estate	46.9	2,053.1
31	Investments other than investments held in relation to life insurance contracts, in which the investment risk is borne by the policyholders	39.8	1,740.9
32	Exposures included on a voluntary basis		

[1] The template only places investments referring to non-unit-linked/index-linked contracts on lines 11 and 31.

Annex IV - Template for the KPI of financial asset managers

	Reference date of the disclosure		31/12/2025
Exposures		**%**	**Millions of euro**
1	**Total financial assets**	100	211,029
2	**Financial assets covered by the KPI**	16.5	34,716
% hedged financial assets			
		% based on turnover	% based on CapEx
3	**Taxonomy eligible**	40.2	45.7
4	Assets in the nuclear sector	0.5	0.4
5	Assets in the fossil gas sector	0.4	0.4
6	**Taxonomy aligned**	5.9	10.5
7	Companies subject to the application of Articles 19a and 29a of Directive 2013/34/EU	5.9	10.5
8	of which non-financial companies	5.0	9.5
9	of which financial companies	0.9	1.0
10	Other hedged counterparties and real estate	0.0	0.0
11	Exposures included on a voluntary basis	0.0	0.0
12	Transitional activities	0.4	0.6
13	Enabling activities	2.7	4.7
14	Assets in the nuclear sector	0.5	0.4
15	Assets in the fossil gas sector	0.1	0.1
	Taxonomy-aligned by objective	5.9	10.5
16	Climate change mitigation (CCM)	5.7	9.4
17	Climate change adaptation (CCA)	0.0	0.8
18	Water and marine resources (WTR)	0.1	0.1
19	Circular economy (CE)	0.1	0.1
20	Pollution (PPC)	0.0	0.0
21	Biodiversity and ecosystems (BIO)	0.0	0.0
22	**Exposures not assessed**	0.0	0.0
23	Exposures financing non-assessed and immaterial counterparty assets	0.0	0.0
24	Exposures not assessed, considered not material by the reporting entity	0.0	0.0
25	Exposures to counterparties making the declaration referred to in Article 7, paragraph 9 of this Regulation	0.0	0.0

Breakdown of hedged financial assets		%	Millions of euro
26	Companies subject to the application of Articles 19a and 29a of Directive 2013/34/EU	80.9	28,070.5
27	Of which non-financial companies	39.7	13,767.2
28	Of which financial companies	41.2	14,303.4
29	Other hedged counterparties and real estate	19.1	6,645.8
30	Exposures included on a voluntary basis	0.0	-

Synthetic indicator at Group level

	Net Revenues (*)	Share of total revenues	KPI Turnover	KPI CapEx
Bank	7,697,768	81.2%	9.2%	10.5%
Asset management	1,066,374	11.2%	5.9%	10.5%
Insurance	721,071	7.6%	1.9%	3.3%
Total	9,485,213	100.0%		
Banco BPM Group Summary KPI			**8.3%**	**10.0%**

(*) Please note that the figures shown in the table refer to the net revenue attributable to the specific business units under review.

SOCIAL INFORMATION

Own workforce [ESRS S1]

The following table provides a description of the impacts, risks and opportunities that the Group has assessed as material in relation to its own workforce following its double materiality analysis.

ESRS Topic, sub-topic, or sub-sub-topic	IRO	Perimeter	Description	Metrics used to assess performance and effectiveness in relation to a material IRO
Gender equality and equal pay for work of equal value	Potential negative impact	Own operations	Possible gender pay disparities as a result of the analysis currently under way under the Pay Transparency Directive	S1-16 - Remuneration metrics (pay gap and total remuneration)
Safe employment Working hours	Positive impact	Own operations	Creation and maintenance of quality employment, ensuring stability and security through the use of open-ended contracts in almost all cases, as well as adherence to contractual working hours	S1-6 - Characteristics of the undertaking's employees S1-7 - Characteristics of non-employee workers in the undertaking's own workforce S1-11 - Social protection
	Opportunity	Own operations	Attracting young talent through Talent Management programmes and also fostering generational turnover with skills expansion and the promotion of equality and inclusion policies and initiatives	
Adequate wages	Positive impact	Own operations	Definition of adequate remuneration programmes based on the recognition of merit and on a system of benefits/welfare for own workforce and related families (e.g. incentives linked to performance/results obtained, welfare that can also be extended to family members)	S1-10 - Adequate wages
Social dialogue Freedom of association, existence of company Committees and information rights, consultation and participation of workers Collective bargaining	Positive impact	Own operations	Guarantee of the right to free trade union membership and participation and promotion of a system of trade union relations that is as concerted as possible and characterised by constant dialogue with moments for exchanging information, consultancy and periodic discussions in the designated fora (e.g., group trade union delegation and bilateral dialogue bodies constituted by joint commissions)	S1-8 - Collective bargaining coverage and social dialogue
Work-life balance	Positive impact	Own operations	Definition, mainly with Trade Unions, of corporate welfare policies and initiatives to support work-life balance and purchasing power	S1-15 - Work-life balance metrics
Health and safety	Positive impact	Own operations	Compliance with regulation 81/08 and implementation of a UNI ISO 45001-certified OSH Management System to guarantee the management of risks related to the work environment, its ergonomic design and minimisation of accidents/near misses/occupational illnesses/work-related stress	S1-14 - Health and safety metrics
Training and skills development	Positive impact	Own operations	Activation of initiatives to support training, skills development and enhancement of the potential and uniqueness of employees, also through the definition of talent management and development programmes, feedback procedures and regular assessments	S1-13 - Training and skills development metrics
Measures against workplace violence and harassment	Positive impact	Own operations	Promotion of a climate of respect and mutually fair behaviour, as well as implementation of internal channels for reporting any form of violence, harassment or discriminatory conduct	S1-17 - Incidents, complaints and severe human rights impacts
Diversity Employment and inclusion of people with disabilities	Positive impact	Own operations	Creation and dissemination of a Diversity & Inclusion culture and the enhancement of equal opportunities	S1-9 - Diversity metrics S1-12 - Persons with disabilities
Confidentiality	Positive impact	Own operations	Definition of internal policies, systems and actions aimed at protecting resource data, in order to prevent intentional and/or unintentional use involving confidential information to the detriment of Group employees.	

Material impacts, risks and opportunities for own workers and their interaction with the strategy and business model [S1 SBM-3]

Within the scope of this report, all the workers on which the Banco BPM Group could produce material impacts have been considered. Almost all of workers who make up own workforce, potentially subject to material impacts, are employees hired on permanent contracts. In addition to these, the residual portion includes non-employees hired with closed-ended contracts working at some head office structures.

The material negative impact, although only potential, identified within the double materiality analysis considers the entirety of the workforce[1] and is attributable to wage disparity, a phenomenon to be considered systemic within the broader socio-economic context in which the Group operates.

The Banco BPM Group's operations can generate significant positive impacts on employees through a variety of initiatives undertaken in the following areas of sustainability:

- working conditions and well-being of own workforce, through, as a way of example, welfare and well-being plans, promotion of work-life balance, support for parenting and for supplementary pensions;
- health and safety, through health care and insurance policies, programmes and training to promote physical and mental well-being;
- equal pay and opportunities, through fairness in recruitment and selection, promotion of a climate of respect and behaviours aimed at reciprocal correctness, initiatives and training to protect diversity and disability, channels for listening to personal aspirations and performance assessment systems, incentives related to performance, enhancement of female talent and monitoring the gender pay gap, promotion of growth for young talents;
- protection of employee data and information privacy, also through the Annual Cybersecurity Training and Awareness-raising Plan.

For more information on the actions implemented by the Group, please see the section "Actions related to the management of IROs in relation to working conditions and well-being of own workforce", "Actions related to the management of IROs in relation to health and safety", " Actions related to the management of IROs in relation to equal treatment and opportunities for own workforce" "Actions related to the management of IROs in relation to the confidentiality and correct processing of own workforce data".

It should be noted that the Group does not generate specific positive and/or negative impacts on its own workforce deriving from transition plans aimed at reducing negative impacts on the environment and implementing greener and more climate-neutral operations.

Lastly, following the double materiality analysis, no material risks were identified deriving from impacts and dependencies in terms of its own workforce. As the Group mainly operates in Italy and does not carry out activities in countries or geographical areas significantly affected by phenomena such as forced and compulsory labour or child labour, is not exposed to the related risks. Vice versa, an opportunity to increase the Group's talent attraction and productivity has been identified, strictly interconnected with the positive impacts generated on its own workforce thanks to the above-mentioned activities.

Processes for engaging with own workforce and channels for expressing concerns [S1-2] [S1-3]

Through stakeholder engagement activities, the perspectives and interests of its own workforce guide the Group's decisions and activities aimed at managing material impacts. In the ordinary course of its activities, the Group implements engagement initiatives based on the principles of transparency, listening and collaboration, with a view to continuously improving the employee experience.

The Human Resources function of the Parent Company and the head of Anima's Human Resources Division, for their own workforce, are responsible for ensuring that employee engagement takes place and that the results of this activity guide the Group's approach.

[1] In this regard, it should be noted that there are no specific categories of workers that by activity and/or context in which they operate and/or personal characteristics are more exposed to risks.

In particular, employee engagement takes place through Staff Managers and Managers in the network, who receive dedicated training and are constantly encouraged to actively listen to their respective employees, including through channels to collect professional aspirations and to foster an inclusive culture.
Employees are engaged on an ongoing basis through constant dialogue with the Trade Unions. In fact, the Group is committed to guaranteeing trade union freedoms and the right of association in representative workers' organisations and provides a system of trade union relations that is as consultative as possible and based on constant dialogue. The dialogue with Trade Unions involves periodic information, consultation and discussion sessions, which normally happen on a weekly basis, with the aim of fostering a climate of mutual listening and dialogue in the ongoing pursuit of fruitful industrial relations.
Specifically:

- with regard to the credit sector, dialogue takes place through the priority channel of discussion constituted by the Group Trade Union Delegation, a body to which are assigned all the competences delegated by law and sector regulations to the second level of bargaining.
  There are also bilateral dialogue bodies consisting of joint commissions without negotiating powers, whose purpose is to carry out studies, research and in-depth reports on issues subject to negotiation in the Delegation. These committees include in particular those on Training and Professional Development, Welfare, Equal Opportunities and Inclusion, Trade Policies, ESG. In particular, the ESG Joint Commission, established with the Banco BPM Group's Protocol on industrial relations of 13 May 2025, is the forum (pursuant to the same Protocol) for analysing actions aimed at encouraging responsible behaviour regarding the social and environmental impacts associated with the performance of work activities and as a forum for illustrating, discussing and verifying relevant information on sustainability. The same was therefore the home, during the year 2025, for meetings to illustrate the results of the double materiality analysis and the technical/regulatory aspects related to the drafting of the Sustainability Statement, it being understood that the issues relating to our own workforce are constantly subject to illustration, information and discussion as part of the ongoing dialogue with the Trade Unions;
- on the other hand, with regard to the Insurance and Public Establishment, Catering, Commercial Catering and Tourism sectors, dialogue takes place regularly through the priority channel of discussion formed by the Union Representatives at the company and territorial Union Leaders.

The engagement of employees also takes place, on an ongoing basis, on the subject of workplace health and safety, through the supervisors, the emergency workers and through the workers' safety Representatives.

In addition to all the above, additional *ad hoc* channels are in place within the Group for reporting violations, instances, needs and inconveniences by its own workforce:

- whistleblowing channel: the internal system for reporting violations, which takes into account the provisions of Italian Legislative Decree no. 24/2023 (known as the "Whistleblowing Decree"), to enable people to report, directly and with an absolute guarantee of confidentiality, any unlawful conduct taking place within the Group itself (please refer to the chapter "Business Conduct" for more details). For the Anima workforce, it is possible to either send an electronic communication on a dedicated platform or send a letter by ordinary mail. Should they deem it appropriate, colleagues may contact the Anima Human Resources Division offices directly to raise concerns and receive guidance on the appropriate process/channel to respond to their report;
- "Listening Space" managed by authorised internal psychologists in order to provide support and accompaniment to deal with work and/or personal difficulties with the utmost confidentiality;
- mailbox (segnalo@bancobpm.it) dedicated to reporting harassment, violence and discrimination in the workplace, which are analysed and handled in accordance with the relevant internal regulations;
- Commercial Policies and Work Organisation Commission, envisaged in the relevant collective bargaining agreement, to which employees may, through their trade union representatives, report any violations of the principles laid down in the relevant trade union agreement. The principles set out in the agreement are also the subject of specific training measures and their violation may also lead to the adoption of organisational and management measures aimed at putting an end to any critical issues identified;
- workers' safety representatives and the Safety structure to whom any health and safety issues can be reported.

On the subject of reports of harassment, violence and discrimination, it should be noted that the Diversity, Inclusion and Social, Labour Policies and Human Resources Legal structures (with the possible support of Human Resources Management) are responsible for handling reports submitted by alleged victims and/or witnesses via the mailbox segnalo@bancobpm.it. In particular, the activities of analysing and investigating the reported incident are supervised

by the head of Human Resources function (or their delegate) and entrusted, according to competence, to the structures involved in the process and to other structures where necessary.
In order to protect the presumed victim and/or whistleblower, the Group reserves the right to implement the appropriate management interventions, promptly and even before the analysis and in-depth exploration of the report are completed, also taking into account the seriousness of the situation and the case reported.[1] These activities are carried out in compliance with the rules and regulations in force and in full respect of the principles of confidentiality and fairness, as well as with the legislation on the protection of personal data.
With regard to this issue, it should also be noted that to support workers who are victims of violence, harassment and discrimination also outside the workplace, or involved in support/assistance paths related thereto, additional protection tools are provided, which are defined with the Trade Unions in the context of specific agreements (by way of example, paid leave, extension of the period of paid leave referred to in Article 24, paragraph 1, of Italian Legislative Decree no. 80 of 15 June 2015).
For reports received from the workforce of Anima through the channels referred to above, also used to report harassment and violence, a process has been defined for managing and analysing reports which includes a specifically identified manager (i.e., the Internal Reporting Systems manager - IRSM), who preliminarily examines the report, assessing the existence of the grounds and reliability necessary to initiate further investigation, excluding generic reports. Where the report is deemed to be a mere personal grievance or relates to events already reported and/or known to the Company or does not fall within the scope of the rules governing whistleblowing, the manager archives the case, notifying the whistleblower. The manager updates the whistleblower on the progress of the case through the same channel originally used for the report.

The Banco BPM Group endeavours to ensure the availability of specific channels for employees to communicate concerns or needs. In this sense, a section of the company intranet is specifically dedicated to these channels (whistleblowing), ad-hoc thematic carousels and dedicated newsletters are periodically published. In addition, the Human Resources Legal and Industrial Relations structures collaborate with the Academy structure in the planning and provision of training interventions in order to make known the various reporting channels available. At the end of the training sessions, an assessment questionnaire is provided to certify the actual understanding of the course contents and assess the level of awareness of the workforce with respect to the existence of channels, structures and processes on which to rely to communicate concerns or needs.
The Regulations portal provides the entire workforce with access to company regulations governing reporting processes, with particular reference to the internal system for reporting violations ("whistleblowing") and combating harassment, violence and all forms of discrimination in the workplace. In addition, the courses for newly recruited workers include information regarding the processes for reporting harassment, violence and discrimination, as well as for reporting unlawful conduct.
Similarly, for employees of Anima, the Whistleblowing Policy is not only published and consultable on the website, but also accessible through the corporate intranet, together with the direct link to the platform for reporting. Again, in order to spread awareness and promote the correct interpretation of the reporting system, Anima is committed to providing adequate training by the Human Resources function to all employees, under the supervision of the Compliance function. Furthermore, it ensures that its people are aware of the whistleblowing channel through an ad-hoc training course available for all employees and interns of Anima (excluding Vita). In addition, all new employees and interns are informed upon their entry about the channels where they can view the Whistleblowing Policy.

With reference to managing reports of violence, harassment and discrimination, in accordance with the provisions of corporate regulations, in order to monitor internal reporting phenomena and the consequent proceedings and measures adopted and ensure the effectiveness of the channels made available, the Diversity, Inclusion and Social structure, in coordination with the other structures involved in the process, produces specific anonymous and aggregate reports, which are reported to the structures and Bodies concerned and in the Group Sustainability Statement.
For Anima, the head of the Internal Reporting Systems draws up an annual report on the proper functioning of the internal reporting systems, containing aggregate information on the results of the activities carried out following the reports received by the Company and its subsidiaries. The report is submitted to the BoD and made available to employees on the company intranet.

Again with reference to managing reports of violence, harassment and discrimination, in line with the provisions of corporate regulations, in addition to guaranteeing the confidentiality of all the persons involved, the Banco BPM Group

[1] These measures may take the form, by way of example, of transfers, even temporary, granting remote work for up to five days a week, granting holidays even at times other than planned ones, etc.

undertakes to protect the authors of reports and/or any witnesses from any form of retaliation or discrimination, even if only attempted or threatened, for reasons directly or indirectly linked to the report.

Policies related to own workforce [S1-1]

People are the very heart of the Group's business strategy, which recognises their value as a primary resource, fundamental for the company's continuous development. In this perspective, the main policies adopted by the Banco BPM Group to manage its own workforce are:

- Code of Ethics (see "Policies related to corporate culture and business conduct");
- Guidelines on respecting and safeguarding human rights;
- Guidelines on workplace health and safety;
- Banco BPM Group staff remuneration policies;
- Guidelines on training and welfare;
- Circular to combat harassment, violence and all forms of discrimination in the workplace;
- Regulation on IT security;
- Regulation on privacy, processing and protection of personal data (see "Policies related to consumers and end-users").

In addition, trade union agreements and second-level bargaining also play a central role on issues such as remote work, mobility, part-time, banking and financial conditions, assistance, welfare, etc.

In preparing the internal reference regulations for the management of impacts, risks and opportunities related to its workforce, the Group complies with all national and international regulations on the protection of human rights, including those concerning human trafficking, forced or compulsory labour and child labour, which are not found in the contexts in which the Group operates.

The main policies adopted by Anima to manage its own workforce are:

- Diversity and Inclusion Policy, which identifies the principles and actions aimed at creating and maintaining a work environment free from any form of discrimination, abuse or harassment and at protecting the psychophysical, moral and cultural integrity of its collaborators through working conditions that respect individual dignity and the enhancement of differences;
- Procedure for the protection of workplace health and safety applied by Anima Holding, Anima SGR, Castello SGR and Kairos Partners SGR, which governs the organisational model for the protection of health and safety of employees in the workplace, also developed based on the ISO 1400 and ISO 45001 integrated management systems;
- Policy on Diversity of Administration and Supervisory Bodies applied by Anima Holding and Anima SGR, which identifies the principles for an optimal qualitative and quantitative composition of the Administration and Supervisory Bodies in terms of gender diversity, managerial and professional skills, age and length of service.

Definition and monitoring of actions for own workforce [S1-4]

The Group has adopted and planned multiple actions in order to manage the main issues related to its own workforce, as well as to achieve the purposes and objectives of its internal policies. The actions adopted concern the following material sustainability topics identified by the Group:

- working conditions and the well-being of its own workforce;
- health and safety;
- equal pay and equal opportunities;
- confidentiality and correct processing of data.

The Group, also through discussions with Trade Unions, and in addition to confirming a solid and inclusive welfare system, established initiatives to support the work/private life balance and the purchasing power of employees, developing services and benefits that generate value in the areas of health, family and leisure.
In this perspective, as well as confirming a Welfare Plan for employees and their families, an important agreement was reached to activate a process to streamline the various forms of healthcare present, with a view to gradually achieving standardised regulations and economic treatment for the Group's employees.

With regard to initiatives supporting work/life balance, in addition to introducing, on a trial basis, more favourable remote work provisions[1], the Group has provided appropriate tools to achieve better time management, such as work suspension and additional leave beyond that required by law and contracts, as well as offering well-being initiatives to support the physical and psychological well-being of staff, parents and families (such as the company nursery and summer camps).

The resources committed by the Group for the implementation of the different actions refer to both financial resources, attributable to the dedicated budgets and assigned to the individual structures, company contributions and loans obtained by using sector funds for financed training, and to human resources, attributable to staff involved in the management and organisation of the various initiatives.

In particular, the actions implemented by the Group and described in detail below promote the pursuit of the material opportunity identified in the double materiality analysis, in relation to attracting talent through Talent Management programmes and improving the working environment through the dissemination of equality and inclusion initiatives.

Through constant dialogue with the workers of its own workforce, also with the support of specific reference figures of the Staff Management structure, the Group ensures monitoring the effectiveness of all the initiatives introduced, evaluating, among other things, its suitability in the event of actions aimed at mitigating negative impacts.

Process of defining objectives related to own workforce [S1-5]

The objectives defined by the Group concern the following material sustainability topics identified for its own workforce:

- working conditions and the well-being of its own workforce;
- health and safety;
- equal pay and equal opportunities;
- confidentiality and correct processing of data.

The definition of sustainability objectives is part of the more complex process of drafting the Strategic Plan, to which the various company functions contribute according to their specific sphere of competence. The process also requires the involvement of top management.
The definition of objectives takes into account the issues and requests that emerged during the meetings with the workforce and workers' representatives who are periodically involved through participation in trade union discussions, as well as the performance recorded in previous years and the resources made available in determining company objectives.
The monitoring of performance linked to the sustainability objectives included in the Strategic Plan is carried out, for the respective areas of competence, by the Planning and Value Management function and by the Transition and Sustainability function at least on a quarterly basis.
The performance measured periodically is compared with the predetermined interim targets in order to detect any gaps. The results of the monitoring activity are brought to the attention of the Corporate Bodies, also in order to direct any remediation actions activated by engaging the structures responsible for pursuing the company objectives.

Working conditions and the well-being of own workforce

Policies related to working conditions and the well-being of own workforce [S1-1] [S1 MDR-P]

Guidelines on respecting and safeguarding human rights

The Guidelines on respecting and safeguarding human rights are applied by all Group Companies, both in the context of their own operations and in the relations with companies in the upstream and downstream value chain, and govern the principles, roles and responsibilities for respecting and safeguarding human rights, diversity and inclusion with particular attention to the direct and indirect impacts deriving from the choices and actions implemented by the Group Companies, guiding their strategic and operational choices.
The main objectives of the Guidelines are to define and promote the values that inspire the Group and aim to promote respect for dignity, equity, equal opportunities, the enhancement of each individual's specific characteristics, inclusiveness, data and information protection, active participation, continuous training, and transparency in reporting

[1] For more information, please refer to the target "Achievement of the share of hours worked remotely for Head Office employees".

actions and results. These values are also incorporated in the Group's Code of Ethics and all other relevant internal regulations.

The principles outlined in the Guidelines encourage the development of initiatives dedicated to listening to, respecting and combating all forms of harassment and discrimination, recognising the value of diversity and inclusion to:

- prevent negative impacts related to human rights, such as incidents of discrimination and harassment;
- foster positive impacts, such as the promotion of dialogue at all company levels and initiatives aimed at increasing employee well-being, as well as protecting the economic, social and cultural rights of communities and the freedom of expression of customers;
- seize opportunities to make the Group as attractive as possible in the labour market, with particular reference to young talents.

Through the aforementioned Guidelines, the ESG Committee ensures monitoring the implementation and alignment of corporate strategies and initiatives in the field of human rights protection.
The Group implements line, second- and third-level controls to verify compliance with the principles set forth in the Guidelines on human rights and in the internal procedures issued in the application thereof. Human rights are integrated into the Group's risk management model and as such, are subject to periodic assessment as part of the broader corporate sustainability strategy.

The Group provides staff with appropriate channels to receive reports of alleged violations, reporting annually on performance in protecting human rights in terms of how it is managed and monitored, the risks identified, the results of assessment activities and management and mitigation actions.

Through the implementation of these Guidelines, the Group undertakes to comply with national and European regulations, as well as the main international treaties on the protection of human rights and, in particular:

- the UN Declaration of Human Rights;
- the 2030 Agenda for Sustainable Development;
- the Italian Constitution;
- the International Charter of Human Rights of the United Nations (including the UN Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights);
- the European Convention on Human Rights;
- the Declaration on Fundamental Principles and Rights at Work of the International Labour Organisation (ILO) and subsequent related conventions;
- the United Nations Global Compact for the promotion of a sustainable global economy, a voluntary initiative to which the Group has formally adhered;
- the Joint Statement on Gender-based Harassment and Violence in the workplace signed by ABI and the Social Parties.

The highest management level responsible for the enforcement of the Guidelines coincides with the role of the Chief Executive Officer.

The Guidelines are communicated to the entire workforce through publication on the company portal, specific training sessions and to all stakeholders, including collaborators, suppliers and partners, through the publication on the company website so that there is full awareness and impetus for the promotion of human rights as an integral part of the value system of the Banco BPM Group.

Actions related to the management of IROs in relation to working conditions and well-being of own workforce [S1 MDR-A]

The Group has adopted and planned multiple actions dedicated to safeguarding the working conditions and well-being of its people, contributing to increasing the ability to attract and retain talent, in line with the purposes and objectives of its internal policies. In particular, the main actions adopted in the reference year in this area are reported below:

- Welfare Plan, free Welfare Coach service offer, conventions and corporate recreational clubs;
- supplementary pension plan offer;
- implementation of workplace well-being programmes;

- implementation of activities and contributions to support parenting;
- activation of specific training courses for work-life balance.

It should further be noted that Anima has also adopted and planned multiple actions in order to manage issues relating to the conditions of its workforce, as well as to achieve the aims and objectives of its internal policies. Specifically:

- periodically implemented the Internship Programme for the placement of interns;
- periodic surveys and satisfaction questionnaires at specific events, with a view to continuously improving the employee experience.

Welfare Plan, free Welfare Coach service offer, conventions and corporate recreational clubs

With regard to employees of Italian companies[1] operating in the credit sector belonging to the Professional Areas and Middle Management, based on specific agreements reached with the Trade Unions, the Group has confirmed for the year 2025 the recognition of a welfare budget and the possibility of converting the company bonus into a welfare budget, the unused balance of which in 2025 can be carried over to the following year. In addition, employees have been given the option of taking up to five days of "Free Time" leave to improve their work-life balance.
Employees in the insurance sector are also awarded a welfare budged based on existing trade union agreements, as well as the option of transforming part of the company bonus into a welfare budget.
These budgets can be applied through a welfare platform that can be used via an app for the purchase of goods and services for the family, mobility, leisure, health care, supplementary pension plan and the repayment of domestic utilities.

The Welfare Coach service also continues in the two-year period 2025-26, dedicated to orientation, information and support for the care of fragile family members and for their own personal growth. The service, which is offered to all employees of Italian Companies[2] operating in the credit and insurance sectors, is accompanied by detailed information that also allows learning about the opportunities offered in the field of welfare by the public service.
In addition and in continuation of last year, the Group has provided the possibility of taking advantage of special agreements and conditions for the purchase of goods and services and participation in events, also through the corporate recreational clubs of workers, which involve, in addition to employees, retired staff and family members.
With regard to the company bonus and the welfare bonus, €44,22 million[3] was allocated in cash or welfare mode according to the criteria and methods of individual choice established by current tax regulations.

Supplementary pension plan offer

To ensure an adequate level of future pension protection, complementing the benefits provided by the basic public system, all Group employees of Italian companies are offered the opportunity to join supplementary Pension Funds. Employees are therefore guaranteed the opportunity to enrol in one of the supplementary pension schemes identified based on the Company they belong to/come from and, with regard to credit, their place of work, with the company contributing €46.98 million[4] in 2025 towards the individual's choice to pay an individual contribution calculated on the basis of their salary. For some of these options, there is an additional possibility of registering the dependent family members for tax purposes.

Implementation of the "Taking care" programme for work well-being

The "Taking care" programme was implemented by the Group with the aim of improving the work well-being of families with children in different age groups, caregivers, women returning from maternity leave and new fathers. The programme includes the provision of courses and webinars specifically on the topics of caring for family members and has planned 16 initiatives in 2025, including live events and virtual meetings, and 4 initiatives dedicated to those caring for a dependent family member. In addition, families with children with disabilities are involved in the "Ability Parent Care" parenting support programme, tailored to the needs of the family unit. The programme is provided through webinars, which makes the courses easy to use by the entire Banco BPM Group. In 2025, there were 42 dedicated meetings.

[1] Banco BPM, Oaklins Italy, Banco BPM Invest SGR, Aletti Fiduciaria, Banca Aletti, Banca Akros.
[2] Banco BPM, Oaklins Italy, Banco BPM Invest SGR, Aletti Fiduciaria, Banca Aletti, Banca Akros, Vera Vita and Banco BPM Vita.
[3] This component is included in the Consolidated Income Statement under item "190 a) personnel expenses".
[4] This component is included in the Consolidated Income Statement under item "190 a) personnel expenses".

Implementation of activities and contributions to support parenting

In order to improve the well-being of its own workforce and promote balance between work and family life, several activities related to parenting have been implemented that mainly concern the employees of the credit Companies.
On the basis of currently in force trade union agreements, during the summer period, camps are provided for the children, aged between 6 and 16 years, of employees, with different types of stays organised in several shifts, both in Italy and abroad, in which 1,428 children and teens took part in 2025. Furthermore, and always based on trade union agreements, a dedicated budget is provided for each child between the ages of 0 and 12 for the purchase of a gift for the Christmas holidays, an initiative that involved 5,808 children in 2025.
In addition, with reference to Italian companies operating in the credit and insurance sectors, in the two-year period 2025-26, a school and university orientation service was introduced for the children of employees who were attending middle and high schools. Structured in digital and gamified mode, the course counted the participation of 260 youth in its first edition. At the same time, a support programme was activated for parents with children between the ages of 6 and 26, aimed at offering useful tools to deal with the complexities of the parental role with awareness and accompany the balanced growth path of their children.
To provide support in caring for employees' children during working hours, Banco BPM also has a company nursery, "Il giardino di Bez", located at one of the Milan headquarters. Thanks to the agreement with the Municipality of Milan, the nursery welcomes around 70 children every year and is open to families in the neighbourhood, demonstrating the Group's commitment to the relationship with the community in which it operates.
Lastly, in addition to extending the number of remote work days that can be used and the number of recipients, a trade union agreement between the Parties introduced more favourable provisions to support parents (recognition of eight additional remote work days during the summer period for parents of children up to 12 years of age and for workers who take leave under Italian Law 104/1992 for childcare) and particularly serious individual health situations, thus also favouring the involvement of people with disabilities in daily work.

Activation of specific training courses for work-life balance

In 2025, in continuity with the previous year, the Group provided two training courses focused on improving the balance between private and professional life at the third edition of the initiative. Specifically, the course "Balancing life and work", aimed at all Group staff, aimed to impart new skills in reconciling work and private life for greater organisational effectiveness and efficiency. The course "Facilitating work-life balance", dedicated to people in positions of responsibility, aimed at recognising the value of work-life balance as a lever for motivating and enhancing the contribution of employees, identifying strategies and behaviours for effective management of team organisation.

Objectives related to working conditions and the well-being of own workforce [S1 MDR-T]

The main objectives aimed at managing working conditions and the well-being of its own workforce as well as monitoring the effectiveness of policies and actions are:

- promoting generational turnover;
- increasing the share of remote working for Head Office employees.

Promoting generational turnover

In order to renew its workforce and contribute to the development of new skills required to support business growth - acquiring, in particular, new skills in IT tech and Cybersecurity - the Group has set out in its 2023-26 Strategic Plan, and in its subsequent update to 2027, to implement a programme of generational turnover and skills enhancement. In relation to this, following an agreement with the Trade Unions, 1,100 exits were envisaged in 2025 for access to extraordinary Solidarity Fund benefits, of which 1,090 have already been completed, which, together with about 500 participating in the incentivised retirement plan (implemented from June 2024), allowed a total of about 1,600 people to retire. On the basis of these forecasts, during 2025 and 2026, the aforementioned agreement also envisaged 800 recruitments[1] with priority use of apprenticeship contracts and a further 100 recruitments with fixed-term contracts.
In addition, by 2026 the recruitment of 200 new specialists in IT Tech will be completed while, in line with the provisions of the 2024-27 Strategic Plan, the target of 15% of specialists in IT Tech with specific skills in Cybersecurity out of the total number of hires made in IT structures has been reached, a target that the Group is committed to maintaining for the entire duration of the Plan. This objective pursues the aim of internalising key skills to improve and strengthen the tech innovation, lean banking and Cybersecurity sectors.

[1] Compared to the target in the 2023-26 Strategic Plan, in the 2024-27 plan the requirement to recruit under 30s was removed.

The objectives in question are defined through specific business control and validation processes of the data and considering the results of a detailed discussion that involved the workers' representatives in dedicated trade union tables. The figure as at 31 December 2025 shows 480 recruitments for generational turnover. Regarding the IT Tech sphere, since the beginning of the Strategic Plan 2023-26, 131 resources have been hired overall, with 21.3% of profiles specialised in cybersecurity out of the total number of hires in the IT structures.

Achievement of the share of hours worked remotely for Head Office employees

Also in line with the People Strategy forecasts contained in the Strategic Plan, in 2025 a new experimental agreement was signed with the Trade Unions on the subject of working remotely, with the aim of further improving the work-life balance of Group workers and promoting a more flexible and inclusive working environment.
This agreement, in addition to extending the number of remote-work days that can be used and the number of recipients, introduced better provisions for the protection of parenting and particularly serious individual health situations, thus also favouring involvement in the everyday working life of people with disabilities.
The Group[1] expects to reach, by 2027, a share of remote working equal to 40% of the ordinary hours worked by employees of the headquarters. Defined in the 2023-26 Strategic Plan as updated to 2027, the objective pursues various purposes also in line with the Guidelines on respecting and safeguarding human rights, such as: the improvement of work-life balance and increase in the Group's attractiveness towards talents (in particular in the IT Tech field), in addition to the consequent reduction of Scope 3 emissions deriving from commuting.

The Group has set this target based on analytical data recorded via the internal attendance management system, whilst also taking into account the findings of discussions with the trade union.

In 2025, the new experimental agreement on remote work, which increased[2] the maximum number of days that could be used per month, enabled 38% of hours worked by head office employees to be carried out remotely.[3]

Metrics related to the characteristics of employees and non-employees in own workforce [S1-6] [S1-7]

As at 31 December 2025, the Group had a total of 18,965 employees, counting each employee and/or person who carries out the majority of their activities in a Group Company as a "full-time equivalent" (hereinafter "FTE").

The Group also publishes the figure on the total number of employees in the Annual Financial Report in the section "Results - Consolidated income statement figures ".[4]

The following table shows the breakdown of employees by gender[5] and contract type:

Employee type	2025			2024		
	Women	Men	Total	Women	Men	Total
Number of permanent employees	8,897	9,949	18,846	9,108	10,379	19,487
Number of temporary employees	60	59	119	2	1	3
Number of non-guaranteed hours employees	0	0	0	0	0	0
Total	**8,957**	**10,008**	**18,965**	**9,110**	**10,380**	**19,490**
Number of full-time employees	6,057	9,808	15,865	5,998	10,157	16,155
Number of part-time employees	2,900	200	3,100	3,112	223	3,335

The increase in the number of fixed-term contracts is attributable to the agreements signed with the Trade Unions, which provide for a generational turnover with the priority inclusion of new hires to support the business of the commercial network, as well as the integration of Anima.

[1] Excluding the foreign companies Sagim and Terme Ioniche.
[2] The increase in the number of days, resulting from the trade union agreement signed in May 2025, was 21.5%. It should also be noted that the percentage of workers permitted to work remotely corresponds to 32.3% of the total, while the offices of these workers represent 30.3% overall.
[3] In 2024, this percentage amounted to 33.8%.
[4] When carrying out the reconciliation, it must be borne in mind that the figures reported in the SS do not include 10 temporary staff, in accordance with the relevant requirements set out in Bank of Italy Circular No 262.
[5] Please note that there are no employees belonging to the "Other" or "Not disclosed" categories.

Moreover, the Group recorded 1,749 employees terminated during 2025 (and a resulting employee turnover rate of 9.2%), compared to 529 employees terminated during 2024 (and a resulting turnover rate of 2.7%). The increase in the number of terminated employees and the related turnover rate is due to the redundancy incentives as well as agreements on voluntary redundancy plans with access to the extraordinary benefits of the Solidarity Fund.

The count includes all exits of Banco BPM Group employees and/or those who perform the majority of their activities in a Group company (including Anima, for which only exits recorded in the period from 1 April to 31 December 2025 were taken into account). Therefore, terminations of outsourced secondments that operate for Companies outside the scope are excluded.

As at 31 December 2025, the Group had a total of 57 non-employee workers active at the end of the period (of whom six were self-employed and 51 were provided by companies engaged in staff recruitment, selection and supply), who carried out most of their activities in a Group Company, with each person considered equivalent to one FTE, compared to a total of 32 non-employee workers recorded as at 31 December 2024[1]. The most common types of non-employed staff included in the count are collaborators, temporary workers and people on internships.

Metrics related to adequate wages, remuneration and social protection [S1-8] [S1-10] [S1-11] [S1-16]

The Group states that, in line with 2024, all employees (100%) receive an adequate salary, considering the results of the analyses carried out on the salaries of the foreign Companies' workforce (based on the regulations in force in each country) and considering that in the Italian Companies, all workers have National Collective Labour Agreements applied. As in 2024, Collective Agreements are envisaged for 99.8% of the workers of the entire Group, as only employees hired in Ireland and Asia[2] are subject to individual bargaining. Therefore, there are no employees covered by collective bargaining outside the European Economic Area (also "EEA").

The overall percentage of Group employees covered by employee representatives is 99.59%, compared to 99.71% in 2024, while the percentage for employees in Italy is 99.87%, compared to 99.98% of the previous year, counting all those employed by Companies based in Italy that are subject to national collective bargaining agreements for the credit sector and ANIA or with a workforce of more than 15 employees.
With regard to social dialogue, it should be noted that there are no agreements with employees for representation by a European Works Council (EWC), a Works Council of a European company or a Works Council of a European Cooperative company.

The ratio of the annual total remuneration of the highest paid person at Group level to the median annual total remuneration of all employees (excluding the aforementioned person) is 72.4, compared to a value of 47.9 in 2024. This ratio is calculated by considering the total annual remuneration of each employee of all Group Companies as the denominator[3].
The increase in the ratio of the highest remuneration to the average employee remuneration recorded in 2025 is mainly attributable to the disbursement of the up-front portion (40% of the entire amount) of the long-term incentive related to the three-year performance cycle 2021-2023 of the person receiving the highest remuneration. The ratio would be 48.8 if the long-term component delivered in 2025 is excluded, which alters the comparability with the previous year.

As of 2024, all Group employees are covered by the social protection provided for by the institutes of regulations and bargaining, in accordance with the legislation of the countries in which the Group operates, which intervene in the event of loss of income (understood as loss of employment) due to one of the major life events listed below: illness, unemployment from the time the employee works for the company, accident at work and acquired disability, parental leave, to which the Group has added three additional days paid by the employer, and retirement.
It should be noted that the Credit Sector currently includes national bargaining institutions that can help in the event of a reduction/loss of work through the Solidarity Fund and the Employment Fund.

[1] Of which two are self-employed persons and 30 are provided by companies that carry out staff recruitment, selection and supply activities.
[2] The colleagues hired in Asia are local staff who deal with financial brokerage aimed at facilitating foreign transactions between the Bank and local companies. As already explained, their employment relationship is regulated by individual bargaining.
[3] The ratio between the total annual remuneration of the person receiving the highest salary and the median total annual remuneration of all employees is calculated using the available data. With reference to BBPM Life, given the aggregate annual remuneration figure, the average annual remuneration at Company level was considered for each employee.

Health and safety

Policies related to the health and safety of own workforce [S1-1] [S1 MDR-P]

For the health and safety area, the Group has adopted both prevention policies and a system for managing workplace injuries.

Guidelines on workplace health and safety

In line with the issues defined by the Code of Ethics, the guiding values of the decisions made by the Banco BPM Group incorporate the protection of people's health and safety, through a commitment to ensuring a work environment compliant with legal standards. The definition of the principles, roles and responsibilities in the field of health and safety identified to promote policies, internal processes relating to safety and well-being in the workplace is inspired by the main international treaties on the protection of human rights, with reference to the protection of health and safety and, in particular:

- the UN Declaration of Human Rights (articles 3 and 23);
- Convention C155 on the health and safety of workers issued by the ILO (International Labour Organisation) on 22 June 1981;
- the principles of the UN Global Compact (Principle 1.06) and the UN Sustainable Development Goals (UN Agenda 2030 - Goal 8) promoted by the United Nations;
- the applicable legal provisions.

In addition, owing to the systematic framework of the internal processes and health and safety services integrated with the principles outlined above, Banco BPM's workplace health and management system is compliant with standard UNI EN ISO 45001:2018 - cited above and complies with the current legal provisions deriving from Italian Legislative Decree 81/2008.

The Guidelines on workplace health and safety regulate the principles and controls on the prevention, management and reduction of negative impacts on health and safety.
Consistent with what is defined in the Code of Ethics, the Guidelines govern principles, roles and responsibilities concerning the protection of health and safety in the workplace, pursuing the following objectives:

- promotion of virtuous behaviour by staff and collaborators in their daily work through the dissemination of updated information material;
- enhancement of human resources through the provision of training and information programmes[1] dedicated to the continuous improvement of skills and risk awareness, promoting staff involvement and awareness of health and safety issues in the workplace;
- verification of the technical-professional suitability of partner firms and freelance associates.

The implementation of the aforementioned Guidelines, with reference to own operations, promotes the appropriate management of this aspect of sustainability, generating a positive impact on the health, safety and psychophysical well-being of the Group's employees, as identified during the double materiality analysis.

The Guidelines are applied by Banco BPM, Banca Akros (including the subsidiary Oaklins Italy), Banca Aletti (including the subsidiary Aletti Fiduciaria), Banco BPM Vita (including the subsidiary Vera Vita) and Banco BPM Invest SGR at the level of its own operations and in relations with the companies operating throughout entire value chain. More specifically, they apply to all employees, collaborators and individuals who access the Group's properties, guaranteeing constant monitoring of health and safety issues. The Guidelines do not apply (by definition) to Companies that do not have employees or staff assigned to them and, therefore, are not subject to Italian Legislative Decree 81/2008, namely Ge.Se.So., Banca Aletti & C. (Suisse), Terme Ioniche and Sagim, which ensure the supervision and management of health and safety in accordance with the dictates of the law and the Code of Ethics. The company BBPM Life, which operates in Ireland, adopts the "Health and Safety Statement", through which it undertakes to comply with the legal provisions in force deriving from the Safety, Health and Welfare at Work Act 2005 in compliance with Irish legislation and, during 2025, has adopted the principles of the Group Occupational Health and Safety Guidelines.

[1] In this sense, the Occupational Health and Safety Guidelines assign the Human Resources function the responsibility for defining, through the Academy structure, the management and development of training on health and safety issues on the workplace.

The highest management level responsible for the enforcement of the Guidelines coincides with the Chief Executive Officer. The Compliance function and the Chief Innovation Officer are responsible for monitoring the Guidelines. Specifically:

- the Compliance function constantly monitors the evolution of European and Italian legislation, identifying any need for updating with reference to operating processes;
- through the Staff Health and Safety structure and with the support of the relevant structures, the Chief Innovation Officer ensures adequate health and safety measures are in place, in line with the guidelines and objectives defined by legislation and the annual improvement plan drawn up as part of the health and safety management system and presented to the Parent Company's ESG Committee.

The Guidelines are made available to all external stakeholders through the institutional website of the Banco BPM Group. Internal stakeholders can consult the document on the company intranet.

Actions related to the management of IROs in relation to health and safety [S1 MDR-A]

The Group has adopted and planned multiple actions in order to manage material health and safety issues, as well as to achieve the purposes and objectives of its internal policies.
In particular, the Group is committed to actions aimed at:

- offering prevention and care services related to the health and well-being of employees and their families through various forms of health care, as well as benefiting from the voluntary suspension of work which is partially paid, for personal and family needs;
- guaranteeing and promoting the psycho-physical well-being of workers, including the remote work measures described in the section "Use of remote work and activation of initiatives aimed at promoting sustainable mobility".

In addition, we report that Anima has adopted and planned multiple actions in order to manage material health and safety issues, as well as to achieve the purposes and objectives of its internal policies. Specifically:

- it has again renewed the partnership with Serenis in 2025, a digital platform for mental well-being that offers psychotherapy, psychiatry and psychological support online to all staff;
- framework Agreement with trade unions for working remotely, introduced in 2020 and rendered indefinite starting in 2024;
- introduced the role of Well-being Manager, with the aim of promoting the professional and emotional well-being of Staff through targeted and personalised listening techniques;
- renewed the recurring collaboration with San Raffaele Hospital for the organisation of the flu vaccination campaign.

Healthcare and insurance policies

Group employees are offered the possibility of benefiting from an additional level of health coverage through supplementary health care, which not only improves access to more extensive and specialised care but also reduces the cost of health services. The forms of healthcare offered by the Group support in covering the healthcare and social and health expenses[1] incurred by members, guaranteeing employees and their families the opportunity to economically benefit from additional or replacement services with respect to those provided by the Italian National Health Service. In this regard, an important agreement was reached with the Trade Unions in 2025 to set a process in motion for streamlining the various forms of healthcare in the Group, with a view to gradually achieving uniform regulations and economic treatment for the Group's workers.

The Banco BPM Group contributes to these forms of supplementary healthcare with financial payments that are added to the contributions paid by those enrolled. In 2025, the payments of the Group amounted to €24.25 million.[2]
In addition, the Group provides insurance coverages in the event of workplace injuries and those occurring outside of work and in the event of disability deriving from illness, in addition to the Long-Term Care policy (also "LTC") of the Credit sector for cases of loss of self-sufficiency due to accident or illness.

[1] Expenditure that generally concerns frail persons and is classified into: health services with social relevance, socio-medical services with high health integration and social services with health relevance.
[2] This component is included in the Consolidated Income Statement under item "190 a) personnel expenses".

Promoting physical and mental well-being

Continuing on from last year and with the aim of promoting healthy lifestyles, the Group has activated and developed various initiatives for the employees of all Companies operating in Italy. These include:

- with the W@W (Well-being at Work) project, the Group has provided a dedicated section within the company intranet offering training courses on physical health, proper nutrition, stress management, physical activity, postural education and mental well-being, also offering the possibility of accessing free courses with external specialists in these areas;
- to promote the mental well-being of staff, the Group also offers five sessions with a psychologist each year. The initiative, called "Listening Space" and managed by qualified professional colleagues, is for all those who feel the need for support in dealing with work and/or personal difficulties. Professionals work with employees in individual interviews or Group debriefing sessions, including in the event of robberies, assaults, acts of intimidation or other particularly fragile situations;
- to raise awareness of the importance of blood donations, the Group has confirmed the multi-year collaboration with AVIS, with the aim of expanding the involvement of employees, also through periodic campaigns.

Training to prevent and manage the risk of aggression

In order to support employees in acquiring effective management and communication techniques with aggressive customers and continuing with what was carried out last year, the Group has provided all staff with the "Prevention and aggression risk management" course in remote learning mode. Preceded by communications on how to prevent and manage external intimidating and/or aggressive events, the course focuses on creating greater awareness of traumatic events, such as robberies and assaults, providing some measures that can help those involved in such events. and illustrating to all participants the support path that can be activated in these cases.

Objectives related to the health and safety of own workforce [S1 MDR-T]

Increasing the share of remote working for head office employees

The objective of achieving by 2027 a remote working share equal to 40% of the hours worked for employees at headquarters, described in detail in the section "Objectives related to working conditions and the well-being of own workforce", contributes to psycho-physical well-being by improving work-life balance.

Health and safety metrics [S1-14]

The health and safety management system covers all Group employees (100%), as in 2024. In particular, with regard to health and safety, the following was recorded in 2025:

- 177 workplace injuries (compared to 161 cases recorded in 2024), with an injury rate[1] of 6.3[2] (6.3 injuries every million hours worked), as in 2024;
- 0[3] deaths due to work-related injuries and illnesses, as in 2024;

[1] The rate of recordable work-related accidents is calculated using the available precise data and, to a lesser extent, the number of theoretical hours that can be worked. In particular, the Group does not have the exact number of hours worked:

- for employees who work for Banca Aletti & C. (Suisse), BBPM Life, Sagim and Terme Ioniche, for which the number of theoretical workable hours envisaged by the contract is counted, based on the recorded presence;
- for employees with a classification higher than or equal to the managerial level, for which the number of theoretical workable hours envisaged by contract, for each contract type, is counted based on the recorded presence.

[2] In calculating the rate of work-related injuries, the company divides the number of cases of work-related injuries reported to INAIL, net of all cases that have already been rejected by the body during the reference year, by the total number of hours worked by workers in the year, multiplied by 1,000,000. With reference to Anima's employees, only injuries attributable to the period 1 April - 31 December 2025 were considered. For more details on the calculation methodology, please see the chapter "General Information" under the section "Changes in the preparation and presentation of sustainability information".

[3] For the calculation of deaths related to work injuries and illnesses, the Group considers the number of work-related deaths recognised by INAIL (even if referring to previous years). With reference to Anima's employees, only deaths attributable to the period 1 April - 31 December 2025 were considered.

- Zero cases[1] concerning recordable work-related illnesses, compared to one case of work-related illness recorded in the 2024 financial year;
- 4,982 days lost due to injuries caused by work-related injuries or illnesses[2], compared to 6,718 days recorded in 2024.

Work-life balance metrics [S1-15]

All employees of all Group Companies are entitled to leave for family reasons, by virtue of social policy and/or collective agreements. The following table shows the percentage of employees who have taken leave for family reasons, considering the staff in service at the end of the period who received at least one leave of absence, including: maternity leave, paternity leave, childcare or family care. For Anima employees, only leave requests approved in the period between 1 April and 31 December 2025 were considered.

	2025			2024		
	Women	**Men**	**Total**	**Women**	**Men**	**Total**
Percentage of eligible employees who took leave for family reasons	25%	16%	20%	28%	17%	22%

Equal pay and opportunities for all

Policies related to equal pay and opportunities for own workforce [S1-1] [S1 MDR-P]

The group assigns responsibilities for dealing with equal pay and equal opportunities issues, establishing policies and procedures to guide equal employment practices. In particular, the Human Resources function, through the Diversity, Inclusion and Social structure, designs and develops initiatives aimed at respecting people and diversity, promoting equality in terms of gender, age, ethnicity, disability, religious orientation, emotional orientation, nationality and language, organisational well-being, social inclusion and equality.
The Guidelines on respecting and safeguarding human rights, described in the section "Policies related to working conditions and the well-being of own workforce", are implemented by the Group in order to eliminate discrimination and harassment and to promote equal opportunities. Alongside this, the "Circular on Combating Harassment, Violence and All Forms of Discrimination in the Workplace" specifically covers specific grounds for discrimination such as: race and ethnic origin, skin colour, sex, sexual orientation, gender identity, disability, age, religion, political opinion, national ancestry or social background, as well as any other form of discrimination covered by EU and national law.
The Guidelines are implemented through specific procedures aimed at preventing, mitigating and addressing all forms of discrimination, while promoting inclusion and valuing diversity.
In addition, the Circular "Combating Harassment, Violence and All Forms of Discrimination in the Workplace" sets out the Group's commitments in this regard:

- implementing all necessary actions to prevent any kind of discrimination, violence or harassment at work;
- adopting of training initiatives, including compulsory ones, to promote knowledge and awareness of discrimination, violence and harassment, their seriousness and consequences;
- handling reports of violations so that any behaviour consisting of discrimination, violence and harassment is handled appropriately and impartially;
- preventing any form of direct or indirect retaliation or penalisation against victims and witnesses, as well as against persons who have in any way contributed to the reporting process;
- providing assistance and support to victims in a timely manner;
- implementing communication initiatives and periodic awareness-raising actions.

The Circular also sets out the "Report" procedure for reporting all forms of discrimination and harassment in a protected manner.

[1] For the calculation of work-related illnesses, the Group considers the number of those recognised by INAIL (even if referring to previous years). With reference to Anima's employees, only work-related illnesses attributable to the period 1 April - 31 December 2025 were considered.
[2] For the calculation of days lost caused by injuries due to work-related injuries or illnesses, the Group considers the days of work lost which have been reported to INAIL. With reference to Anima's employees, only days lost attributable to the period 1 April - 31 December 2025 were considered.

In particular, in order to promote a participatory and professional work environment, in which all people are treated with dignity and respect, the Group contributes to spreading a culture of respect in relationships between people. From this perspective, any type of behaviour that may be considered a threat to the dignity of the person who suffers it to is considered unacceptable, as it could compromise their health, confidence, morale, work motivation, work performance and the organisational climate.

In line with the Code of Ethics, the Group is committed every day, in all areas in which it operates, to respecting human rights and promoting a culture focused on them, to combating and removing from conduct any form of discrimination, respecting and valuing differences in gender, age, ethnicity, nationality, religion, language, disabilities, sexual orientation and identity, political and trade union membership. All recipients of the Code of Ethics can report any violation of the Code itself or of the Model pursuant to Italian Legislative Decree 231/2001.
The Group undertakes to carry out investigations in relation to any violations of which it becomes aware and to report them to the Supervisory Body through the dedicated IT platform or to the address that each Group company publishes on its institutional website. All recipients are also required to cooperate in internal investigations of violations and behaviour not in line with the Code of Ethics.
In addition, the Human Resources function, through the Diversity, Inclusion and Social structure, designs and develops initiatives aimed at respecting individuals and their diversity and disabilities, as well as promoting gender, age and affective orientation, organisational well-being, social inclusion and equality. Finally, the Group consistently monitors the need to adapt its processes in response to new regulatory requirements or changes to existing requirements.

Remuneration policy

The "Remuneration Policy" (hereinafter also Policy), applied by the Group[1] at its own operations, defines the principles and elements of the Group's remuneration system, guaranteeing:

- criteria based on responsibilities, professional skills, seniority and merit, regardless of gender;
- operational leverage useful for attracting, motivating and retaining management and staff;
- reducing the risks taken on (including legal and reputational risks), protecting customers and increasing loyalty while also being careful to manage conflicts of interest;
- the creation of long-term value for the benefit of shareholders and in the interest of the Group's stakeholders.

At the same time, with reference to its own operations, the Policy also represents one of the levers implemented by the Group to manage the potential negative impact detected during the double materiality analysis on the issue of equal pay for work of the same value and to favour the positive impact linked to adequate salaries.

Through the implementation of the Policy, the Group undertakes to respect:

- the 37th update of Circular 285/2013, with which the Bank of Italy implemented the changes introduced by Directive 2019/878/EU (CRDV) and the "Guidelines for healthy remuneration policies" of the EBA;
- the "Provisions regarding the transparency of banking and financial transactions and services. Fairness of relationships between intermediaries and customers" with which the Bank of Italy, inter alia, implemented the "Guidelines on remuneration policies and practices for staff responsible for offering banking products and for third parties employed in the banking network sale", issued by the EBA in September 2016;
- the Intermediaries Regulation adopted by CONSOB with resolution 20307/2018 (art. 93) and most recently updated with resolution of 28 July 2022, as well as Delegated Regulation 2017/565/EU which supplements Directive 2014/65/EU (MiFID II). The "Guidelines on certain aspects of MiFID II remuneration requirements" issued by the European Securities and Markets Authority (ESMA) are also relevant;
- IVASS Regulation 38 on the corporate governance of companies and insurance groups, which implements Directive 2009/138/EU (Solvency II), with which the Italian Insurance Authority (IVASS) implements the Guidelines of the European Insurance and Occupational Pensions Authority (EIOPA) on the corporate governance system and which contains the provisions relating to the remuneration policy;
- the deed amending the Implementing Regulation of articles 4-*undecies* and 6, paragraph 1, letters b) and c-bis) of Italian Legislative Decree 58/1998 (also called "TUF");
- articles 123-*ter* of the TUF and 84-*quater* of the Issuers' Regulation (CONSOB Resolution no. 11971/1999) apply, which have implemented the provisions contained in the Shareholder Rights Directive 2

[1] Sagim and Terme Ioniche are excluded, as they are non-regulated and unlisted companies not exercising banking, insurance, financial or similar activities. BPM Covered Bond, BPM Covered Bond 2, BP Covered Bond, Sirio Immobiliare, Lido dei Coralli, BRF Property, Agriurbe, Bipielle Bank (Suisse), Partecipazioni Italiane, ProFamily SPV, BPL Mortgages, Anima Valore Obbligazionario and Private Equity Opportunity are also excluded, as they have no employees or assigned workers.

(2017/828/EU). In addition, in terms of self-regulation, the Corporate Governance Code of January 2020 applies.

The highest level of management responsible for the enforcement of the Policy coincides with the BoD. The Parent Company's Audit function verifies compliance of the procedures implemented by the Group and by the Group Companies with respect to the Policy approved and the regulations in force. The same control activity is carried out in the insurance companies by the Internal Audit function.

When defining the Policy, the Group considers and integrates the interests of the various stakeholders inside and outside in its remuneration system, and in particular:

- shareholders: the alignment of the interests of shareholders and management is guaranteed, recognising the latter part of the remuneration in shares;
- customers: the criteria used to assess increases in the fixed and variable components of remuneration of all staff comply with the remuneration requirements of MiFID II and do not create conflicts of interest that encourage staff to act against the interests of customers. In addition, the Remuneration Policy provides malus and claw-back mechanisms, which affect the incentive until it is eliminated, aimed at discouraging misconduct, further aligning the interests of staff with those of customers and adjusting the variable remuneration if unlawful conduct towards the customer is ascertained;
- workforce: the 2025 Policy includes mechanisms which, in compliance with the legislative framework, enable the Group to attract and retain individuals whose professionalism and expertise meet the Company's needs, with a view to achieving a competitive advantage and good governance. Pursuing internal fairness as regards remuneration has a profound impact on staff motivation and therefore, on performance, while evaluating it with respect to the external labour market enables the best talents to be retained as well as attracting external ones. For this purpose, the Group has implemented a system for assessing positions with the support of a leading consultancy company using the international IPE (International Position Evaluation) methodology;
- Social Parties: the criteria and methods for determining and disbursing the company bonus, intended for non-executive staff of the banking Group Companies that apply the National Credit Agreement, are subject to discussion and negotiation with the Social Parties.

The Policy is made available to all stakeholders on the Group's institutional website. Internal stakeholders can consult the document on the company intranet.

Guidelines on Training and Welfare

The Banco BPM Group's development programmes accompany employees on a path of initiatives and experiences that enhance their skills and promote their talent, involving them in empowerment paths to increase self-awareness and train soft skills and cross-cutting skills in changing professional contexts, and help them focus on their leadership style. Employee management follows the principles of fairness, transparency and meritocracy, verifying professional requirements without any kind of favouritism and discrimination. The Group guarantees all employees equal opportunities for professional growth, valuing merit, competence and dedication, also taking into account the specificities of individuals.
The Academy structure fosters the dissemination of knowledge, shared identity, values and skills. It supports the company's evolution through the enhancement of people by working in three drivers of conduct:

- compliance: in a constantly growing context, Academy acknowledges changes and promptly promotes constant, timely and proactive alignment of content and knowledge with respect to changes and developments and requests that are specifically for carrying out one's role;
- customisation: Academy gathers and listens to the rapidly evolving needs of all the Bank's people and promotes the creation of synergies between Banco BPM's areas, functions and assets, so that needs, expertise and know-how are used as the basis for customising the content of training courses;
- innovation: in a broader scenario of the market (and civil society) that constantly changes and launches new trends, Academy acts as radar, in order to intercept those trends and, if necessary, bring them into the company through of internal and external teachers and innovative training courses, with the ultimate aim of evolving and keeping up with the competitive system.

For the Group, it is increasingly important to differentiate and customise development levers according to different clusters of the population.

Investment in sales network training and the development of hard and soft skills ensures effective performance and a valuable customer relationship. Similarly, managerial training, mentoring and programmes dedicated to young people, key people and talents are the main levers for developing leadership, strategic vision and adaptability. Taken together, these initiatives support competitiveness, retention and responsible long-term growth.

In addition, the Academy structure keeps up-to-date training records by archiving user data within the dedicated LMS platform. Moreover, in order to provide a transparent overview of opportunities for employees, it makes the course catalogue, the reports of use and certificates of attendance available to users.

The Guidelines on Training and Welfare are applied by all Group Companies and regulate the principles, roles and responsibilities regarding training and skills development as well as welfare.
The main objective of these Guidelines is to provide a common frame of reference for all Group companies so that training, professional growth and welfare initiatives are organised and applied consistently, effectively and in line with corporate values and current regulations.

By enforcing the Guidelines in question, the Group undertakes to respect:

- the Declaration on Fundamental Principles and Rights at Work of the International Labour Organisation (ILO) and subsequent related conventions;
- the UN Declaration of Human Rights;
- the European Convention on Human Rights;
- the United Nations Global Compact for the promotion of a sustainable global economy, a voluntary initiative to which the Group has formally adhered;
- the United Nations' 2030 Agenda for Sustainable Development;
- Italian Law 300 of 1970 (Workers' Statute), as amended and supplemented;
- the National Collective Labour Agreements (NCLAs) applicable to the Group Companies;
- Italian Legislative Decree no. 81 of 9 April 2008 as amended and supplemented and the ISO 9001 and 45001 Standards on occupational health and safety;
- Italian Legislative Decree no. 151 of 26 March 2001 - Consolidated law on the protection and support of maternity and paternity, as amended and supplemented;
- Italian Legislative Decree no. 198 of 11 April 2006 - Code of equal opportunities between men and women, pursuant to Article 6 of Italian Law no. 246 of 28 November 2005, as amended and supplemented;
- Italian Legislative Decree no. 80 of 15 June 2015 - Measures for the balancing of care, life and work requirements, as amended and supplemented;
- Italian Law no. 81 of 22 May 2017 - Measures for the protection of non-entrepreneurial self-employment and measures aimed at encouraging flexibility in time and place of subordinate employment.

These principles are also illustrated in the Group's Code of Ethics and in the company regulations.

The highest management level responsible for the enforcement of the Guidelines coincides with the role of the Chief Executive Officer.

An extract of the Guidelines on Training and Welfare is made available to all stakeholders on the Group's institutional website. Internal stakeholders can consult the full version of the document on the company intranet.

Circular to combat harassment, violence and all forms of discrimination in the workplace

The thematic Circular in the section governs commitments and methods for managing reports relating to incidents of violence, harassment and discrimination received by the Parent Company's Human Resources function that occur or have occurred in the workplace. This process complements but does not replace the whistleblowing channel referred to in the Process Regulation “Internal Whistleblowing System”, reinforcing the positive effects generated by the impact of fostering a climate of respect and behaviours aimed at reciprocal correctness and the implementation of internal channels for reporting any acts of discrimination/mobbing/harassment.
In this sense, the Group's commitment is inspired by the principles expressed in the Guidelines on the respect and protection of human rights, in the Italian Legislative Decree 231/01 Model and in the Code of Ethics, and is based not only on legal provisions, but also on the Joint Declaration on harassment and gender-based violence in the workplace signed between ABI and the Social Parties.

The Circular calls on all persons to contribute, in their daily actions, to abide by the Group's commitment and on managers (or senior persons), in particular, to intercept, in their organisational units and in the exercise of their functions, situations of non-compliance with this Circular.

Internal stakeholders can consult the full version of the document on the company intranet.

Actions related to the management of IROs in relation to equal treatment and opportunities for own workforce [S1-4] [S1 MDR-A]

The actions implemented by the Group in relation to equal pay and opportunities for its own workforce illustrated below include the activities envisaged in response to and to mitigate the potential negative impact identified during the double materiality analysis and also defined within the Strategic Plan. In particular, given the negative impact on fair remuneration issues, the Group undertakes actions aimed at:

- promoting fairness in the recruitment and selection of staff;
- implementing competitive remuneration programmes;
- enhancing female talent and monitoring the gender pay gap;

In parallel, the Group has adopted and planned further initiatives to manage matters related to equal pay and to achieve the objectives of its internal policies, including:

- listening to individual professional aspirations and evaluating performance;
- favouring the coaching of young people and accelerated growth paths;
- spreading a culture of respect and open communication and denouncing discriminatory acts;
- promoting accessibility and training for diversity and disability management;
- supporting employees who are facing serious and verified personal and/or family circumstances.

In addition, it should be noted that Anima has activated and planned initiatives on equal pay and opportunities for its own workforce, with particular reference to:

- the organisation of a course dedicated to specific teams at Castello SGR to explore the operational and regulatory aspects related to the integration of ESG criteria in real estate management and development processes;
- the organisation of the course "ESG and Greenwashing - Regulatory Updates", which is compulsory for some functions, aimed at illustrating the most recent developments in the regulatory framework on sustainable finance, with a particular focus on the phenomenon of greenwashing;
- the launch of the new intranet platform Agorà to improve internal communication, facilitate collaboration and make access to corporate information simpler and more immediate;
- the annual implementation of leadership courses for young talents;
- the participation of a group of about 25 executives in CoCrea's Community course on transformational Leadership;
- the participation by all staff Managers in the course "From institutional feedback to authentic dialogue" with the aim of improving skills in providing effective, genuine and direct feedback through experiential workshops and guided conversations;
- the launch of the internal project "Knowing for collaborating" to facilitate orientation within the Anima structure, deepening knowledge of roles, functions and people;
- the launch of the "Crossing Generations - Dialogues between Generations" course, a training initiative aimed at promoting dialogue and collaboration between the different generations present in the company, through interactive sessions dedicated to inclusion, the enhancement of diversity and the intergenerational transfer of skills.

<u>Promoting fairness in staff recruitment and selection</u>

Within the context of staff selection, the Group has defined a standardised and fair process, applying objective and transparent selection criteria based on the competence and professionalism of the candidates which guarantees equal opportunities for all, as well as allowing the identification of the most suitable candidates in line with the vacant positions.
Among the activities implemented for recruitment, Employer Branding initiatives allow the Group to interact with young university talents within career orientation programmes, career days, testimonials and projects in collaboration with the main universities, entering in contact with a large number of potential candidates.

Developed continuously every year, the initiatives are carried out for the benefit of all Group Companies operating in Italy and cover the entire country, in line with the recruitment objectives published in the Strategic Plan.

Implementing competitive remuneration programmes

In order to enhance the commitment and dedication of employees and increase talent retention, the Group has established that staff remuneration is based on:

- fixed components, which reflect professional experience, organisational responsibilities and technical expertise, according to a principle of equal opportunities and fair pay;
- variable components related to performance, which allows staff to be valued, recognising their individual contribution to achieving results. In particular, the variable components are divided into short-term components (STI) for all staff and long-term components (LTI) for specific groups.

In addition to the variable incentive plans, it should be noted that with regard to the credit sector, an agreement was reached in February 2026 with the Trade Unions on a company bonus (called "VAP") and a welfare bonus with accrual for the year 2025. As far as insurance is concerned, the productivity bonus is instead regulated by the Supplementary Company Agreement.
Since the incentive (both short-term and long-term) of the identified staff during the year is paid over a period of five or six years, divided into an up-front portion and four or five annual deferred portions subject to the positive verification of future conditions, the time horizon within which the company carries out each existing incentive plan (short- or long-term) ends, without prejudice to the treatment on the occasion of extraordinary events, in 2034.
The Short-Term Incentive for non-identified staff, the company bonus and the welfare bonus will be paid in 2026.
The financial resources to support the short- and long-term incentive plans are disbursed in cash or in ordinary shares of the Parent Company, while the company bonus can be used in cash or welfare according to the criteria and methods of individual choice established by the trade union agreements signed from time to time and in compliance with current legislative and tax regulations.

The dedicated financial resources amount to €90.2 million[1] for the 2025 STI Plan and €15.5 million[2] for the share component of the 2025 STI Plan and 2025-2027 LTI Plan (current and future amount distributed over the performance and accrual period of the existing Plans, i.e., in the period 2025-2032).
The actual expense will be determined based on the performance achieved in the respective incentive plans.

Monitoring the gender pay gap and remedial actions

With the aim of contributing to mitigating the negative impact on potential emergence of disparities in salary remuneration between individuals of different genders who cover roles of equal value, the Group has defined a process for measuring and monitoring the gender pay gap for all employed staff; it is based on the provisions of the banking regulatory framework according to criteria and approaches outlined in compliance with the EBA guidelines and Bank of Italy Circular 285/2013[3].
Furthermore, considering the implications of Directive (EU) 2023/970 on remuneration transparency, the Group is refining its process of constructing and measuring Equal Pay for Equal Work, which will be recognised on the basis of a new architecture of the professions that can enhance a skill-based approach and consider professional complexities and levels of expertise as fundamental elements, also with the aim of guaranteeing fairness and transparency in career progression paths.
Lastly, the Group is working on adopting additional analysis tools to neutralise pay differences stemming from additional objective factors, to which gender gaps can be attributed.

[1] Remuneration for the year is included in the Consolidated Income Statement under item "190 a) personnel expenses" as a balancing entry to item "100. Provisions for risks and charges - c) other provisions" of the Consolidated Balance Sheet;
[2] This remuneration component is classified in the Consolidated Income Statement under item "190 a) personnel expenses" as a balancing entry to Shareholders' Equity item "150. Reserves" of the Consolidated Balance Sheet.
[3] The overall difference between the average remuneration of men and women expressed as a percentage of the average remuneration of men (raw gap), albeit being a material indicator, does not take into account the type of work carried out and is therefore affected by the different gender distribution in the organisation (different distribution of women and men among the highest paid roles). As required by said regulatory framework which establishes that banks can identify additional methods for recognising and monitoring the gender pay gap, the Banco BPM Group, in line with the best practices observed in banking, has adopted an analysis methodology (Equal Pay for Equal Work) which splits the population into clusters (Job Class): for managers, the responsibilities and complexity of the activities managed are considered (evaluated by means of the International Position Evaluation (IPE) methodology) and for the remaining staff the type of activity carried out.

By June 2027, the Group must publish the report on the gender pay gap relating to the 2026 data pursuant to Directive (EU) 2023/970, which requires an explanation of whether the pay gaps are due to objective and gender-neutral factors with respect to the characteristics of the company. In this sense, the Banco BPM Group, in line with the best practices observed in the banking context, is moving towards adopting a method for calculating and monitoring the pay gap that, in keeping with the principle of Equal Pay for Equal Work, i) divides the employee population into job clusters on the basis of responsibility, level of complexity managed and type of activities performed and ii) neutralises the effects of any other "gender-neutral" factors that might influence a person's pay.
It should be noted that the indicator calculated as the average of the raw gap of each Job Cluster weighted by the relative number of people has decidedly lower values than the raw gap, as it is not affected by the different gender distribution within the organisation. For further details on the remuneration and pay gap metrics, please see the section "Diversity and pay gap metrics".

Empowering female talent

In order to encourage the spread of an inclusive culture, the Group has envisaged, within the LTI Plan, the inclusion of a KPI related to the increase in the percentage incidence of female staff in managerial roles out of the total of managerial roles as at 31 December 2026 and 31 December 2027 (compared to the figure recorded as at 31 December 2023 and 31 December 2024).
The monthly monitoring of the target achievement level allows a precise calibration of the management actions to prestigiously achieve the targets that the Group has set itself. The increase of female staff in managerial roles is a strategic element for enhancing diversity within the organisation, which reflects the Group's commitment to creating a more inclusive environment and to fostering a corporate culture that recognises and values talent in all its forms. The area to which the KPI refers concerns the managerial roles of the entire Group (excluding Anima that was not included in the perimeter at the start of the Plan). The LTI Plan, including the above-mentioned KPI, is specifically for about 85 positions (excluding those belonging to functions with control tasks), selected on the basis of the level of the position, the impact on the business or for retention purposes. By the end of 2027, the percentage of female staff in managerial roles is expected to reach 36% of the total number of managerial roles.
The actions adopted in the Group's People Strategy processes have contributed to significantly increasing the presence of women in managerial roles. In particular, the representation of women has increased over time in virtually all managerial roles of both Headquarters and the Sales Network. The Banco BPM Group is consolidating the growth path of female management, both in quantitative terms (more women in managerial roles) and qualitative (access to roles of greater complexity and responsibility), a sign of a pipeline of female talent that is strengthening year after year. In the processes of the identification and validation of candidates for managerial roles, the presence of an adequate number of female profiles is always guaranteed.
The Group undertakes to implement actions and carry out projects to increase and enhance female participation: in fact, also in 2025 it is a supporting member of "Valore D", the first business association that promotes gender balance and an inclusive culture for the growth of companies and the country.

Listening to professional aspirations and performance evaluations

The Group has implemented several initiatives dedicated to increasing employee satisfaction.
Among these, a tool dedicated to listening to people was introduced in the company application in 2023, allowing each person to communicate their professional aspirations and development goals.
At the same time, in order to assess the qualitative performance of individuals on an annual basis and measure their ability to effectively manage activities within their area of responsibility, a professional performance assessment tool has been introduced for all staff of Companies that apply the Credit National Collective Labour Agreement and Banco BPM Vita, with the sole exception of Top Management. The latter continues to be assessed through a dedicated tool, designed to measure the effectiveness of organisational behaviour and managerial skills expressed by Top Management.
To support the relationship between managers and people, the Group has tested a tool that facilitates continuous dialogue with a pilot group - "Continuous feedback" - guiding individual actions through reinforcement or improvement feedback.
In a developmental perspective, a structured definition of the sequence of experiences and steps of professional growth was also introduced in 2025, according to a skill-based approach, in order to provide each individual with a clear and coherent path of development.

Development paths for leadership and the transition to more complex roles

The "Transilience" project launched in 2025 for Network Managers and Sales Representatives operating in Italy who could be eligible for roles of greater complexity, accompanies people on a development path aimed at enhancing their professional and personal identity, integrating experience and skills acquired in their working and non-working life and promoting awareness and self-empowerment.
At the same time, a specific programme was implemented for a pilot group of Managers at Headquarters which is based on networking activities, experiential team coaching and moments for discussion with external leaders from different professional fields, with a focus dedicated to the development of leadership.

Experiential and professional development paths for young talents and Group professionals

In 2025, for young colleagues under 30 who were recruited in the last three years and are distributed throughout the country, shadowing initiatives and company visits were carried out, aimed at facilitating an understanding of the organisational context, broadening the overview and providing insight into the work carried out by the various structures, including "behind the scenes". In some cases, there is an accompanying path for acquiring a specific professional role.
At the same time, support initiatives and company visits have been developed for Retail Network Managers, Corporate Employees and Staff at the Headquarters and Group Companies for those who stand out for their motivation and growth potential. These activities foster the broadening of organisational awareness, the development of interpersonal and cross-functional synergies and relationships, and the deepening of specialised and transversal skills. At the same time, for the managers involved as contact persons and speakers, the programme strengthens the guiding role in transferring knowledge and supporting the growth of the new generations. The initiatives also facilitate dialogue between different generations, roles and organisational levels, promoting greater internal integration.
Lastly, for the young colleagues of the Headquarters and of the Group Companies, mainly hired in the last three years, courses characterised by experiential team building activities and the use of innovative technologies such as virtual reality and generative artificial intelligence have been implemented. These activities provide training in skills such as teamwork, communication, problem solving and work organisation, while fostering networking through cross-functional group discussions.

Spreading a climate of respect and open communication

Within the context of promoting a climate of respect and open communication within the workplace, continuing on from the previous year, in 2025 the Group implemented a series of actions and initiatives related to the issue of inclusion, dedicated to all employees, including:

- the implementation of the protected whistleblowing process "@Segnalo", for the management of reports related to harassment and discrimination through a dedicated email address. Regulated in the "Circular on Combating Harassment, Violence and All Forms of Discrimination in the Workplace", the process works in parallel with - but does not replace - the whistleblowing channel set up in the Process Standard "Internal Whistleblowing System";
- the "Posto Occupato" initiative, a social awareness campaign combating violence against women; the Group participates in the initiative by displaying the "Posto Occupato" poster in offices and branches to symbolically dedicate a place to a women who are victims of violence;
- the "Non-Violence Charter", promoted through an awareness-raising and communication campaign on the occasion of the International Day for the Elimination of Violence against Women;
- the "#Respect" programme and the related "#Respect Tour", in line with the Strategic Plan, aimed at consolidating and spreading a culture based on respect and the idea of a more inclusive, equitable and accessible bank. The tour began with 11 stops in the main cities where the Group is present, involving about 900 people as a representative sample of the company population by gender, age and role. In each meeting, the participants developed proposals for actions to be implemented in the area;
- the programme "The journey of LGBTQIA+ inclusion", implemented through the partnership with Parks - Liberi e Uguali and aimed at promoting an inclusive corporate culture. To this end, webinar content and speeches with experts have been made available, a dedicated Teams institutional background recalling the symbols and colours of the LGBTQIA+ flag, as well as the possibility, on the occasion of the Pride in Milan, to participate in the parade together with the Parks network of companies. In the context of corporate volunteering, the Group continued its collaboration with LGBTQIA+ friendly associations through initiatives

for the redevelopment of Rainbow Homes, i.e. protected spaces dedicated to welcoming people experiencing hardships following coming out or gender transition.
Finally, with the contribution of the voices of the Group's volunteers, an audio book containing stories of well-known personalities from the LGBTQIA+ community was produced and donated to the UICI (Italian Union of the Blind and Visually Impaired) National Speech Book Centre;

- the "Connected Generations" programme, which includes initiatives dedicated to dialogue between generations, aimed at promoting integration, exchange and cooperation between people of different ages. In 2025, two live events, three infographics and two in-depth articles were made available, as well as four podcasts that were produced internally in which couples of colleagues from different generations discuss current topics, creating spaces for authentic and constructive conversation that make it possible to enhance the heterogeneous points of view and stories present within the company. These activities were complemented by Financial Inclusion Initiatives, which focused on the approach to the use of money across generations, gender stereotypes related to financial management and investments.

Lastly, the Banco BPM Group's commitment to preventing and combating inappropriate behaviour is reconfirmed in 2025 with the publication of the course "Banco BPM Group's Commitment on Combating Harassment, Violence and All Forms of Discrimination in the Workplace", aimed at all staff. The initiative disseminates and supports the related thematic circular, explaining prohibited behaviour, protective measures and the process for handling reports.

Mentoring Project, Youth Project and Boost Your Talent Programme

With specific reference to Companies based in Italy operating in the credit and insurance sector, the Group has activated various initiatives dedicated to young people and projects aimed at promoting talent. For the period 2024-25, the "Mentoring Programme" continued in its third edition with the aim of facilitating and supporting the growth path of young resources to correctly interpret their role, read the organisation and develop their potential through the value of the Mentors' experience. In addition, also for the year 2025, the Group renewed the "Youth Programme" for its fifth edition; it is aimed at young employees who, based on age, role and classification criteria, are involved in a two-year professional knowledge and soft skills development path to enhance their individual potential.
In continuity with previous years, the "Boost Your Talent Programme" continued in 2025, with the aim of enhancing talent, accompanying the individual on a path of growth through the development of skills and the enhancement of their talents. and the integration of the different contributions of which each person is the bearer.

Promoting accessibility and inclusion of disabilities and diversity

The "Disability Management" programme manages and accompanies people with disabilities in their professional career, promoting inclusion actions and improving business processes based on their work involvement, minimising any form of discrimination.
The needs of people with disabilities are identified through individual interviews and, for each of them, the necessary accommodations are identified and made available to facilitate daily work.
The company has 12 certified Disability Managers who, with the coordination of the Diversity Inclusion and Social structure, offer support and advice in identifying management and organisational solutions, including personalised ones.
In order to foster the dissemination of an inclusive culture, attentive to the needs and professional development of people with disabilities, two training courses dedicated to managers and members of teams in which people with disabilities work continued.
On the occasion of the International Day of the Rights of Persons with Disabilities, an awareness-raising and communication campaign was also carried out, with the aim of raising awareness and promoting inclusive behaviour.
Lastly, to protect people with disabilities, the trade union agreements of 2025 recognise that, in light of the experience gained after the elimination of the protections envisaged by the law for "fragile" workers, remote working has proven itself - also in its more extensive methods of up to five days a week - an effective solution to best protect individual health situations of particular severity, certified by the Company Doctor.
The Parties confirmed their mutual interest in maintaining this form of protection for the situations described, also recognising it as a possible reasonable accommodation and as a useful tool to foster a more effective integration of people with disabilities in the world of work.

Support for staff facing proven personal and/or family difficulties

In line with the Group's commitment to people's well-being, inclusion and a healthy work-life balance, the Group, through a trade union agreement, has introduced [1]the "Time Bank" tool as a solidarity-based solution to support employees facing serious and verified personal and/or family difficulties, establishing an annual pool of paid leave hours for their benefit.
The tool was launched on a trial basis from 1 March 2025 to 31 December 2025; it has been funded by donations of hours and/or days from employees and by company donations amounting to 5,000 hours, increased quarterly by an amount equal to that donated by colleagues up to a maximum of 15,000 hours.

Objectives related to equal pay and opportunities for own workforce [S1 MDR-T]

The main objectives aimed at managing matters related to equal pay and opportunities for its own workforce as well as monitoring the effectiveness of policies and actions are:

- increasing the percentage of women in managerial roles;
- annual delivery of training to Group employees;
- provision of training on ESG issues.

Increasing the percentage of women in managerial roles

In the 2023-26 Strategic Plan, the Group[2] planned to achieve a 20% increase in the proportion of women in managerial roles by 2026 compared to 31 December 2023 (when the incidence was equal to 29.7%), with a target of 35.6% in absolute terms by 2026. Following the approval of the updated 2024-27 Strategic Plan, the target was updated to 36% by 2027 in absolute terms. The target was defined in line with the Group's Staff Remuneration Policies, pursuing the aim of further improving the people strategy and the integration of the ESG strategy into corporate policies, taking into account the dedicated trade union negotiations.
The indicator relates the number of women in managerial roles to the total of managerial roles, without considering managers belonging to the Sales Network for the purposes of the calculation. The objective was defined taking into account any corporate reorganisations and the organisational developments envisaged over the course of the Plan, on the basis of the data collected through the company management programme.
The figure as at 31 December 2025 shows a cumulative increase of 11.3% over the two-year period 2024–2025. The proportion of female staff in managerial positions is therefore 33% at the end of 2025.[3]

Annual delivery of training to Group employees

The Group undertakes to provide 140,000 training days[4] per year to its employees, for the 2024-27 time horizon.
The annual target, defined in the context of the 2023-26 Strategic Plan and also confirmed for the year 2027 in the update of the 2024-27 Strategic Plan, is consistent with the values expressed in the Guidelines on respecting and safeguarding human rights and pursues, through the Academy structure, the following purposes:

- training for the inclusion and professional growth of young people in the company;
- management training programmes aimed at spreading a leadership style based on trust, respect and cooperation;
- organisation of training by business segment to increase customisation and effectiveness, with particular attention to digitalisation;
- support for all internal initiatives in the field of ESG and Digital, Privacy & Cybersecurity.

The target includes the training provided to resources with whom the employment relationship is terminated during the year and was defined taking into consideration, in addition to dedicated trade unions discussions, both the mandatory course days envisaged for each employee in compliance with the different regulations to which the Group is subject (for example health and safety, anti-corruption) and a number of days of voluntary training linked to the needs of the role. To define the total amount of training days to be provided, market benchmark analyses were carried out and the data available in the system were used on the number of employees receiving the activities envisaged in the Strategic Plan.

[1] Companies in scope: Banco BPM, Akros, Oaklins, Aletti, Aletti fiduciaria, Banco BPM Invest SGR.
[2] With the exception of the Assistance Funds, the Company Sagim and Terme Ioniche.
[3] By the end of 2024, the proportion of women in managerial positions stood at 30.7%.
[4] Including the ESG training mentioned in the following objective "Provision of training on ESG issues".

The figure as at 31 December 2025 shows a value of 147,031 training days provided, confirming the achievement of the annual target for the reference year.[1]

Delivery of training on ESG issues

Within its training programmes and in line with the values underlying the Guidelines on respecting and safeguarding human rights, the Group has defined in the 2023-26 Strategic Plan the target of providing its employees 200,000 cumulative hours of training on ESG issues in 2026. Confirmed again for 2027 during the update of the Strategic Plan, the target pursues the aim of increasing the skills and awareness of employees in the ESG field, contributing to providing useful knowledge for the purposes of assessing the related factors and consequent impact on traditional risks to which the Group is exposed, consistent with the evolution of external regulations and with the materiality of these risks.
The Group determined the target by considering, in addition to dedicated trade union discussions, the types of mandatory training courses to which it is subject, also using benchmarking assessments and integrating the training provided on relevant ESG issues based on the data available in the system regarding the number of employees receiving such courses.
The figure as at 31 December 2025 highlights a value of 232,792 training hours provided, confirming the achievement of the annual target for the reference year.[2]

Diversity and pay gap metrics [S1-9] [S1-12] [S1-16]

The following table shows the breakdown of Group employees by age bracket and type of employment. In defining and clustering the roles shown in the first column, the classification envisaged by the National Collective Labour Agreement applied for employees in Italy was used. Employees at companies abroad, for which there is no collective bargaining or classification, have been categorised into the category of "office workers".

Number of employees	2025				2024			
	<30 years	30-50 years	>50 years	Total staff	<30 years	30-50 years	>50 years	Total staff
Executives	**0**	**76**	**325**	**401(*)**	**0**	**40**	**276**	**316**
% of executives out of total staff	0.0%	0.4%	1.7%	2.1%	0.0%	0.2%	1.4%	1.6%
Middle Managers	**21**	**2,366**	**5,756**	**8,143**	**5**	**2,301**	**6,024**	**8,330**
% of middle managers out of total staff	0.1%	12.5%	30.3%	42.9%	0.0%	11.8%	30.9%	42.7%
Office workers	**980**	**4,453**	**4,947**	**10,380**	**646**	**4,800**	**5,357**	**10,803**
% of office workers out of total staff	5.2%	23.5%	26.1%	54.8%	3.3%	24.6%	27.5%	55.4%
Labourers	**4**	**13**	**24**	**41**	**2**	**14**	**25**	**41**
% of labourers out of staff	0.0%	0.1%	0.1%	0.2%	0.0%	0.1%	0.1%	0.2%
Total staff	**1,005**	**6,908**	**11,052**	**18,965**	**653**	**7,155**	**11,682**	**19,490**

(*) The total number of executives increased compared to 2024 following the integration of Anima.

As at 31 December 2025, the roles of Senior Management (i.e., those who exercise executive functions and who are responsible for day-to-day management, reporting directly to the management body) are held by nine people, all men. The number is unchanged compared to the people who held this role at 31 December 2024. The criteria for defining Senior Management were shared with ABI.

The gender pay gap, calculated in compliance with the methods defined by the standard ESRS S1 section S1-16 Application Requirements 98[3], amounts to 19.7%, compared to a value of 16.6% recorded for 2024[4]. In particular, in calculating the average remuneration level paid, the Group considers the gross hourly remuneration of employees by adding the basic remuneration (RAL) to all the other components of remuneration paid during the year (role indemnity, agreements, incentive schemes, benefits, one-offs, company bonus, etc.) and dividing it by the number of

[1] In 2024, this figure amounted to 140,319 hours.
[2] In 2024, this figure amounted to 177,790 hours.
[3] The pay gap is calculated as the difference between the average hourly pay rates paid to female and male workers, expressed as a percentage of the average hourly pay rate for male workers.
[4] This increase is mainly attributable to the disbursement of the up-front portion (40% of the entire amount) of the long-term incentive referred to the three-year performance cycle 2021-2023 destined for approximately 80 managers, mostly male, as well as the integration of Anima.

weekly hours envisaged by the reference National Collective Labour Agreement and the actual working weeks of the year. The portions paid in shares are valued at the market price upon assignment.
The Group believes that the indicator calculated according to the logic cited therein (hereinafter also "raw gap"), although informative, cannot be considered representative of potential gender inequalities, since it would not allow a comparison between the salaries of men and women who perform similar functions according to an Equal Pay for Equal Work principle.
In this regard, the Group is engaged in initiatives to calculate and monitor the pay gap, described in greater detail in "*Monitoring the gender pay gap and corrective actions*".

The number and gender of employees with disabilities present in the Group as at 31 December 2025 are shown below, including in the definition of disability those characterised by lasting physical, mental, intellectual or sensory impairments, for which interaction with a barrier of a different nature can hinder full and effective participation in society on an equal basis with others.

Employees with disabilities	2025		2024	
	Number	% incidence with respect to gender category	Number	% incidence with respect to gender category
Women	601	6.7%	637	7.0%
Men	629	6.3%	689	6.6%
Total staff with disabilities	**1,230**	**6.5%**	**1,326**	**6.8%**

The figure related to the number of employees with disabilities is also reported in the Prospectus (i.e., communication made by the employer to the Ministry of Labour) where the employment situation of the Group with respect to the recruitment obligations of disabled employees and/or employees belonging to the other protected categories as envisaged by Italian Law 68/1999.

Training and skills development metrics [S1-13]

For employees, the Group implements a Performance Management process aimed at evaluating performance (professional evaluation and top management evaluation). In particular, the number of employees who participated in periodic performance reviews during 2025 is shown in the following table.

	2025		2024	
	Number of employees who participated in periodic reviews	% incidence with respect to the reference category	Number of employees who participated in periodic reviews	% incidence with respect to the reference category
Women	8,316	92.8%	8,645	94.9%
Men	9,485	94.8%	9,985	96.2%
Total	**17,801**	**93.9%**	**18,630**	**95.6%**

In addition, with respect to the portion of employees who participated in periodic reviews mentioned in the previous point, the following table highlights the number of employees in service at the end of the period and broken down by category (i.e. executives, middle managers, white collars), who participated in the Performance Management process (professional evaluation and Top Management evaluation):

	2025		2024	
	Number of employees who participated in periodic reviews	% incidence with respect to the reference category	Number of employees who participated in periodic reviews	% incidence with respect to the reference category
Executives	393	98.0%	299	94.6%
Middle Managers	7,963	97.8%	8,119	97.5%
Office workers	9,445	91.0%	10,212	94.5%
Total	**17,801**	**93.9%**	**18,630**	**95.6%**

The following table shows the average hours of training used by each Group employee[1], for the calculation of which the actual hours provided during the year were considered:

	2025	2024
	Average number of training hours	Average number of training hours
Women	61	56
Men	57	52
Total	**59**	**54**

Non-employees received an average six hours of training[2], compared to an average of 12 hours recorded in 2024. For this calculation, the actual hours of training provided during the reference year to all non-employees still in service at the end of the period were considered.

Metrics related to incidents, complaints and severe human rights impacts [S1-17]

The Group notes that, during 2025, 10 incidents of discrimination were reported among its workforce, compared to four incidents recorded for 2024:

- 4 reports of harassment (compared to 3 reports received in 2024);
- 1 report for gender discrimination (0 in 2024);
- 0 reports for discrimination based on race or ethnicity (1 report in 2024);
- 5 reports for other forms of discrimination (0 in 2024).

Specifically, 9[3] reports were submitted through the specific email address segnalo@bancobpm.it, dedicated to reporting harassment, violence and discriminatory acts, handled in accordance with the provisions of the relevant internal regulations, as set out in the "Circular on Combating Harassment, Violence and All Forms of Discrimination in the Workplace".
In addition to the nine reports mentioned above, one[4] report was received directly for the attention of the Human Resources Legal structure, forwarded from the Staff Management structure.

The data referred to above are extracted manually from the Human Resources Legal structure of Banco BPM, together with the Diversity Inclusion and Social structure.

In line with the 2024 financial year, the Group notes that no serious human rights incidents relating to its own workforce were recorded in 2025 and, consequently, no amounts were paid for fines, penalties or damages in this regard.

Confidentiality and correct processing of data

Policies related to the confidentiality and correct processing of own workforce data [S1 MDR-P]

Regulation on IT Security

The Regulation on IT Security applied by the entire Group governs the principles, roles and responsibilities regarding IT security. The objective of the Regulation in question is the prevention of IT risk with particular reference to any episodes of data leaks and/or losses related to cyber-attacks and IT security incidents, favouring positive impacts related to the protection of data confidentiality and workforce information.
Through the enforcement of the Regulation, the Group undertakes to comply with the following national and European regulations in the field of financial services and/or privacy:

- Bank of Italy Circular 285/2013;
- ECB recommendations;

[1] For employees of Anima, as it was not possible to determine the number of training hours completed between 1 April and 31 December 2025 (due to the unavailability of evidence on the reference date), for Group reporting purposes, 75% of the total number of hours was considered.
[2] For employees of Anima, as it was not possible to determine the number of training hours completed between 1 April and 31 December 2025 (due to the unavailability of evidence on the reference date), for this Reporting purposes, 75% of the total number of hours was considered.
[3] During the previous year, two reports were submitted through the specific mailbox mentioned above.
[4] During the previous year, one report came directly to the attention of the Human Resources Legal structure

- EBA guidelines;
- PSD2 regulations on payments;
- European and national regulations on privacy (e.g., GDPR);
- European Union Regulation Digital Operational Resilience Act (DORA).

The BoD is the highest management level responsible for enforcing the Regulation and the overall monitoring of IT security at Group level, and is promptly informed of possible serious events relating to IT risk.

The Regulation can be consulted by internal stakeholders on the company intranet. On the corporate website, in the Sustainability - Code of Ethics, Guidelines and Governance section - there is a Statement on Cybersecurity and Privacy, which can be referenced by external stakeholders.

Actions related to the management of IROs in relation to the confidentiality and correct processing of own workforce data [S1-4] [S1 MDR-A]

The Group ensures that its practices do not cause or contribute to causing material negative impacts on its workforce in terms of procurement, sales and use of data through the formalisation and supervision/monitoring activities with respect to the implementation of the principles outlined in the Code of Ethics, in the Guidelines on respecting and safeguarding human rights, in the Regulation on privacy, processing and protection of personal data, in the "Privacy Process Standard - Management of the rights of data subjects" and in the "Privacy Policy Circular - Data processing and protection of personal data", as well as any other internal regulations on the matter.

Implementation of an Annual Cybersecurity Training and Awareness-raising Plan

In order to ensure that all Group employees, including resources with key roles and customers, have an adequate level of awareness and knowledge on cybersecurity, an "Annual Cybersecurity Training and Awareness-raising Plan" was implemented for the year 2025.
The activities carried out to achieve these objectives were implemented in different ways, with the aim of developing the essential skills to identify and reduce cyber threats and promote a solid and aware culture of Cybersecurity. In detail, the following initiatives were planned:

- delivery of mandatory basic training and refresher courses to all Group employees, supplemented by training snippets built around gaming and interactive training;
- publication of four new online courses dedicated to Cybersecurity and a course dedicated to new hires, as well as the opportunity to participate in inter-company training events and observatories and university-level research groups for professionals;
- provision of anti-phishing campaigns for employees of the Group's banking Companies in order to simulate scams through counterfeit emails, disseminated to obtain personal information in a deceptive way, followed by focused training activities on specific targets, based on the results of the test.

For customer awareness initiatives, please see the section "Employee training and customer awareness on cybersecurity" described in the chapter "Consumers and End-Users".

Objectives related to confidentiality and proper processing of own workforce data [S1 MDR-T]

The Group has not adopted specific objectives regarding the protection of employee privacy, as it is regulated through the adoption of the "Regulation on privacy, processing and protection of personal data" which governs the principles, roles and responsibilities regarding privacy, processing and protection of personal data. This Regulation implements the provisions deriving from the European Regulation (EU) 2016/679 (also "GDPR"), applied to natural persons, including freelancers and sole proprietorships, and from Italian Legislative Decree 196/2003 as amended by Italian Legislative Decree 101/2018 (also "Privacy Code").
The issue of the protection of personal data is of fundamental importance for a Group that manages data and information whose violation would not only have economic and reputational repercussions on the Group itself, but would compromise the serenity of its stakeholders. From this perspective, the priority objective is to ensure the maximum possible security and confidentiality of the data managed.

As of 2018, regulations and procedures are constantly updated, in line with the GDPR and all relevant legislation, and are overseen by the Data Protection Officer (hereinafter, also "DPO", identified as the Compliance Department

Manager, who reports directly to the CEO, with direct access to the Corporate Bodies) supported by a dedicated organisational unit. Supported by specific IT solutions, the DPO also manages a mailbox (protezionedati@bancobpm.it) dedicated to the collection of personal data requests from data subjects.
As required by internal regulations, the DPO carries out compliance checks and indicates the mitigation actions of the risk of non-compliance with a view to privacy by design and by default.

Affected communities [ESRS S3]

The following table provides a description of the impacts, risks and opportunities that the Group has assessed as material in relation to the topic of affected communities following its double materiality assessment.

ESRS Topic, sub-topic, or sub-sub-topic	IRO	Perimeter	Description	Metrics used to assess performance and effectiveness in relation to a material IRO
Economic, social and cultural rights of communities	Positive impact	Own operations Downstream value chain	Issue of social bonds, to support projects for social and inclusive benefit	
	Positive impact	Downstream value chain	Support offered by the Group, also through dedicated loans, to third sector entities that generate concrete and positive contributions to communities and the social economy	Entity-specific metric - Third Sector Customers
	Positive impact	Own operations	Development of dedicated initiatives, donations, disbursements and sponsorships as well as through the presence of dedicated foundations in the area	Entity-specific metric - (Of which) Economic contribution for foundations in accordance with the Articles of Association Entity-specific metric - Third Sector Customers Entity-specific metric - Corporate volunteering Entity-specific metric - Financial education for schools
	Positive impact		Offering tools and subsidies of a social nature, aimed at facilitating access to credit in order to support specific projects or face difficult times	

Material impacts, risks and opportunities for the affected communities and their interaction with strategy and business model [S3-SBM3]

During the identification of material impacts, all affected communities that may be impacted by the Group were included in the scope of the disclosure.

In particular, the communities subject to significant positive impacts are mainly those in the area where the Group operates and where it focuses its operations.
With regard to the identification of the material positive impacts, during the double materiality process, the actual positive impact on the Group's communities of reference generated both directly, through the disbursement of donations and sponsorships, and indirectly (downstream) through the disbursement of funding towards Third Sector entities was identified.
In addition, a material positive impact was mapped on specific customer categories (e.g., young people and women victims of violence, populations affected by extreme weather events, etc.) and specific geographical areas (e.g., SMEs located in disadvantaged areas) either through the issuance of social bonds, or through solutions aimed at granting access to credit and having suitable financial resources to support specific projects and/or overcome particular hardships. For more information, please see the section “Actions related to the management of IROs in relation to the affected communities”.

With regard to financial materiality, on the other hand, no material risks or opportunities were identified for the Group.

Processes for engaging with affected communities and channels which allow to raise concerns [S3-2] [S3-3]

The Group orients its activities based on listening to its reference communities. In fact, although there is no formal process (including phases, roles and responsibilities) for engaging and listening to the communities, engagement activities are carried out on an ongoing basis thanks to the involvement of the Regional Committees (composed of representatives of the economic, professional and associative world). These collect both the opinion of the affected communities on a large scale, and the requests of specific groups in situations of economic and social fragility, representing a point of reconciliation between the Group and the communities and favouring the identification, management and monitoring of any critical issue and discontent.
With particular reference to Anima, the relationship with local entities is also developed through organisations that collaborate with the communities in the impacted area, particularly those dealing with people with low incomes or from fragile backgrounds, young migrants or those with pending charges, and abused women. These interventions take place through projects financed by the Anima Foundation.

In particular, there are no specific channels for communities to express concerns. Despite this, the Commercial Network leverages the relationship established with the community and the pervasiveness of dissemination with respect to the reference territory, and is fully responsible for the collection of any reports, concerns or needs and for the dissemination of the same within the Group. Please see the chapter "Interests and views of the affected communities" for further details on the interests and views of the affected communities.
Even with specific reference to Anima, the affected communities do not have official channels to report their concerns. However they can raise any needs and receive assistance in this regard through the supported associations.

Policies related to affected communities [S3-1] [S3 MDR-P]

The policies related to the affected communities, including the relevant human rights policy commitments and the processes and mechanisms for monitoring compliance with these principles, are consistent with the content of the Group's Code of Ethics (described in the section “Policies related to corporate culture and business conduct”) and the Guidelines on respecting and safeguarding human rights (described in the section “Policies related to working conditions and well-being of own workforce”). These principles conform to internationally recognised standards for indigenous communities and peoples, including the UN Guiding Principles on Business and Human Rights. In addition, it should be noted that the Group’s activities are carried out mainly in Italy, Switzerland and Ireland, where there are no indigenous peoples and that in its own transactions or those upstream and downstream of the value chain, no cases of non-compliance with these principles have been reported, nor have reports of serious human rights problems and incidents been received from the affected communities.
The main policies adopted by the Group to manage the material sustainability topics related to the affected communities are:

- the Regulation on promotional measures and sponsorships;
- the Regulation on Management Committees;
- the Guidelines on respecting and safeguarding human rights (for further details, please see the section “Policies related to working conditions and the well-being of own workforce”).

In addition, it should be noted that the main policies adopted by Anima to manage issues relating to the affected communities, as well as to promote positive impacts, are:

- Internal Control and Risk Management System (see Policies related to corporate culture and business conduct);
- Enterprise Risk Management Policy (see Policies related to corporate culture and business conduct);
- Sustainability Policy (see Policies related to corporate culture and business conduct);
- ESG Policy of Anima SGR, ESG Policy of Anima Alternative SGR, ESG Policy of Castello SGR, ESG Policy of Kairos Partners SGR (see “Policies related to consumers and end-users”);
- Anima SGR commitment policy, Kairos Partners SGR commitment policy (see “Policies related to consumers and end-users”);
- Policy related to the prohibition of investment in producers of anti-personnel mines, ammunition and cluster submunitions of Anima SGR, Anima Alternative SGR, Castello SGR and Kairos Partners SGR (see " Policies related to consumers and end-users”);
- Policy for the application of investment bans in the presence of international sanctions of Anima SGR and Kairos Partners SGR (see " Policies related to consumers and end-users”).

Regulation on promotional measures and sponsorships

The Regulation on promotional measures and sponsorships, applied by the entire Group and related to the downstream value chain, aims to promote the positive impact of local initiatives in support of the community and sponsorships. In addition, it makes it possible to seize the opportunity to improve the Group's reputation by consolidating the relationship with companies of the Third Sector, an area in which the Group holds a leading position as a lending bank.
The management of sponsorships is inspired by principles to:

- ensure compliance and compatibility with the external and internal regulations in force, prudence and proportionality in the recruitment of risks (direct, indirect and reputational), as well as compliance with the approved budget;
- guarantee alignment with internal communication policies and preparation for commercial development actions;
- promote the image and visibility of the Group's name and brand, creating positive and lasting value over time, supporting the progress and well-being of the territories in which it operates;
- regulate the rotation of sponsorship requests, their traceability and reporting, as well as defining the potential beneficiaries of sponsorships;
- establish the minimum requirements necessary for sponsorships to be carried out and identify prohibited and non-permitted sponsorships.

The Regulation also establishes how the management of promotional measures and sponsorships is subject to the investigation and decision-making procedures defined by the reference legislation on anti-laundering and conflicts of interest. The Chief Executive Officer represents the highest level of management responsible for the enforcement of the Regulation, which is made available to internal stakeholders through the company intranet.

Regulation on Management Committees

The Regulation on Management Committees is applied by the entire Group and related to the downstream value chain; it defines the principles, criteria, tasks and responsibilities regarding the functioning of these committees, established at the Parent Company and operating at Group level. Specifically, taking into account the importance of the direct relationship with the territory and the opportunity to promptly intervene to support initiatives in favour of the multiple needs of the community, the Regulation favours the positive impact of local initiatives to support the community, defining the responsibility of the Donations Committee to resolve:

- on donations related to areas not covered by Foundations, such as the Tyrrhenian and Central-South Local Committees, subject to the favourable opinion of the Regional Consultation Committees, where present;
- on donations aimed at supporting projects and/or initiatives not attributable to a specific area of reference of the Group.

Also in this case, the BoD represents the highest level of management responsible for the enforcement of the Regulation, which is made available to internal stakeholders through the company intranet.

Actions related to the management of IROs in relation to the affected communities [S3-4] [S3 MDR-A]

The Group has adopted multiple actions in order to manage relevant sustainability issues related to the affected communities, as well as to achieve the purposes and objectives of its policies. The actions described below are implemented in line with the Group's Code of Ethics, which emphasises the importance of the role of the Third Sector with regard to the promotion of sustainable, cohesive and resilient communities, as well as the promotion of the activities and initiatives of the operating parties through services, products and assistance dedicated thereto. In particular, the main actions adopted by the Group concern:

- corporate volunteering for the environment and social issues;
- stipulation of commercial agreements in support of religious entities and the Third Sector;
- contributions for social and environmental projects;
- participation in events and initiatives for the enhancement of non-profit companies and Third Sector entities;
- Social Bond issue;
- offering products with a social purpose.

These actions pursue the primary objective of producing positive impacts for the affected communities. These actions are monitored through the specific structures dedicated to relations with the affected communities, also responsible for managing the impacts associated therewith.
In addition, it should be noted that Anima has also adopted and planned actions to manage community-related impacts, risks and opportunities, and in particular:

- supported the FAI - Fondo per l'Ambiente Italiano - by joining the Corporate Golden Donor programme;
- supported the humanitarian association Humana through the donation of clothes by Anima staff;
- the Anima Foundation mainly dedicated to the promotion of financial education initiatives was established in 2023. The Foundation's website has published the qualitative-quantitative research study "Financial Education as seen by Italians" since July 2024. The study was commissioned to Research Dogma, which surveys the habits and strategies of Italians in terms of money management; in 2025, two calls for proposals were launched to support financial education projects, one with a target of low-income individuals and one with a focus on women's empowerment, which included the identification of two winning projects;
- supported the AIRC Foundation through internal fundraising initiatives, with the distribution of azaleas and chocolates to employees, to contribute to cancer research;
- donated around 23 kg of foodstuffs recovered from the company event on 15 May to the local Food Bank, intended for the C.A.S.T. Association to support families in need;
- distribution of solidarity panettone to staff to support the Dynamo Camp Christmas Session;
- proposed a week of recreational therapy for children with severe or chronic illnesses and their families;
- worked in 2025 to enable (from January 2026) Anima Holding to become a signatory of Investor Alliance for Human Rights of ICCR (Interfaith Center on Corporate Responsibility), a non-profit initiative focused on investors' responsibility to respect human rights and promote the application of responsible business practices, then expanding its membership to all companies.

Corporate volunteering for the environment and social issues

Within the Group's ESG programme, the "VolontariAmo" [I love volunteering] project carries out activities aimed at supporting various social and environmental entities. In fact, the Group actively cooperates with associations that support fragile people, children, adolescents and those living in social marginalisation and poverty. The activities are part of a wide-ranging project envisaged in the Strategic Plan, confirming the Group's responsibility and social commitment to the communities in its target territories.
In particular, the volunteers took part in several urban clean-up days in cooperation with "Plastic Free" and collaborated with organisations and associations active in the social field, particularly with regard to issues related to fragility, poverty and marginality.

Among the various initiatives, it should be noted that the remote volunteering programme with the Italian Union of the Blind and Visually Impaired continued through the #LeggiPerMe project, which led to the production of two audio-books dedicated to promoting gender equality and LGBTQIA+ inclusion, respectively.

2025 also saw the launch of skills volunteering, an initiative to promote financial inclusion and combat gender-based economic violence through support activities at schools and specialised institutions.
Some volunteering days were carried out by specific teams and groups of colleagues as a team-experience "tool" as well.

In 2025, 18 volunteer days were activated, involving 319 participants (colleagues may have participated in more than one initiative) for a total amount of 1,663 hours; the volunteer activities involve all Group staff who join individual initiatives on a voluntary basis and according to a geographic territoriality criterion.

Stipulation of commercial agreements in support of religious entities and the Third Sector

Again in 2025, the Group renewed and signed a series of commercial agreements that allow it to build and maintain numerous relationships throughout the country, aimed at:

- territorial associations;
- consortia and associated social cooperatives;
- Italian Sports Centre and Confcooperative.

The Group also supported initiatives related to projects of the Italian Episcopal Conference (CEI), first and foremost for the Jubilee, with POSs for the collection of offerings/donations, also confirming the important agreements entered into in previous years with some Archdioceses and Dioceses.
The importance of customers belonging to the Third Sector is also confirmed by a wide range of products dedicated to this customer segment. In 2025, Banco BPM provided these new customers with a current account with the first six months free of charge in terms of both the monthly fee and related services, such as home banking and debit card.

Contributions for social and environmental projects[1]

Also in 2025, the Parent Company and its foundations provided sponsorships and donations to associations and non-profit organisations, supporting initiatives for the reference communities, schools and students in continuity with the line traced in previous years, understanding and welcoming their needs and developing the most appropriate intervention tools through the donations in question.
The BoD's guidelines on such donations in 2025 were:

- support to women who are victims of violence or in fragile or difficult situations;
- support for projects to combat poverty and hardship in the relevant territories;
- support for schools in the suburbs or in particularly difficult circumstances (financial aid for school infrastructure and/or school equipment), programmes to combat school drop-outs;
- support for projects to increase scholastic skills with special reference to the dissemination of financial education for young people and adults (with a specific focus on the elderly);
- interventions to enhance scholastic merit and projects that promote the principles of inclusion;
- support for projects to combat cyber-violence and cyber-bullying among young people, as well as adolescent gambling addiction;
- support for medical research, health protection and prevention programmes, and projects of excellence in science;
- support for culture and artistic heritage and enhancement of the territories.

Participation in events and initiatives for the enhancement of non-profit companies and Third Sector entities

The Group is involved in continuous dialogue with Third Sector organisations, also confirmed in 2025 through the organisation of events and collaborations such as:

- the National Third Sector Forum, which aims to foster meeting and mutual knowledge between financial operators and Third Sector Entities (also "TSE");
- Confcooperative, which promotes continuous dialogue with national and local cooperatives;
- Forum for Sustainable Finance, which promotes actions aimed at engaging financial players towards the goals of the UN 2030 agenda.

These collaborations allow the Group to promote and organise numerous events throughout the country, aimed, inter alia, at promoting the exchange of ideas and reflections on the role of volunteering, encouraging the involvement of local associations and operators of the Service Centres for Volunteering (SCV).
The Group has also partnered with SIA, Social Impact Agenda for Italy, to actively promote Social Impact Banking. Lastly, the Group has started a collaboration with Italia Non-Profit to begin the analysis and functional development of products and services for Third Sector customers.

Social Bond Issues

The Parent Company published a Green, Social & Sustainability Bonds Framework in 2021 and updated it in 2023. It is aligned with the ICMA Principles[2] and for some categories of Eligible Green Loans, the European Taxonomy[3], to regulate the issue of Green, Social & Sustainability Bonds to the market. This Framework is complementary to the commitment and strategy implemented by Banco BPM to combat climate change and generate a positive social impact. The framework summarises Banco BPM's ESG approach, the eligibility criteria of the assets and projects to be financed

[1] Projects relating to the Cuban environment account for 6% of the total.
[2] In particular, the framework is aligned with the ICMA "Green Bond Principles" (2022), "Sustainability Bond Guidelines" (2023) as well as the "Sustainability Bond Guidelines" (2022).
[3] In particular, the categories of "Eligible Green Loans" aligned with the European Taxonomy are Green Building (7.1, 7.2 and 7.7), Renewable Energies (4.1, 4.3, 4.5 and 4.8) and Manufacture of Organic Basic Chemicals (3.14).

with the proceeds of the issues and the other commitments made to investors. The bond categories that can be financed with the proceeds collected through the issue of social bonds are as follows:

- loans to SMEs located in disadvantaged areas or subject to natural disasters;
- funding to public bodies and the Third Sector (health, education, culture, environment, social integration);
- healthcare infrastructure;
- Sustainability-linked loans provided to SMEs to promote sustainable transition;
- residential mortgages with Consap guarantee for economically and socially disadvantaged groups.

In this regard, in 2025 Banco BPM carried out the IT developments necessary to be able to implement IT solutions and strengthen the data collection process, drawing mostly from external sources. These actions will make it possible to more accurately identify the eligible assets in the green area (for example, green mortgages, renewable energy or energy efficiency projects) and in the social area (for example, loans to SMEs located in disadvantaged areas) in line with the sustainable finance principles and financial inclusion objectives.
Since 2021, the bank has issued 12 bonds for a total amount of €7.5 billion in Green and Social Bonds. In particular, five Social Bonds were issued for a total of €3 billion. In 2025, Banco BPM specifically issued two Social Bonds for a total amount of €1.25 billion, the proceeds of which were used to refinance loans granted to SMEs located in economically disadvantaged areas and loans for the purchase of homes by economically and socially disadvantaged households with a Consap Guarantee.

Offer of products with a social purpose

Banco BPM has always been attentive to social issues; in line with its Code of Ethics, it offers various solutions to enable its customers to access credit and have suitable financial resources available to support specific projects and/or overcome particular moments of difficulty.
In particular, with reference to products, the offer includes mortgages intended for those under 36 years of age for the purchase of their first home with subsidised conditions ("Mutui You Green Giovani") and loans to support deserving young people lacking sufficient financial means in embarking on/undertaking a suitable course of study ("Financing for young students with CONSAP Guarantee").

During the last year, Banco BPM:

- has confirmed its commitment to supporting families and businesses damaged by natural disasters by suspending the payment of mortgage and loan instalments;
- renewed the ABI protocol aimed at suspending payment of the principal of mortgages and loans, with corresponding extension of the repayment plan for a maximum period of 18 months, for women who are victims of violence and included in protection programmes, and who are in situations of economic difficulty.

In addition, Banco BPM has been working with the main anti-usury foundations for several years, guaranteeing usury victims coverage of up to 100% of the loan amount granted.
With the aim of expanding the range of products and services to support particular customer groups or specific situations, an expansion of the offer with a focus on fragile groups such as the elderly and people with disabilities is planned for 2026.

Targets related to the affected communities [S3-5] [S3 MDR-T]

The main objectives aimed at managing material sustainability topics related to the affected communities, as well as monitoring the effectiveness of policies and actions, cover the following areas:

- donations and sponsorships for social and environmental projects;
- new disbursements to customers belonging to the Third Sector;
- Cumulative Green, Social & Sustainability bond issues;
- social initiatives supported for local communities, schools and students;
- provision of training on ESG awareness and financial education;
- provision of corporate volunteering for non-profit associations.

The definition of sustainability targets on topics related to the affected communities takes into consideration the requests collected through the Sales Network and during moments of listening and direct discussion planned by the Local Committees. The various functions responsible for the matter also envisaged a formal step involving Top Management in order to share the methodologies and approaches employed.

With respect to disbursements of loans of a social nature, it should be noted that Banco BPM has currently defined a Plan target pertaining only to disbursements to companies belonging to the Third Sector. On the other hand, with reference to the broader range of products with a social purpose, although lacking specific measurable targets, the Group monitors the sale of these products and initiatives as part of its normal commercial monitoring[1], committing itself to a forthcoming expansion of the product range to support fragile categories.

Donations and sponsorships for social and environmental projects

In line with the citizenship model adopted and based on economic support and the sharing of resources in order to contribute to the growth of communities, within the 2024-27 Strategic Plan the Group planned to disburse a cumulative amount for sponsorships and donations of at least €15 million in the period considered, with an average annual target of €5 million or more. The disbursements of this target refers to sponsorships and donations intended to support projects for local communities, voluntary associations or non-profit organisations.

The target was defined on the basis of the historical data related to the Group's disbursements and the forecasts of the budget, and in line with the Regulation on promotional measures and sponsorships and the Regulation on Management Committees which establishes the responsibilities of the Donations Committee.

Monitoring shows that in 2025 the amount disbursed in support of social initiatives by the Group exceeded the defined targets, amounting to €6.7 million[2].

New disbursements to the Third Sector

In line with the Code of Ethics, which emphasises the importance of the role of the Third Sector for promoting sustainable, cohesive and resilient communities, as well as activities and initiatives of various parties operating in this regard by offering services, products and assistance, within its 2024-27 Strategic Plan, the Group planned to reach annual disbursements of medium-/long-term loans and residual short-term components for an amount of €255 million to customers belonging to the Third Party Sector by 2027.

The target was set considering the origination capacity of the specialists supporting the branches and assuming the grounding of the commercial agreements that the Group has with customers of the Third Sector.

The Group's disbursements in 2025 exceeded the defined targets, amounting to €313[3] million, of which €236 million had a term of more than 12 months.[4]

Cumulative Green, Social & Sustainability Bond issues

In line with the Group's 2024-27 Strategic Plan, the Parent Company envisaged the issue of €5 billion in Green, Social and Sustainability bonds in the three-year period between 2025 and 2027.
The target was set in line with the asset selection and income allocation and management criteria reported in the Group's Green, Social & Sustainability Bonds Framework.

When setting this target, the following were considered:

- the targets in the 2021-24 Strategic Plan, which envisaged issues of Green and/or Social Bonds for a value of €2.5 billion and the amount actually achieved in the three-year period 2021-23 (€4.5 billion);
- the reconciliation with Banco BPM's Funding Plan, defined for the period 2024-27 and approved by the Board of Directors, envisages a total amount of over €10 billion in bonds to be issued as senior/senior non-preferred/covered bonds. In order to pursue the new target of the Plan, approximately 40% of future issues will be comprised by Green and/or Social bonds;

[1] which currently does not provide for specific monitoring of the impacts on the affected communities.
[2] These disbursements are included in the Consolidated Income Statement under item "190 b) other administrative expenses" and in the allocation of the result for the year 2024 as resolved by the Shareholders' Meeting of 30 April 2025. In 2024, this figure amounted to € 6.3 million.
[3]New disbursements to customers belonging to the Third Sector are classified under the Consolidated Balance Sheet item "40. Financial assets at amortised cost - b) loans to customers".
[4] In 2024, these disbursements amounted to € 202 million.

- the consistency of the target with the stock of eligible assets, as well as with the expected evolution of green and social loans disbursed by the Bank.

In order to monitor the performance of the target, interim targets were set for Green, Social & Sustainability Bond issues equal to:

- €1.75 billion in 2025;
- €1.5 billion in 2026;
- €1.75 billion in 2027.

The performance monitoring activities have confirmed that the interim target to 2025 is achieved. In particular, the figure as at 31 December 2025 highlights the issue of Green, Social & Sustainability Bonds for a value of €1.75 billion[1].

Social initiatives supported for local communities, schools and students

Within the 2024-27 Strategic Plan, the Group aims to support, through sponsorships and donations, an average of over 100 social initiatives for local communities, schools and students in the Plan horizon.

The target was defined based on historical data related to Group disbursements and budget forecasts, and in line with the Regulations on promotional measures and sponsorships and the Regulation on Management Committees.

The monitoring activity shows that in 2025, the number of social initiatives supported by the Group exceeded the defined targets, standing at 166.[2]

Provision of training on ESG awareness and financial education

Within the 2024-27 Strategic Plan, the Group planned to provide, in the horizon between 2024 and 2027, more than 4,000 hours of training per year for communities dedicated to creating ESG awareness and providing financial education. In particular, the initiative involves holding training sessions at schools and at the various communities in the areas in which it operates.

The target was defined from the analysis of the actual data recorded in previous years, obtained by multiplying the training hours provided by the number of participants.
From the monitoring activity, the number of training hours provided by the Group in 2025 exceeded the defined objectives, standing at 8,251.[3]

Provision of corporate volunteering for non-profit associations

With the 2024-27 Strategic Plan, in continuation of the 2023-26 Strategic Plan, the Group has committed to provide an average 2,000 hours of community volunteer work per year over the above time horizon, through staff on duty during working hours.

This target is consistent with the Guidelines on respecting and safeguarding human rights, in which the Group's widespread commitment in relation to promoting the active participation of its workforce in corporate volunteering initiatives through non-profit organisations is declared.

The target was defined on the basis of historical data on the Group's participation in voluntary activities, as well as the benchmarking analyses carried out and in consideration of regulatory obligations.

The monitoring shows that as at 31 December 2025, the total number of working hours devoted to activities amounted to 3,951 in the two-year period 2024-25, of which 1,663 in 2025 alone.[4]

[1] The bond issues of the Parent Company are classified under liability items in the Consolidated Balance Sheet under item "10. Financial liabilities at amortised cost - c) debt securities in issue". In 2024, this figure amounted to € 1.5 billion.
[2] In 2024, this figure amounted to 159.
[3] In 2024, this figure amounted to 6,283.
[4] In 2024, this figure amounted to 2,288 hours.

Entity-specific metrics on IROs related to the affected communities

Economic contribution for foundations in accordance with the Articles of Association

Banco BPM disbursed €4.2 million[1] to its foundations in 2025. The figure shown refers to the amounts allocated to foundations which were resolved upon at the General Meeting of Shareholders on 30 April 2025 in accordance with Article 5 of the Articles of Association.

Third Sector Customers

Banco BPM had 36,568 Third Sector customers in 2025. Third Sector customers include all customers belonging to the Third Sector segments and religious entities with an active commercial current account, cards with IBAN and deposit or service accounts.

Financial education and ESG awareness for schools

The Group provided 6,242 hours of financial education and ESG awareness to schools in 2025. The calculation of the hours is based on the multiplication of the number of participants by the hours of training in which they participated.

[1] These disbursements are included in the Consolidated Income Statement under item "190 b) other administrative expenses" and in the allocation of the result for the year 2024 as resolved by the Shareholders' Meeting of 30 April 2025.

Consumers and end-users [ESRS S4]

The following table provides a description of the impacts, risks and opportunities that the Group has assessed as material in relation to the topic of consumers and end-users following its double materiality assessment.

ESRS Topic, sub-topic, or sub-sub-topic	IRO	Perimeter	Description	Metrics used to assess performance and effectiveness in relation to a material IRO
Confidentiality	Positive impact	Own operations	Definition of systems for the effective processing and protection of data, as well as the presence of transparent information	Entity-specific metric - Serious IT security incidents and data loss or unauthorised access to Group banks
Freedom of expression	Positive impact	Own operations	Promotion of the right to freedom of expression through the implementation of efficient communication channels and processes for managing complaints/customer engagement	Entity-specific metric - Complaints Entity-specific metric - Customer Satisfaction Surveys
Access to (quality) information	Positive impact	Own operations	Continuous attention, training, activation of controls and presence of communication channels to adequately, preventively and continuously inform our customers on financial choices and promote financial awareness	Entity-specific metric - Mandatory training on transparency in banking operations towards the customer
	Risk	Own operations	Reputational risk due to the potential breach of IT systems resulting in the compromise of data and violation of the privacy of Group customers	Entity-specific metric - Serious IT security incidents and data loss or unauthorised access to Group banks
	Risk	Own operations	Operational risk in the event of a breach of IT systems due to operational disruptions, data compromise and violation of the privacy of Group customers	Entity-specific metric - Serious IT security incidents and data loss or unauthorised access to Group banks
	Risk	Upstream value chain	Operational risk in the event of data compromise and breach of IT systems outsourced to suppliers	Entity-specific metric - Serious IT security incidents and data loss or unauthorised access to Group banks
Non-discrimination	Positive impact	Own operations	Non-discriminatory access, both physical and digital, to our services and products for all customers, with a focus on people with disabilities	
Access to products and services Responsible commercial practices	Opportunity	Own operations	Improvement of the Group's reputation through continuous enhancement of customer service, through technological implementations and the use of artificial intelligence (AI) capabilities. This approach fosters customer loyalty and consolidates the Group's competitive and commercial positioning, as well as allowing the Group to reap the benefits of innovation brought by AI and stay abreast of technological developments in line with the rest of the market	
	Opportunity	Own operations	Growth of Anima's Assets under Management thanks to the development of products in line with customer requests	
	Opportunity	Downstream value chain	Continuous service improvement through technological implementations and use of AI functionality	Entity-specific metric - Webank virtual branch for pure digital customers and remote transactions
Access to products and services	Positive impact	Own operations	Offering products, including ESG investment products, and services designed to meet the needs and risk profile of target customers, accompanying them in projects at different stages of life	

Material impacts, risks and opportunities for consumers and their interaction with the strategy and business model [S4-SBM3]

In the context of this reporting, all consumers and end-users (hereinafter also "customers" or "clientele") who may be subject to material impacts by the Group have been considered. In particular, the customers subject to the material impacts caused by the Group (only positive impacts were recorded) are both private individuals and companies.

The activities implemented by the Group generate significant positive impacts on customers through multiple initiatives undertaken with regard to:

- robust privacy management through transparent reporting and the establishment of systems to protect customers' personal data;
- promotion of the use of channels and controls for the management of communication with customers, including complaints;
- continuous attention, training and implementation of safeguards to adequately inform customers in advance and on an ongoing basis about their financial choices, ensuring an informed purchasing and user experience;
- promotion of a climate of inclusion through targeted interventions in the area of accessibility;
- investment in innovation and digital transformation to ensure full access to products and services that can meet customers' needs and risk profile.

As part of the double materiality analysis conducted, material risks and opportunities for the Group were identified, arising, in part, from impacts on consumers and/or end-users. Specifically, material risks were identified in terms of:

- reputational and operational risk due to the potential breach of IT systems resulting in the compromise of data and violation of the privacy of Group customers;
- operational risk due to the potential compromise of data and breach of IT systems outsourced to suppliers.

In addition, material opportunities are highlighted in terms of:

- improvement of the Group's reputation through continuous enhancement of customer service, thanks to increasing technological implementations and the use of artificial intelligence capabilities. This approach fosters customer loyalty and consolidates the Group's commercial and competitive positioning. Customers thus become an active part of the process, feeding a virtuous feedback loop;
- growth of Anima's Assets under Management through the development of products constantly in line with customer requests.

Processes for engaging with consumers and end-users and channels for consumers and end-users to express concerns [S4-2] [S4-3]

As stated in the Code of Ethics, we have always "... focused on customers and worked to create and develop long-lasting relationships based on trust and mutual satisfaction, offering products and services that meet their needs, in line with their individual risk profile. For this reason, we promote a constant dialogue with them, aimed at gathering their needs and expectations, and setting up a responsible management of the relationship, and of any critical issues that may arise...". The point of view of consumers and end-users' guides decisions and activities aimed at managing customer relations through a listening model that aims to monitor the customer experience in almost all moments of the customer life cycle. Evidence is collected and constantly monitored, also thanks to the support of a customer feedback management platform dedicated to collecting and managing customer feedback. For Group Companies committed to customer engagement activities (Banco BPM, Banco BPM Vita, Vera Vita and BBPM Life[1]), in order to address customers' opinions and views, the process defined as "Close the Loop" is used, which relates to all actions to improve a company's products and services. The process is divided into two subgroups:

- the inner loop concerns contact with the individual customer, in order to solve a specific problem in real time;
- the outer loop concerns the management and resolution of problems extended to broader customer segments, through projects for the improvement of processes and platforms, and through inter-functional round tables.

This model of listening and collecting feedback takes place via telephone or online (directly on the platform or via email) in different phases:

- after subscribing to a product (branch/online);
- after performing a transaction (branch/online);
- after using the assistance service (operator/chatbot);
- at other points in the relationship (e.g. customer satisfaction and *ad hoc* research).

The survey activities relating to customer satisfaction take place annually, while the other surveys are scheduled approximately once every three months with the exception of Anima's customers, who are contacted through surveys at most every six months. The effectiveness of engagement is constantly monitored by means of appropriate KPIs, first and foremost the response rate to surveys (redemption). The level of these specific KPIs is in line with the market, although no specific Service Level Agreements have been signed with service providers related to customer engagement activities.

The Marketing and Omnichannel Department of the Parent Company is the operational manager of the client engagement activities, ensuring that the results guide the Group's approach. For Anima, the Customer Support and Services Department deals with engagement activities.
In addition to what described above, specific channels are set up so that customers can communicate any concerns or needs and receive assistance in this regard.
In this sense, the Group announces the availability of channels for submitting complaints through advertising in the branches of the Bank and insurance companies and through a special banner on the Group's websites.

[1] Banco BPM Vita (incl. Vera Vita and BBPM Life) is included in the scope of the surveys, since some surveys concern the level of satisfaction related to the subscription of products provided by Banco BPM Vita.

Anyone wishing to file a complaint can do so in writing, free of charge:

- by filling in the appropriate web form (available on the website of the Bank or insurance company)[1];
- by email to: reclam@bancobpm.it or reclami@bancobpmvita.it or reclami@veravitaassicurazioni.it or servizioreclami@bbpmlife.com;
- by letter, hand-delivered (with confirmation of "receipt") to any branch of the Banco BPM Group;
- by ordinary mail or preferably by registered return receipt letter to: Banco BPM Reclami Via Polenghi Lombardo, 13 26900 Lodi or to: Banco BPM Vita Gestione Reclami Via Massaua, 6 20146 Milan or to: Vera Vita Gestione Reclami Via Massaua, 6 20146 Milan or to: BBPM Life Servizio Reclami *Beaux Lane House, Mercer Street Lower*, Dublin, D02 DH60, Ireland;
- by certified email to: reclami@pec.bancobpmspa.it or comunicazioni@pec.bancobpmvita.it or comunicazioni@pec.veravitaassicurazioni.it or reclami@pec.bbpmlife.com.

As far as Anima is concerned, complaints can be made as follows:

- Anima SGR: through Anima SGR's B2B service, placement agents are sent directly to the Complaints Office, which maintains frequent contact in order to resolve customer issues;
- Kairos Partners SGR: information on how to submit complaints is set out in Article 23 of the Multiservice Agreement, as well as being published on the SGR's public website (Complaints section and whistleblowing section);
- Anima Alternative SGR: direct points of contact with the Company are made available to investors in case of need.

The Banco BPM Group ensures control and monitoring of the problems raised and addressed, as well as the verification of the effectiveness of the channels made available above.
In particular, each report is subject to registration through a specific "RecLam" procedure in which the subject of the complaints is associated with the product and one of the possible reasons for complaints set out in the ABI taxonomy. In the presence of recurring issues, the procedure includes the allocation of an additional flag to ensure the possibility of launching targeted analyses on these cases. In any case, the operational application includes the possibility of obtaining, through parametric extractions, reports containing the main personal, management and economic information of each complaint, at any time. In this context, the Parent Company's Complaints office:

- periodically sees to the production and dissemination of periodic reports shared with the Bodies (Management Committee and Chief Executive Officer) and with the various control functions of the Parent Company, with the aim of sharing the trend of complaints and any critical issues;
- publishes annual reports on complaint management activities and related data on the websites of the Group Companies;
- the Group's insurance companies record complaints in their Electronic Complaints Register according to the provisions issued by the Italian Insurance Supervisory Authority (IVASS) and, as regards Supplementary Pension Plans, by the Supervisory Commission on Pension Funds (COVIP).

In order to continuously verify the ability of the complaints office to meet customer expectations, indicators are constantly monitored, including the number of replies and decisions for and against of the Banking and Financial Ombudsman (ABF) and the Financial Disputes Arbitrator (ACF) and the Insurance Arbitrator (AAS).
With regard to Anima, if the analysis of the complaints received highlights issues that need to be carefully analysed, a procedural check is prepared with the aim of examining the causes and, if necessary, asking the corporate functions concerned to arrange the necessary remedial measures. With particular reference to Kairos Partners SGR, the final outcome of the complaint containing the SGR's decisions is communicated in writing to the customer, within the term of 60 days from receipt of the complaint, in line with the reference policy.
Free and unlimited access to the channels represents a factor of safeguarding and protecting customers from possible retaliation, even if no specific internal policies are in place. The confidentiality and protection of consumers' personal data are also fundamental values underlying the complaint management process, in particular the data related to the complaint can only be consulted by the central and network structures specifically selected (profiling). In addition, the management processes implemented in this regard, in addition to meeting the needs and requirements of customers, guarantee compliance with the principles of fairness and autonomy. In fact, the complaints received from customers are treated equally, homogeneously and independently of the complainant. Furthermore, the structure responsible for handling complaints is independent of the structures responsible for marketing products and services. The autonomy is not only of an organisational nature, but also of an operational and economic nature as the head of the unit has spending autonomy.

[1] This method is not available for BBPM Life.

In addition, the websites of the Companies controlled by Anima Holding (Anima SGR, Castello SGR, Kairos Partners SGR and Anima Alternative SGR) publish the policies relating to the presentation of complaints and the presentation method thereof, which is also described in the pre-contractual phase.

Policies related to consumers and end-users [S4-1] [S4 MDR-P]

The main policies adopted by the Group to manage material sustainability topics related to its customers are:

- Code of Ethics (see "Policies related to corporate culture and business conduct");
- the Guidelines on respecting and safeguarding human rights (see "Policies related to working conditions and the well-being of own workforce");
- Regulation on privacy, processing and protection of personal data;
- Regulation on IT Security;
- Regulation on complaints;
- Regulation on the transparency of banking and financial transactions and services;
- Regulation on the approval of new products and markets and product distribution;
- Guidelines on artificial intelligence;
- Regulation on governance and control of Banco BPM Vita products;
- Regulation on the approval and distribution of new products and services of Banco BPM Invest SGR;
- Regulation on usury risk prevention;
- Guidelines on the integration of risks and negative sustainability impacts in investment services to clients;
- Regulations on the integration of sustainability factors in the provision of investment services of Banco BPM Invest SGR;
- Guidelines on the integration of risks and negative sustainability impacts in investment decisions of Banco BPM Vita.

In addition, it should be noted that the main policies adopted by Anima to manage issues relating to consumers and end-users and the related risks, as well as to promote positive impacts, are:

- Procedure for the Processing of Personal Data (Privacy - GDPR), which defines the processes regarding the processing of data in accordance with the Privacy Policy - GDPR and the applicable regulations on the protection of natural persons with regard to the processing of personal data and their circulation;
- Policy for the management of IT security incidents and data breaches (ICT Incident Management Policy), which illustrates and regulates the rules of conduct adopted by Anima Holding in the event of security incidents that may impact the services and data managed by Anima;
- Anima SGR's ESG Policy, Anima Alternative SGR's ESG Policy, Castello SGR's ESG Policy, Kairos Partners SGR's ESG Policy, which integrate environmental, social and corporate governance ("ESG") assessments into the investment process in order to align investors' interests with the broader objectives of society, drawing inspiration from the United Nations' Six Principles for Responsible Investment (PRI), among others;
- Commitment Policy of Anima SGR, Commitment Policy of Kairos Partners SGR, which identify the ways in which the investee companies are monitored, dialogue and collaboration with them takes place and collaboration with other shareholders takes place, based on the indications of the "Italian Principles of Stewardship" issued by Assogestioni and the EFAMA Stewardship Code;
- Policy on the prohibition to invest in producers of anti-personnel mines, cluster munitions and submunitions by Anima SGR, Anima Alternative SGR, Castello SGR and Kairos Partners SGR, governing the guidelines adopted by Anima SGR and Anima Alternative SGR in compliance with the provisions of Italian Law no. 220 of 9 December 2021 on the identification of "Measures to counter the financing of companies producing anti-personnel mines, cluster munitions and submunitions";
- Policy for the application of investment bans in the presence of international sanctions of Anima SGR and Kairos Partners SGR, which govern the guidelines adopted by Anima SGR in order to apply investment bans in the presence of international sanctions issued by certain Organisations and States;
- Strategy for the exercise of voting rights pertaining to the financial instruments held by the products managed by Anima SGR, which draws up the strategies for the exercise of the voting rights pertaining to the financial instruments held by the managed products valid for all issuers, both Italian and foreign, in the exclusive interest of the investors;
- Strategy for the exercise of voting rights pertaining to the financial instruments held by the AIFs managed by Anima Alternative SGR, which represents general criteria which Anima Alternative SGR adheres to in the analysis of the various resolutions, with the understanding that the corporate governance practices may vary

depending on the laws and best practices adopted by the respective countries of origin in terms of corporate governance.

In the relationship with its customers, the Group considers it fundamental to ensure compliance with the principles set out in the Guidelines on respecting and safeguarding human rights, published on the company website and accessible by all stakeholders (including collaborators, suppliers and business partners) so that there is full awareness and drive to promote human rights as an integral part of the Group's value system.
The aforesaid Guidelines imprint the Group's conduct on integrity, fairness and transparency, refusing in particular any form of discrimination in access to the products and services offered and paying the utmost attention to dialogue and listening to the real needs of customers, in order to build relationships of trust and mutual satisfaction based on respect.
Therefore, the Group avoids starting and managing commercial relationships in contrast with the principles set out above and ensures that the products and services offered to customers meet their real needs, prohibiting the use of elusive, tiring practices or in any case tending to force the judgement or behaviour of the latter.
Customers are provided with clear and comprehensive information regarding the products and services offered, including details about sustainability risks (such as environmental, social and governance events or conditions that may negatively affect investment value) and the terms and conditions applied, in order to facilitate understanding and the making of informed choices. Specifically, as part of the provision of investment services, ESG factors are integrated through a methodology outlined in the Guidelines on the integration of sustainability factors in the provision of investment services, which identifies investment opportunities linked to a sustainable development model and offers customers quality products and services that align with market and societal trends while respecting clients' ESG preferences.

In order to guarantee access to products and services, particular attention is paid to providing customers with accessible, clear tools and documentation written in a language they can easily understand, thanks to the continuous monitoring of these issues, with particular attention to regulatory developments in this regard (as better detailed in the section on "Actions related to the management of IROs in relation to consumers and end-users" in which specific reference is made to the accessibility of documents and improved communication).
Moreover, the Group is committed to being accessible to all thanks to the "design for all" approach and guarantees respect for the right to privacy and safeguarding the data and personal information of all parties involved in its activities in compliance with regulations in force.
In relation to respecting and safeguarding human rights, the Group manages and monitors the application of its approach to clients through clear assignments of roles and responsibilities, procedures for the identification and periodic assessment of risks, a system for reporting violations, a system of sanctions and constant dialogue activities with the reference stakeholders.
It should be noted that the policies related to consumers and end-users, in particular with regard to the Code of Ethics and the Guidelines on human rights, comply with international recognised standards. In this regard, it should be noted that no violations of the principles of the United Nations Global Compact were found in the downstream value chain in the reference period.

In addition, the production and distribution of the Group's products and services is subject to strong national and international regulations. The aim is to avoid causing, or contributing to causing, significant negative impacts on customers and/or end-users. In addition to this regulatory framework, as highlighted by the Regulation on the approval of new products and markets and product distribution, ensuring compliance with current regulations, the Group has adopted general principles for the approval of:

- products and services that are created and offered;
- new activities or initiatives that are proposed;
- new channels or markets in which it is inserted.

The definition of the Group's products and services must be based on the analysis of the interests, needs and characteristics of customers. Moreover, the level of potential risk for the customer and the complexity of the product or degree of innovation introduced must be taken into account, as well as possible conflicts of interest, in line with the type of product or service. The products and services issued or distributed must be compatible with the needs, objectives and characteristics of the customers, or of a specific reference market (or "target market") to which they are intended and must guarantee proper management of conflicts of interest, mitigating and avoiding any prejudice for the customer.

Confidentiality and correct processing of data

Regulation on privacy, processing and protection of personal data

The Regulation on privacy, processing and protection of personal data applied by the entire Group at the level of the entire value chain, including its own operations. This Regulation governs the principles, roles and responsibilities regarding the privacy, processing and protection of personal data.
In addition, the document defines the values and guidelines that guide the Banco BPM Group's strategies and operational choices regarding the management of personal data. In particular, the Regulation identifies:

- the general principles that must safeguard personal data processing activities;
- the roles and tasks of the subjects that process personal data and the tasks of the data protection officer (DPO);
- the principles of privacy by design and by default that must be applied to personal data processing activities;
- the roles and responsibilities of the Parent Company, the other Group companies and the corporate functions.

Furthermore, the enforcement of this Regulation makes it possible to:

- favour the positive impacts related to the protection of data and information confidentiality, both in its own operations and along the upstream and downstream value chain;
- seize the opportunity related to data confidentiality in the management of its operations and the consequent benefit in terms of reputation, leveraging skills and tools in the Cybersecurity area.

Within the Group, the Process Rules "Privacy - Management of the rights of data subjects", "Privacy - Tracking banking transactions" and the thematic Circular "Privacy and processing personal data" are also applied. These Rules regulate the activities to be carried out in order to guarantee the rights that the legislation on the processing and protection of personal data recognises for data subjects and the activities to be carried out for the management, verification and monitoring of access to customer banking data that is carried out through IT systems by the persons authorised to process the data. The Circular governs the fundamental aspects for the application of the provisions set forth in current legislation on personal data protection, with particular reference to the assessment of the impact on data protection and the phases of acquisition, use, storage and the deletion of personal data. Thanks to the application of the Regulation, the Group implements the provisions of European and national legislation, such as European Regulation (EU) 2016/679 ("GDPR"), applied to natural persons, including freelancers and sole proprietorships, and from Italian Legislative Decree 196/2003 as amended by Italian Legislative Decree 101/2018 ("Privacy Code").

The highest management level responsible for the implementation of the Regulation is the Board of Directors and it is accessible to employees via the company intranet. A summary of the main contents of the Regulation is available in the document "Cybersecurity and Privacy", which can be consulted by customers and end-users, also in English, via the Banco BPM Group's institutional website.

Regulation on IT Security

The Regulation on IT security adopted by the Banco BPM Group establishes the principles, roles and responsibilities in relation to IT security. The main purpose is the prevention of IT and cyber risks, with a focus on incidents of data leakage or loss resulting from cyber-attacks or security incidents, promoting positive impacts on the protection of employee and customer information privacy.
In accordance with the provisions of the Regulation, IT security management consists of processes and measures aimed at, among other things, consolidating trust in the relationship between customers and the Group, with particular regard to payment systems, guaranteeing the protection of the data of customers using electronic payment services. The security of corporate information and assets takes priority in the context of the digitalisation of services offered, introducing the concept of cyberspace[1], with respect to which cybersecurity is a strategic priority to mitigate the risk of fraud, reduce operational losses and reputational damage, as well as define actions to increase customer awareness and trust. Furthermore, the "Guidelines" section of the Banco BPM Group's institutional website contains a statement confirming the Group's ongoing commitment to Cybersecurity and Privacy.

[1] An intangible environment that is difficult to circumscribe and introduces new risk scenarios pertaining to traditional assets (spaces, physical assets, etc.) and IT assets that have now become strategic resources (data, information, networks and services), which are all considered subject to cyber risk.

The Board of Directors is the highest management level responsible for enforcing the Regulation and the overall monitoring of IT security at Group level, and is promptly informed of possible serious events relating to IT risk.

Through the enforcement of the Regulation, the Group undertakes to comply with the following national and European regulations in the field of financial services and/or privacy:

- Bank of Italy Circular 285/2013;
- PSD2 regulations on payments;
- European and national regulations on privacy (e.g. GDPR);
- EBA guidelines on IT security;
- ECB recommendations;
- European Union Regulation Digital Operational Resilience Act (DORA).

Freedom of expression

Regulation on complaints

The Regulation on Complaints is applicable to the Parent Company and Group companies (Banca Akros, Banca Aletti, Banco BPM Invest SGR, Banca Aletti & C. (Suisse), as well as all entities subject to centralised complaint management or potentially subject to customer reports, regardless of the organisational model adopted, Aletti Fiduciaria and insurance companies included). It governs the complaint management process, identifying the players involved and the guiding principles. The document is drawn up to ensure that any complaints made by customers who are dissatisfied with the services they receive are handled in accordance with the principles of fairness, equity and transparency. The application of the Regulation promotes the enhancement of customers' freedom of expression, contributing positively to the relationship of trust with the Group.
Complaints from customers are considered tools for organisational improvement and are handled with the aim of overcoming possible conflicts, while at the same time strengthening customer trust and satisfaction.
The Regulation has the following objectives:

- provide timely and exhaustive answers;
- prevent disputes;
- constantly identify opportunities to optimise the services offered.

The corporate structure responsible for handling complaints operates independently and autonomously from the units responsible for marketing products and the management of related services, ensuring impartial decision-making and the absence of conflicts of interest vis-à-vis the complainants.
In accordance with the Regulation, the competent office evaluates the complaints received, taking into account:

- regulatory and case-law developments (e.g., PSD2 Regulation and Lexitor Ruling);
- the guidelines expressed by the ABF and ACF;
- the indications of the Bank of Italy.

The highest management level responsible for the enforcement of the Regulation coincides with the role of the Chief Executive Officer and can be consulted by Group employees on the company intranet.

Access to quality information

Regulation on the transparency of banking and financial transactions and services

The Regulation on the transparency of banking and financial transactions and services applied by Banco BPM, Banca Aletti, Banca Akros, Banca Aletti & C. (Suisse), with exclusive reference to banking products sold in Italy under the freedom to provide services, serves to make the offer of products and services consistent with the different types of customers and their actual needs, as well as to mitigate legal and reputational risk through the full adoption and application of the principles of fairness and transparency towards customers, in every phase of the brokerage activity. All information documents on transparency must be drawn up and presented in a manner that guarantees the correctness, completeness and comprehensibility thereof in order to allow the customer to easily understand and compare the characteristics and costs of the product or service, as well as to adopt thoughtful and informed decisions.

The enforcement of this Regulation makes it possible to seize the opportunity related to the dissemination of financial awareness through transparent and non-misleading communication and the promotion of an informed shopping experience. With reference to the Regulation, the process rules "Transparency of banking and financial transactions

and services - operations of central structures" and "Transparency of banking and financial transactions and services - network operations" are also applied. In particular, these rules govern the activities and controls put in place by the central and network structures regarding the transparency of banking and financial transactions and services.

The highest management level responsible for implementing the Regulation is the BoD; it can be consulted by Group employees on the company intranet.

Access to products and services

Regulation on the approval of new products and markets and product distribution

The Regulation on the approval of new products and markets and product distribution applies to certain Group companies[1] and governs the general principles for the approval of products and services that the Group intends to create and/or offer new activities or initiatives that it intends to assume, as well as the new channels or markets which it intends to enter.
The purpose of this Regulation is to ensure the compliance of new commercial initiatives with current regulations and to assess their impacts in terms of costs, revenues or benefits, resources, risks, any internal skills required, as well as technical, operational and IT repercussions. The proposals for new products are supported by an investigation process that must necessarily consider the description of the proposal characteristics for its target customers, the offer channels and distribution mechanisms, the results of the preventive analyses in terms of costs and benefits. In addition, the proposal in question must comply with correct risk management (including sustainability risks related to environmental, social and governance impact issues and in line with the gradual entry into force of the relevant legislation), as well as the appropriate representation of accounting, price adequacy and, in general, compliance with internal and external regulations. The Regulation also includes digitalisation and omnichannel initiatives, evaluated according to their social profile, thereby fostering a culture of innovation, inclusion and accessibility.

This Regulation is drawn up in accordance with the provisions of national and European regulations, such as:

- Bank of Italy Provisions on "Transparency of banking and financial transactions and services" of 29 July 2009 and subsequent updates;
- Directive 2014/65/EU - Markets in Financial Instruments Directive (known as "MiFID II");
- Commission Delegated Directive (EU) 2017/593 of 7 April 2016 supplementing Directive 2014/65/EU as regards safeguarding financial instruments and client funds, product governance requirements and applicable rules for the provision or receipt of monetary or non-monetary fees, commissions or benefits;
- Directive 2016/97/EU - Insurance Distribution Directive (known as "IDD");
- Delegated Regulation 2017/2358/EU supplementing Directive 2016/97 with regard to product governance and control requirements for insurance undertakings and distributors of insurance products;
- IVASS Regulation 45/2020 on governance and control requirements for insurance products;
- EBA Guidelines on governance and control arrangements for retail banking products;
- ESMA "Guidelines on MiFID II product governance requirements", 2 June 2017, ESMA35-43-620;
- Consob Regulation 20307 of 15 February 2018 on Intermediaries.

The highest level of management responsible for enforcing the Regulation is the BoD.
The Regulation can be consulted by internal stakeholders on the company intranet.

[1] The Regulation applies to the following Group Companies:

- Banco BPM, Banca Aletti, Banca Akros, Aletti Fiduciaria, Oaklins Italy, Banco BPM Invest SGR, limited to the premises, the general principles and that which is consistent with the reference regulations and with the specific regulations of the company related to the investigation and approval of products and the assignment of roles and responsibilities;
- Banca Aletti & C. (Suisse) (this Regulation applies to the products of Banca Aletti & C. (Suisse) promoted or placed in Italy; passage to the Committee is envisaged for the products offered in Switzerland, without prejudice to the specificities envisaged Swiss legislation);
- Insurance companies, limited to the premises, the general principles and those consistent with the reference regulations of the insurance sector and with the specific regulations of the Company related to the investigation and approval of products and the assignment of roles and responsibilities.

Access to products and services and Responsible business practices

Guidelines on Artificial Intelligence

The Guidelines on Artificial Intelligence (also "AI") applied to the Parent Company and the Companies belonging to the Banco BPM Group define principles, roles and responsibilities for the development, acquisition, use and control of AI solutions. They define the operational model for the development, acquisition, use and monitoring of AI solutions, structuring processes and governance phases throughout the entire life cycle of the systems. In addition, they precisely establish the roles and responsibilities of the corporate functions involved, ensuring consistent, traceable and integrated supervision. The framework also ensures compliance with European Regulation 2024/1689 (AI Act), which sets out risk classification activities, ethical requirements, technical and organisational controls, and regulatory compliance assessment mechanisms. The highest level of management responsible for the implementation of the Guidelines is the Chief Innovation Officer (CIO) of the Parent Company. The Guidelines are published on the company portal and can be consulted by all Group employees.

Responsible commercial practices

Regulation on governance and control of Banco BPM Vita products

The Regulation on product governance and control applied to the Group's Italian insurance companies governs the principles, roles and responsibilities to ensure the development and adoption of product governance and control measures and of distribution, regulating the phases of insurance product design, control, review, distribution and continuous monitoring, in line with the reference regulatory framework and with the provisions of the "Regulation on the approval of new products and markets and distribution of products" of the Parent Company. The enforcement of this Regulation makes it possible to promote positive impacts related to initiatives aimed at promoting ethical and transparent commercial practices. Consistent with what is defined in the Regulation, the highest management level responsible for enforcing the Regulation is the BoD of Banco BPM Vita. Lastly, the Regulation can be consulted by internal stakeholders on the company intranet.

Regulation on the approval and distribution of new products and services of Banco BPM Invest SGR

The Regulation on the approval and distribution of new products and services, which applies to Banco BPM Invest SGR, defines the general principles for the design, control, review, distribution and continuous monitoring of products and services that the SGR intends to implement, in order to ensure the adoption of safeguards on their governance and control, as well as their distribution. The definition of products and services is based on the analysis of the interests, needs and characteristics of customers so as to minimise potential conflicts of interest. The enforcement of this Regulation makes it possible to promote positive impacts related to initiatives aimed at promoting ethical and transparent commercial practices. The highest management level responsible for the enforcement of the Regulations coincides with the BoD of Banco BPM Invest SGR.
The Regulation can be consulted by internal stakeholders on the company intranet.

Regulation on usury risk prevention

The Regulation on usury risk prevention applies to Banco BPM, Banca Akros and Banca Aletti, and governs the principles, roles and responsibilities regarding the prevention of usury risk pursuant to Italian Law 108 of 7 March 1996 "Provisions on usury" and subsequent amendments, as well as the criteria put in place to avoid exceeding the "usury threshold" on the rates applied by the Group companies mentioned above to transactions and in the management of relations with customers. Through the enforcement of the Regulation, the Group acknowledges and complies with the aforementioned legislation. The highest level of management responsible for enforcing the Regulation is the BoD of each company.
The regulation can be consulted by internal stakeholders on the company intranet.

Regulations on the integration of sustainability factors in the provision of investment services of Banco BPM Invest SGR

The Regulation on the integration of sustainability factors in the provision of investment services, which applies to Banco BPM Invest SGR, aims to integrate ESG dimensions into the provision of investment activities and services, product governance processes and investment decisions within the collective management service by specifying how

sustainability-related impacts, risks and opportunities can lead to a change in investment value. Consistent with Article 6 of the SFDR, this Regulation defines the principles to be adopted in investment decision-making processes and specifically calls for the application of the following principles:

- principle of exclusion, or "negative screening", to avoid investing in activities that are contrary to the Group's values or that violate ESG principles and regulations. The exclusion criteria relate to issuers involved in contentious activities, or which violate given principles established by international treaties, guidelines or initiatives to which the Group has adhered;
- principle of inclusion, according to which the SGR, when assessing investment opportunities, in addition to economic-financial parameters, includes in its choices products that promote sustainable and responsible investment initiatives.

The highest management level responsible for the enforcement of the Regulations coincides with the BoD of Banco BPM Invest SGR. The Regulation can be consulted by internal stakeholders on the company intranet.

Guidelines on the integration of risks and negative sustainability impacts in investment decisions to Banco BPM Vita

The Guidelines apply to the Group's Italian insurance companies and are part of the Group's commitment to sustainability. In particular, the companies are progressively integrating ESG factors when structuring their products (insurance, insurance investment and pension) and in the choice of their underlying financial investments, also considering information on sustainability risks in the integration. The integration of sustainability risks into investment decision-making processes aims to enable Companies to effectively manage the risks within their portfolios, with the objective of creating long-term value for the Companies themselves, the stakeholders, the environment and society. Under these Guidelines, insurance Companies adopt certain qualitative/quantitative safeguards to assess and monitor sustainability risks in investment decisions, including:

- negative screening, which establishes exclusion criteria aimed at prohibiting trading in financial instruments that invest in controversial assets;
- monitoring to assess and control the ESG risks of investments;
- consideration of the main negative effects on sustainability factors resulting from investment decisions.

Through these Guidelines, insurance Companies implement the provisions of Delegated Regulation (EU) No. 2022/1288 of 6 April 2022.
According to the Guidelines, the highest management level responsible for their implementation is the Chief Executive Officer. The Regulation can be consulted by internal stakeholders on the company intranet.

Guidelines on the integration of risks and negative sustainability impacts in investment services to clients

The "Guidelines on the integration of risks and negative sustainability impacts in investment services to clients" are applied by Banco BPM and Banca Aletti along the downstream value chain, regulating principles, roles and responsibilities relating to the integration of ESG risks and the disclosure of information concerning the main negative effects on sustainability factors (known as "PAI", Principal Adverse Impacts) as part of the provision of investment services, in particular in investment advisory and portfolio management. These Guidelines aim to identify investment opportunities related to sustainable development models and to offer high-quality products and services in line with regulatory and market developments.
With regard to consulting, the range of products offered, including investment products under the SFDR, is structured to meet the different needs of customers, identified through the collection of sustainability preferences under MiFID. Within the scope of portfolio management, the catalogue provides for management lines that promote investments characterised by environmental or social criteria, in line with Article 8 of the SFDR. The Guidelines establish that the process of monitoring investment activities must ensure that the services and products offered (e.g., UCITs, management lines, administered savings instruments) are consistent with the risk profiles and needs of customers, by completing the appropriate MiFID questionnaire. Portfolio management also includes continuous monitoring of the negative effects of investment choices and, for the Article 8 SFDR lines, of the environmental and social characteristics promoted.
The highest management level responsible for implementing the "Guidelines on the integration of risks and negative sustainability impacts in investment services to clients" is the Chief Executive Officer. By implementing the Guidelines, the company undertakes to comply with the provisions of EU SFDR Regulation 2019/2088, EU Delegated Regulation 2022/1288 and EU Delegated Regulation 2017/565, which supplements the MiFID Directive. The Guidelines are made available to stakeholders on the institutional website of the Parent Company and Banca Aletti, as indicated by the SFDR regulations.

Actions related to the management of IROs in relation to consumers and end-users [S4-4] [S4 MDR-A]

In order to continuously improve the relationship with customers, preserve the soundness thereof and share information, while simultaneously achieving the goals and objectives of internal policies, the Group has adopted and planned multiple actions. The main actions regard:

- Digital, Omnichannel Transformation programme;
- constant training and awareness-raising on cybersecurity;
- organisation of training meetings dedicated to client and non-client companies on ESG issues;
- enhancing the accessibility of documents and improving communication;
- constant monitoring and improvement of the usability of the Group's digital assets, thus ensuring inclusive access;
- development of projects related to the implementation of Artificial Intelligence;
- enhancing accessibility and inclusiveness initiatives;
- updating the privacy policy.

In addition, it should be noted that Anima has also activated and planned actions in order to manage impacts, risks and opportunities relating to the services and products offered to customers. Specifically:

- a dedicated IT security monitoring service was established in 2022, which produces a periodic newsletter for all staff in order to raise awareness of the importance of IT security;
- implementation of a mandatory and recurring cybersecurity training programme for staff, with multimedia content accessible via the Cyberguru platform introduced in 2025;
- reporting the main negative effects (Principal Adverse Impact - PAI) of the investment activities of Kairos Partners SGR and Anima SGR on sustainability factors, carried out annually and on a voluntary basis;
- during 2025, the testing phase of Anima SGR's two new product lines (Anima Net Zero Bilanciato Prudente and Anima Net-Zero Corporate) was carried out as part of the Net-Zero System based on companies that are committed to reducing CO2 emissions, classifiable as Article 9 of EU Reg. 2088/20219 SFDR (products with sustainable investment objectives). By developing products in line with client needs, Anima SGR contributes to pursuing the opportunity related to the growth of Assets under Management.

Digital, Omnichannel Transformation programme (DOT)

The quest for quality in customer relations is central to the Banco BPM Group, together with the awareness that the introduction of new technologies and the adoption of innovative approaches play a crucial role in changing customer interaction. The Group is embracing this transformation, not only to adapt to the change, but also to make the most of the potential offered by digital technology in consolidating and improving the relationship with its customers.
In fact, digitalisation offers the opportunity to overcome traditional limitations, allowing a greater customisation of the range of offerings, as well as a quicker and timelier response to customer needs.
With this in mind, the DOT Programme was launched to promote digital transformation and the introduction of innovative technologies, constantly improving customer interaction and ensuring the personalisation of services offered. During 2025, as part of the digitalisation process already undertaken in previous years, important measures were implemented for the benefit of the Group's customers and commercial activities. These include the introduction of digital signatures at the branch for the sale of new products and the acquisition of new customers, the dematerialisation of periodic customer communications, and the evolution of onboarding processes for opening the "YOU" and the "WEBANK" account. Digital functionalities for companies were also expanded, including the digitalisation of factoring and sureties procedures and the adoption of new digital platforms. Finally, initiatives continue in the area of Customer Relationship Management (CRM) to refine knowledge of customer needs and offer customised solutions, always in line with actual requirements.

Employee training and customer awareness on cybersecurity

With the aim of mitigating the material risks relating to the possible breach of computer systems and compromise of data, the Group promotes specific training initiatives on IT security issues. In addition to this, in line with the digital transformation strategy outlined in the 2024-27 Strategic Plan, the Group is leveraging the internalisation of specialised technical skills in this area, including through the targeted recruitment of IT-tech specialists with expertise in cybersecurity. In particular, the Group promotes continuous training for employees, aimed at acquiring and updating skills in the area of Cybersecurity. The programme includes both compulsory and optional training courses, as well as

events and specialised training courses for professionals. The main objective is for each employee, according to their role, to develop the necessary knowledge and skills to meet the challenges related to IT security, ensuring optimal protection of customer data.
Further details on the training plan and awareness-raising initiatives on cybersecurity can be found in the section on "Actions related to the management of IROs in relation to the confidentiality and correct processing of own workforce data", with particular reference to the action "Implementation of an annual Cybersecurity training and awareness-raising Plan".
Furthermore, to foster greater customer awareness of cybersecurity issues, the Group periodically publishes cybersecurity information content on its digital platforms. These communications, especially dedicated to the main types of computer fraud, are differentiated for retail and business customers, while further articles and insights are distributed through the web, social channels and the online magazine "Protect Your Security". The Group also participates in the "I Navigati" awareness campaign in cooperation with CERTFin[1], offering useful tools to identify and prevent cyber threats. In the last quarter of the year, a security survey was initiated in the post login area for all YouWEB customers, aimed at assessing their ability to recognise digital scams. When accessing YouWEB, customers were asked to fill in a short questionnaire consisting of seven multiple-choice questions.

Organisation of training meetings for client and non-client companies on ESG issues

In order to increase ESG awareness, and on the basis of the initiatives undertaken also as part of the last Strategic Plan, the Group organises training meetings for companies[2] on ESG issues (offering support, for example, in the definition of the sustainability strategy, in the preparation of ESG reporting, in the definition of policies, etc.).
In particular, the contents shared therein are the result of:

- the engagement of specialised external trainers;
- internal skills developed through training dedicated to internal professionals able to meet the different needs of customers.

These activities are scheduled in advance on an annual basis at the time of strategic planning (considering the three-year reference period of the Strategic Plan). In fact, since 2021, the Group has been committed to a process dedicated to spreading awareness on sustainability issues and the importance of ESG factors in corporate strategy. This initiative has become increasingly structured with the formalisation of the ESG Factory project, which provides concrete support to corporate clients and non-clients embarking on the green transformation process.
For the development and implementation of these initiatives, the Group has allocated human and financial resources (the latter to an insignificant extent) for both the creation and disbursement of content, as well as the definition and implementation of the various logistical aspects relating to the meetings.

Accessibility of documents and improving communication

An update of internal processes was implemented for the Group Banks in 2025 aimed at ensuring the production and delivery of pre-contractual documentation relating to "real estate credit to consumers" and "consumer credit" as early as the first contact with customers, including prospects, i.e., customers at the credit simulation stage.
At the same time, the IT procedures adopted by the Commercial Network were optimised to offer more information and allow direct access to information documents, with the aim of actively supporting managers in identifying the solutions most in line with customers' needs and characteristics. Information documents can also be easily transmitted via email to customers.
Awareness was adequately raised throughout the entire network through specific training courses and targeted communications. The described interventions affected all Group Banks, in accordance with the offer catalogue.
In addition to the above initiatives, the information sheets for current accounts were also further modified in order to increase their accessibility for visually impaired customers.
The initiatives described were implemented thanks to the contribution of a dedicated cross-functional group.
In conclusion, it should be noted that the Banco BPM Group constantly ensures that the principles of accessibility, clarity, fairness and comprehensibility of transparency documents are monitored, with attention to future regulatory

[1] The CERTFin - CERT Finanziario Italiano is a public-private cooperative initiative aimed at enhancing the cyber risk management capability of financial operators and the cyber resilience of the Italian financial system through operational and strategic support for prevention, preparedness and response to cyber attacks and security incidents.
[2] The recipients of ESG awareness initiatives are not only the corporate customers of the Banco BPM Group, but also companies operating in Italy that are not yet customers.

developments in this area. In this respect, updates to improve the accessibility of transparency documentation (information sheets, contracts, accounting documentation, etc.) will continue in 2026.

Monitoring and improving the usability of the Group's digital assets

The Group's fundamental objectives include the continuous monitoring and optimisation of the usability of digital assets, with the aim of removing potential barriers and ensuring inclusive access, paying particular attention to the needs of people with disabilities or difficulties. In this perspective, the initiatives undertaken contribute to increasing the Group's commitment, especially in the areas of diversity and inclusion, fair access to financial services and information transparency. The Group implemented these projects through a dedicated cross-functional working group, to which specific, albeit not significant, economic resources were allocated.
Constant monitoring of the digital assets, together with remediation and assessment activities, allows for a systematic reduction of technological barriers, facilitating greater usability of services by users with disabilities or other difficulties. In addition, the development of internal skills consistent with the principles of inclusive design continues. In the course of 2025, these activities concerned the design and development of digital services and document publishing (online accounts and information sheets).
The processes were supervised by a supplier outside the Group, and accessibility requirements were progressively integrated. Planned interventions on the main digital platforms (web and app) were also completed by updating the Accessibility Statements in line with current legislation. Activities will continue in 2026, with a gradual integration of accessibility requirements also into the design and development processes of new products.

Artificial Intelligence projects

In the context of the strategic priorities set out in the Strategic Plan, the gradual implementation of Artificial Intelligence-based technologies contributes to increasingly improving the range of offerings available to the Group's customers, as well as supporting the efficiency of internal operations.
In particular, the Banco BPM Group has equipped itself with Artificial Intelligence models to support banking processes, for example in the Credit, Marketing and Omnichannel and Risk Management areas. In this regard, several use cases have been realised with classical Artificial Intelligence techniques[1] that, through machine learning, help the Group to refine its predictive and behavioural models, thus guaranteeing a personalised offer to customers.
At the same time, the Group has launched a structured process for the adoption of Generative Artificial Intelligence (Gen AI), thanks to the activation of various projects oriented towards the development of solutions to support internal activities. This initiative meets the objective of consolidating the skills necessary to effectively govern this new and complex technology within the organisation, as well as to reap its initial benefits in terms of operational efficiency and process optimisation. Artificial Intelligence initiatives are aimed at increasing the efficiency and level of automation of internal processes, freeing up time and resources to be allocated to customer support. The objective is to assist customers in defining the most suitable credit solutions to support their growth and development projects.
The large-scale adoption of Artificial Intelligence solutions within the Group is one of the goals of the Strategic Plan and will continue in future periods, in line with the evolution of technologies and the increasing maturity of in-house skills.

Enhancing accessibility and inclusiveness initiatives

The Group pays particular attention to the issues of inclusiveness and accessibility, addressing these principles for both its employees and customers. A cross-functional working group called "ESG Accessibility and Inclusivity" was set up in 2025, aimed at adapting the accessibility requirements established by current legislation and by the Memorandum of Understanding between ABI, the Presidency of the Council of Ministers and ACRI, to enhance and promote the European Disability Charter.
The creation of a cross-functional working group dedicated to the issue of "accessibility and inclusiveness" as part of the Banco BPM Group's ESG strategy made it possible to involve various organisational structures, responsible in various ways for designing and implementing actions to overcome physical/sensory/technological and cultural/communication barriers and make the Group an increasingly respectful, accessible, inclusive and sustainable reality, with a particular focus on customers.

[1] A subset of AI concerned with the development of algorithms and models that allow computers to learn from past data to make predictions using machine learning statistical techniques and/or neural networks.

In addition, the Banco BPM Group actively participates in the technical tables promoted by the Agenzia per l'Italia Digitale (AGID) and ABI for the definition and implementation of the Guidelines on the accessibility of banking services, in line with the provisions of national and European regulations.
Finally, Guidelines were published on the Group's institutional website on the subject of welcoming and relating to people with disabilities and/or from different cultures.

Update of the privacy policy for customers

Within the framework of the Network of Data Protection Officers of Banks (DPO Network - an initiative promoted by the Italian Data Protection Authority within the activities of the Department of Economic and Production Realities with the support of the Italian Banking Association - ABI), a privacy disclosure text with standardised icons was drafted. This intervention is aimed at optimising the accessibility and comprehension of the main information contained in the disclosure itself, through the association of a minimum set of information elements with specific standard icons. In line with its commitment to transparency, the Parent Company has started the process of updating its Customer Privacy Policy to bring it in line with the new standards shared within the banking sector.

Targets related to consumers and end-users [S4-5] [S4 MDR-T]

The main targets aimed at managing material sustainability issues related to Group clients, as monitoring the effectiveness of policies and actions are:

- training dedicated to creating ESG awareness for corporate customers to accompany the sustainable transition;
- strengthening internal IT security controls, in particular through the recruitment of IT Tech specialists with Cybersecurity skills.

The definition of sustainability objectives is part of the more complex strategic planning process to which the various company functions contribute by competence and which take into account both the considerations and requests that have emerged during meetings with stakeholders and past performance and resources provision in the determination of company objectives.
The performance monitoring linked to these objectives is carried out by the Planning and Value Management function and by the Transition and Sustainability function at least on a quarterly basis.
In this context, the performance recorded periodically is compared with intermediate objectives (where available) in order to detect any gaps and, if necessary, launch remedial initiatives with the company structures responsible for pursuing these objectives. The results of the monitoring activity described above are brought to the attention of the Corporate Bodies also in order to direct any remedial actions

Training dedicated to creating ESG awareness for corporate customers

Over the 2024-26 time horizon, the Group expects to provide more than 3,000 hours of cumulative training dedicated to creating ESG awareness with [1]companies and corporate customers to accompany the sustainable transition (ESG Factory). The cumulative objective, defined in the 2023-26 Strategic Plan, was rescheduled to 2027.
The objective was set on the basis of what has actually been achieved in the past and taking into account the resources available, as well as in line with the commitments undertaken and declared by the Group in supporting customers in a transition process, through communication and development of the potential of companies and on the basis of the performance recorded in recent years in the field of ESG training delivery to companies.
An interim target of 1,000 hours delivered in 2025 is set for this objective. The monitoring activities show that the hours provided, calculated as a multiplication of the number of participants and the number of training hours as at 31 December 2025, is equal to 1,048, therefore well above the interim target.[2]

Strengthening internal controls by recruiting IT Tech specialists with Cybersecurity skills

In line with the requirements of the Strategic Plan and in order to strengthen internal IT security, the recruitment of 200 new specialists in IT Tech will be completed by 2026 while, in line with the Strategic Plan 2024-27, the target of 15% of specialists in IT Tech with specific skills in Cybersecurity out of the total number of hires made in IT structures was reached.

[1] In addition to non-customer companies operating in Italy.
[2] In 2024, this figure amounted to 1,804 hours.

The objective in question is defined through specific business control and validation processes of the data and considering the results of a detailed discussion that involved the workers' representatives in dedicated trade union tables. The figure as at 31 December 2025 shows 480 recruitments for generational turnover. Regarding the IT Tech sphere, since the beginning of the Strategic Plan 2023-26, 131 resources have been hired overall, with 21.3% of profiles specialised in cybersecurity out of the total number of hires in the IT structures.

Entity-specific metrics on IROs related to consumers and end-users

Virtual Webank branch for "pure digital" customers and remote transactions

The Group has provided its "pure digital" customers 4 virtual branches, registered with the Bank of Italy and with Banking Codes (("CAB"). The branches are present in the internal database of the GESTOR bank (Group Organisational Management System).

The percentage of transactions carried out remotely out of the total transactions carried out by private customers (natural persons) is equal to:

- 88% for transactions carried out online and at ATMs[1], compared to 87% for 2024;
- 82%, for transactions carried out online and over the counter[2], compared to 79% for 2024;
- 73% for transactions carried out through the app, compared to 71% for 2024.[3]

The percentage of transactions carried out remotely out of the total transactions carried out by client companies (legal entities) is equal to:

- 87% for transactions carried out online and at ATMs[4], compared to 85% for 2024;
- 83% for transactions carried out online compared to 80% for 2024;[5]
- *2.9% for transactions carried out via app[6].*

Mandatory training on transparency in banking operations towards the customer

The percentage of employees who benefit from mandatory training on banking transparency issues towards customers is 62.5% of the target population, compared to 35% in the previous year. The increase in the utilisation rate in 2025 can be attributed to strengthening the training coverage on these topics, achieved through the expansion of the content offering and a more timely monitoring of participation.
The figure is calculated as the ratio of employees in service at the end of the period who received training on transparency compared to the total number of employees active at the end of the period.

ESG awareness for companies

The Group is committed to the dissemination of ESG issues among its corporate clients and has provided a total of 1,048 dedicated training hours in 2025, compared to 1,804 dedicated training hours in 2024. The training hours provided are calculated by multiplying the number of participating customers by the number of training hours received by each customer.

Complaints

Complaint management is a fundamental activity that allows the Group to interact with customers, responding effectively to the various requests and needs that may arise and ensuring a high level of satisfaction. Among the entity-

[1] Ratio between the sum of online transactions (i.e., handling current accounts on the web and You and We apps) and movements carried out at the ATM on total transactions carried out (online, ATM, branch).
[2] Ratio between the number of online transactions (i.e. handling current accounts on the web and You and We apps) out of total transactions carried out online and in the branch.
[3] Ratio between the number of transactions carried out through the You and We app, out of total transactions carried out online (i.e., handling current accounts on the web and the You and We app).
[4] Ratio between the sum of online transactions (i.e., handling current accounts on the web and You and We apps) and movements carried out at the ATM on total transactions carried out (online, ATM, branch).
[5] Ratio between the number of online transactions (i.e. handling current accounts on the web and You and We apps) out of total transactions carried out online and in the branch.
[6] Ratio between the number of transactions carried out through the You and We app, out of total transactions carried out online (i.e., handling current accounts on the web and the You and We app).

specific Metrics monitored by the Group, complaints are a relevant source of information. A total of 5,841 complaints were received in 2025, compared to 5,910 complaints received in 2024[1].
In particular, 319 complaints were received from insurance companies (Banco BPM Vita, Vera Vita and BBPM Life), 36 from Anima and 5,486 registered through the RecLam[2] procedure in 2025. Specifically, the following should be noted:

- 446 complaints upheld[3] in 2025, compared to 597 in 2024;
- 1,788 partially upheld complaints[4], compared to 1,660 in 2024;
- 3,519 complaints rejected,[5] compared to 3,717 in 2024.

For each of the above-mentioned cases, the complaints are managed through the "RecLam" application, which allows the extraction of the data required to calculate the indicated metrics, while the Group Insurance Companies manage their own complaints through their respective applications, in compliance with the provisions issued by IVASS and, with regard to supplementary pension schemes, by COVIP. Finally, Anima uses a "Complaints Register" application, and its Complaints Division also analyses the individual cases.

Customer Satisfaction Surveys

During 2025, the number of customers involved in Customer Satisfaction surveys was approximately 185,000, up from 166,000 in 2024. The surveys were conducted by interviewing a representative sample of Banco BPM customers, contacted once a year by telephone and by mail. Combining both channels, the feedback received was found to be statistically robust.
With reference to the NPS (Net Promoter Score) index, Banco BPM's score for 2025 stands at 35, up from the score of 31 recorded for 2024. The NPS index obtained from surveys is an internationally recognised indicator of how much customers would recommend Banco BPM to friends and family. This is calculated as the difference between the % of "promoter" customers and the % of "detractor" customers in a range between -100 and +100. The value thus obtained is then validated by the external company BVA Doxa, which carried out the customer surveys.

Serious IT security incidents and data loss or unauthorised access to Group banks

During 2025, no serious incidents were recorded that would require notification to the Bank of Italy, compared to one serious IT security incident recorded for 2024. The count of "serious" incidents is based on the value assigned to the severity of the event. In particular, the degree of impact in the event of potential data loss is assessed in terms of:

- availability of the data, i.e., if it has made the data temporarily or permanently inaccessible or unusable at the request of the financial entity, its customers or its counterparties;
- authenticity of the data, i.e., if it has compromised the reliability of the data source;
- data integrity, i.e., if it led to an unauthorised modification of the data that made them inaccurate or incomplete;
- data confidentiality, i.e., if it involved access to the data by an unauthorised person or system or their disclosure to that person or system.

If the assessment assumes the degree of potentially serious severity (threshold of regulatory relevance) it means that the incident has or will have a negative impact on the achievement of the commercial objectives of the financial entity, on the ability to meet the regulatory requirements, i.e., at least one application present in the "Classification Framework" in the "Regulatory constraints" sheet is involved, and the impact conditions described therein have been verified or in the case in which the IT and network systems detect unauthorised, malicious and successful access, where such accesses may lead to data loss. Moreover, in line with 2024, no significant episodes of data loss or unauthorised access occurred that required notification to the Data Protection Authority or to the interested parties.

[1] For more details on the calculation methodology, please refer to the section "Disclosures in relation to specific circumstances".
[2] In the "RecLam" procedure, complaints relating to Banco BPM, Banca Aletti, Banca Akros, Banca Aletti & C. (Suisse), Banco BPM Invest SGR and Oaklins Italy are registered.
[3] 331 Banco BPM Group; 14 Anima; 101 Insurance companies.
[4] 1,788 Banco BPM Group; 0 Anima; 0 Insurance companies.
[5] 3,279 Banco BPM Group; 22 Anima; 218 Insurance companies.

Number of incidents involving data leaks or losses at the ICT suppliers of Group banks

During 2025, there were no incidents involving data leakage or loss at the ICT suppliers of the Group's banks, compared to one such incident recorded for 2024. The methodology for determining this figure is based on the regulatory framework that refers to the Guidelines contained in Bank of Italy Circular 285 and which keeps track of all events related to operational and safety incidents.

ISO 27001 ICT certified suppliers or equivalent registered in the Parent Company's Supplier Register

The Banco BPM Group is engaged in the selection and monitoring of suppliers who have IT security certifications, in particular ISO 27001 and equivalent. The percentage of suppliers with this certification out of the total number of suppliers in the Parent Company's Supplier Register is 38% in 2025, compared to 31% in 2024.
In obtaining the data, the suppliers surveyed with turnover in the reference year and an indication of said certification are considered, collected during the registration of the same through the compilation of dedicated ESG questionnaires.

GOVERNANCE INFORMATION

Business conduct [ESRS G1]

The following table provides a description of the impacts, risks and opportunities that the Group has assessed as material in relation to Business Conduct following its double materiality assessment.

ESRS Topic, sub-topic, or sub-sub-topic	IRO	Perimeter	Description	Metrics used to assess performance and effectiveness in relation to a material IRO
Prevention and detection including training Accidents	Risk	Own operations	Reputational risk relating to the potential occurrence of corruption and bribery	G1-3 - Prevention and detection of corruption and bribery G1-4 - Confirmed incidents of corruption or bribery
Corporate culture	Positive impact	Own operations	Dissemination of a strong corporate culture based on ethics and integrity (i.e., culture) that is based on principles of proper conduct, combating tax evasion and money laundering and promoting transparent and responsible behaviour, including through training content on the issues in question	
	Risk	Own operations	Reputational risk arising from the potential occurrence of conduct diverging from the principles enshrined in the Code of Conduct in relation to the corporate culture and relations with Group suppliers and/or customers	G1-6 - Payment practices
Protection of whistleblowers	Positive impact	Own operations	Correct management of whistleblower reporting and protection processes	
Management of relations with suppliers, including payment practices	Positive impact	Own operations	Respect for payment practices towards own supply chain and raising awareness by assessing the sustainability profile of the Group's suppliers	G1-6 - Payment practices

Policies related to corporate culture and business conduct [G1-1] [G1 MDR-P]

The main policies adopted by the Banco BPM Group to manage business conduct issues and related risks, as well as to foster the positive impacts identified, are:

- Code of Ethics;
- the Integrated Internal Control System Regulation;
- the Internal Violation Reporting System (Whistleblowing) Process Standard;
- the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/01;
- the Anti-Corruption Regulation;
- the Regulations on the Prevention of Money Laundering and Terrorist Financing;
- the Regulation for Managing the Purchase of Goods and Services;
- the Guidelines regarding operations in the weapon materials and systems industry.

The main policies adopted by Anima to manage business conduct issues and related risks, as well as to foster positive impacts, are:

- Whistleblowing Policy, which defines the system for reporting facts or conduct that may constitute a violation of the rules governing the company's activities or irregular conduct of which the reporter (whose anonymity is guaranteed) has knowledge;
- Policy for the Prevention of the Risk of Money Laundering and Terrorist Financing, which illustrates the organisational model, rules and solutions adopted by Anima to combat the risks of money laundering and terrorist financing, in compliance with national and European legislation in force at the time;
- Anti-Corruption Policy, which identifies the principles and rules to be observed so that the company's operations are conducted in compliance with the law, International Conventions and corporate ethical values, in order to prevent any corrupt conduct;
- Policy on Dialogue with Shareholders and Debt Providers, which identifies and describes the ordinary channels of direct and ongoing communication between the Company, Shareholders, Debt Providers and the entire financial community, managed by the relevant corporate functions;

- Principles of conduct in tax matters, which outlines the principles of conduct in tax matters in order to ensure tax compliance with continuity, capital integrity and the reputational profile of Anima companies;
- Internal Control and Risk Management System, which provides the guidelines for the Internal Control and Risk Management System (ICRMS) that the Company has adopted, in line with civil law regulations and the indications of the Code of Corporate Governance, suitable for continuously monitoring the typical risks of the company's activities. It should be noted that in 2025, Anima also adopted the Regulations on Banco BPM's Integrated Internal Control System;
- Enterprise Risk Management Policy, which regulates the roles and responsibilities of the Corporate Bodies/structures of Anima Holding and the SGRs, in managing Anima's risks;
- Code of Ethics and Conduct, which brings together the principles and ethical values that guide Anima in the way it does business. However, it should be noted that in 2025 Anima also adopted the Banco BPM Group's Code of Ethics;
- Sustainability Policy, which identifies the principles in the areas of respect for the environment, staff protection, community support, correct and transparent governance and responsible investment that inspire Anima in its commitment and actions.

Code of Ethics

The Banco BPM Group recognises the importance of its role in the economy and in the communities in which it operates, committing itself to shared growth with all stakeholders on a daily basis. It addresses social, environmental and economic challenges by having sustainability integrated into its operating model and corporate culture since its foundation. It promotes an approach based on concrete actions and on the values of diversity, inclusion, respect and well-being of people.
Internally, the Group is committed to strengthening employee involvement, promoting and disseminating the corporate culture (including through road shows and meetings on the ground between Top Management, colleagues and stakeholders) and sharing key news through tools such as the intranet, Corporate TV and newsletters. These tools support both people and commercial activities, strengthening the sense of belonging and participation. These channels continue to be central to communicating the Group's values, organisational changes and projects through targeted and easily accessible content.
The corporate culture is monitored through continuous listening: feedback collected during meetings, testimonies from narrative formats and interactions on internal channels guide the evolution of content and messages, keeping identity, strategy and daily practices aligned.
In addition, the Group provides training programmes on business conduct: the Academy function organises annual courses for all employees with a level of in-depth analysis that varies from basic training to specialised programmes, guaranteeing continuous growth of skills and ethical awareness within the Organisation.

The Code of Ethics is a governance tool which formalises our guidelines of good conduct based on ethical principles, legality, fairness, transparency and respect for each individual, without any form of discrimination. The principles and provisions of the Code are binding for directors, statutory auditors, all persons bound by an employment relationship with the Group and all those who work for the Group, regardless of the type of relationship that binds them.
In particular, the Code of Ethics regulates the guiding principles in relations with stakeholders and promotes the dissemination of a culture of respect for rules and attention to risks, ensuring the quality of the activities carried out and improvement towards the sustainable and responsible development of the business. It also fosters the positive impacts linked to the dissemination of an aware and adequate culture of ethics and corporate integrity, based on fairness of conduct and on combating tax evasion, money laundering and anti-competitive behaviour.
In compliance with the values and principles set out in the Code of Ethics, the Banco BPM Group acts by putting customers at the centre, building transparent and lasting relationships and offering solutions geared to their needs.
Finally, the Group is committed to providing the financial market with fair, transparent, comprehensive and timely disclosure of its strategies and results and sets itself the objective of creating sustainable value in the medium- and long-term, also in the best interest of investors (shareholders and bondholders). The Code also places due care in respecting contractual agreements with suppliers and business partners. In the same way, it seeks to value people and maintain a system of relationships with employees aimed at nourishing their motivation and sense of belonging to the Group.
In the event of conduct that does not comply with the provisions of the Regulation, which could also generate civil, criminal and administrative liability for the Group, disciplinary sanctions may be imposed on employees.

The Code of Ethics is inspired by the main international treaties, and in particular by the OECD Guidelines for multinational companies, the principles of the United Nations Global Compact which the Group has formally endorsed,

the fundamental Conventions of the International Labour Organisation as well as the Universal Declaration of Human Rights of the United Nations and the European Convention on Human Rights.

The highest management level responsible for approving and implementing the Regulation is the BoD.

The Code of Ethics and its updates are made available to the recipients and the public through publication on the intranet portal and on the websites of the Group Companies, where present. Each recipient is required to direct the colleagues of their organisational units to fully comply with the Code of Ethics and disclose it to all those who work directly or indirectly for the Group and its Subsidiaries. In addition, the Group's suppliers are also required to sign and comply with the principles of the Code of Ethics, through express reference in supply contracts.

Integrated Internal Control System Regulation

The Integrated Internal Control System Regulation governs the criteria, roles and responsibilities regarding the Banco BPM Group's internal control systems[1], representing the duties and responsibilities of the Corporate Bodies and corporate control functions as well as the related coordination and collaboration methods in compliance with the reference legal and Supervisory provisions (in particular Bank of Italy Circular No. 285 of 17 December 2013 and IVASS Regulation 38 of 3 July 2018 and subsequent amendments and additions, Irish regulations). In this context, the Regulation defines criteria and guidelines on the internal system for reporting violations, allowing to strengthen the positive impact generated through the definition and monitoring of whistleblower reporting and protection processes.

The BoD is responsible for the implementation of the Regulation and therefore approves the internal reporting systems and appoints the head of the internal reporting system (coinciding with the Audit Manager), responsible for ensuring the correct management of the reporting process, reporting directly and without delay to the relevant Corporate Bodies and/or to the Supervisory Body the information subject to reporting, where deemed pertinent, and draws up an annual report. The Regulation can be consulted by internal stakeholders on the company intranet.

Internal Violation Reporting System (whistleblowing) Process Standard

In order to reinforce the positive impact generated through the definition and monitoring of reporting and whistleblower protection processes, the Internal Violation Reporting System Process Standard[2] regulates the internal reporting system for violations relating to unlawful conduct for the entire Group, as set out in Italian Legislative Decree 10 March 2023 no. 24, specific industry regulations, Bank of Italy, IVASS and ANAC Regulatory Bodies and in accordance with the guiding principles of the Integrated Internal Control System Regulation.

The highest management level responsible for the enforcement of the Process Standard coincides with the person responsible for the Internal Violation Reporting System. For BBPM Life, the owner of the Policy is Compliance, while the responsibility for ensuring the independence, autonomy and effectiveness of the policy lies with the Chairman of the Audit Committee. For Banca Aletti & C. (Suisse), the top management level responsible for the operational implementation of the policy is General Management. The Process Standard is made available to internal stakeholders through publication on the company intranet.

The Group provides mechanisms for identifying and reporting concerns regarding unlawful conduct or that is in conflict with its own Code of Conduct or internal regulations.
In particular, in line with the provisions of the Internal Violation Reporting System (whistleblowing) Process Standard, it requires those who have become aware of an offence in the workplace, also in the pre-contractual phase or after the termination of the employment relationship, to transmit detailed indications of unlawful conduct (including alleged). In particular, ad hoc internal channels are envisaged for sending reports through a guided procedure on the dedicated IT platform or by filling in the reporting forms attached to the regulations. Regardless of the channel of receipt of the report (platform, vocally, direct meeting, physical mail), the whistleblower receives confirmation of the report's receipt and acceptance within seven days.

[1] Banca Aletti & C. (Suisse) adopts the Group Regulations and the Internal Organisation and Management Regulations (ROG). The latter regulates roles and responsibilities with regard to the system of internal controls in accordance with the Swiss regulations on Corporate Governance Banking. Since March 2025, this Regulation has also been implemented by BBPM Life.
[2] Applied by all Group Companies with the exception of BBPM Life to which the "Whistleblowing Policy" applies, which complies with Irish law and the principles adopted by the Group policy.

Report management activities are implemented in compliance with the rules and regulations in force and in compliance with the principles of confidentiality and fairness, as well as with EU Regulation 2016/679 (GDPR) and Italian Legislative Decree 196 of 30 June 2003 as amended by Italian Legislative Decree 101 of 10 August 2018 and Italian Legislative Decree 24 of 10 March 2023[1]. Sanctions are envisaged for those who violate the protection measures of the whistleblower and other interested parties, as well as those who make reports with fraudulent intent or gross negligence that prove to be unfounded. Reports of misconduct, or allegations, can be made through the Whistleblowing platform or by contacting the Supervisory Body[2].

The platform through which the Group's whistleblowing reports[3] are handled, including that of Anima, is managed in the cloud by an external company in order to protect whistleblowers/reporters who, by law and internal regulations, are protected from any form of retaliation or discrimination in the professional sphere.
In this sense, the confidentiality of the identity is guaranteed within the limits established by law or determined by the Company's need for protection. For Anima, the reporting process provides for communications to be sent only to the head of the Internal Audit Service and the head of the Compliance Service if the reporting person indicates that they do not wish to send the report to the head of the Internal Audit Service.
During 2025, 28 reports were received[4] via the Whistleblowing platform; of these, six are outside the whistleblowing scope. Of the remainder, eight are still being assessed, so it is not yet possible to attribute relevance or otherwise to the ESG sphere, and 14 are closed. Of these, only one relates to the ESG sphere, specifically Social.

In addition to the whistleblowing platform, reports of unlawful conduct may also be addressed to the Supervisory Body (hereinafter, also "SB"), which may be contacted by e-mail to the dedicated inbox or by a letter, also anonymous, sent to the SB (including episodes of violation of the Code of Ethics). If the report is deemed worthy of further investigation, it is forwarded to the relevant Group structures (primarily the Complaints Management and Audit Function).
In the course of 2025, three reports[5] were received by the SB, for which the Body requested in-depth investigations from the competent Functions in each case. As they were not related to sustainability issues, they were reviewed by the Audit function.

The Group protects whistleblowers in various ways, including activities such as dissemination of information and training to its workers on how to use the channels made available as well as training programmes for the staff who receive and process such reports.
In particular, detailed information on the establishment of internal channels is made available to the workforce in the Circular Internal Violation Reporting System (whistleblowing) Process Standard and in the banner present on the company intranet ("Whistleblowing Policy" in the case of BBPM Life), both freely accessible to employees. In addition, the Academy function provides *ad hoc* courses[6] on the issues in question to employees in their entirety and to those who receive and manage the reports, respectively. Banca Aletti & C. (Suisse) has adopted a corporate portal (called "Informer") to which all employees have access to retrieve all necessary information. In addition the company's Compliance function delivers ad hoc training courses on a regular basis. Anima has prepared an internal training course for new hires on whistleblowing.

Organisational, Management and Control Model Italian Legislative Decree 231/01

The Companies of the Banco BPM Group adopt and implement their own Organisation, Management and Control Model suitable for preventing the commission of the offences referred to in Italian Legislative Decree 231/2001, considering it a fundamental element of the overall governance system. It is aimed at ensuring that the company activities are in line with company strategies and policies and are based on sound and prudent management.
The 231 Model adopted complies with the principles of Italian Legislative Decree 231, the self-regulatory codes and the recommendations of the Supervisory Authorities, as well as the Guidelines issued by ABI and the sector associations to which the Company belongs. The provisions contained in the 231 Model supplement those envisaged by the Code of Ethics, which constitutes their essential foundation. With the adoption of the Model, the Group intends to make the

[1] *Protected Disclosures Act 2014 as amended by the Protected Disclosures (Amendment) Act 2022 (the "Acts") for BBPM Life.*
[2] Banca Aletti & C. (Suisse) has only one reporting channel, i.e., via paper to the Parent Company's Supervisory Body. The relevant internal regulations apply.
[3] BBPM Life does not have a platform but guarantees confidentiality with a precise allocation of responsibility (primarily legal) of the offices authorised to receive reports (head of Internal Audit and Chair of the Audit Committee).
[4] Compared to seventeen reports received in 2024.
[5] Compared to five reports received in 2024.
[6] For BBPM Life alone, the Compliance function (of the Company) is responsible for the delivery of an annual course and training at the time of recruitment.

system of controls and corporate governance more effective, with particular reference to the objective of preventing the commission of the offences envisaged by Italian Legislative Decree 231/2001 as well as by the laws that expressly refer to it.
The 231 Model is adopted primarily to avoid the direct liability of the entity for the commission of certain offences by persons functionally linked thereto and, consequently, to avoid the applicability of sanctions against the entity. The entity's liability arises only in the cases and within the limits expressly provided for by law and by Italian Legislative Decree 231 of 8 June 2001, which regulates the entity's direct liability for the commission of certain offences by persons functionally linked thereto and envisages the applicability of administrative sanctions against the entity.
The Model also supports the dissemination of a culture of compliance with rules and attention to risks, promoting the quality of the activities carried out and constant improvement towards sustainable and responsible business development. The Group, also through the Model, rejects and sanctions any conduct that does not comply with the law and with the provisions of the Model and the Code of Ethics, and also any behaviour implemented in order to evade the provisions of the Model itself, even if the conduct is implemented in the belief that it pursues, even partly, the interest of the Group or with the intention of obtaining a benefit.

The Group, having adopted an organisational structure that distinguishes it as a substantially and economically unified enterprise, gives guidance on the choices for implementing Italian Legislative Decree 231/2001, defining guidelines and frameworks of reference for preparing the Organisation, Management and Control 231 models of the Group Companies. In relation to the foregoing, the Parent Company has prepared a model which, without prejudice to the autonomy of each company in adopting its own, represents the paradigm to be adopted by other Companies.
Specifically:

- the subsidiaries based in Italy, bearing in mind the 231 risk profile attributable to the Company, adopt their own Organisation, Management and Control Model;
- the structures with which the Group operates abroad, not having autonomous legal personality (representative offices), are for all intents and purposes recipients of the Company's 231 Model, irrespective of the jurisdictions in which they operate. If the legislation of the countries in which those structures are based do not envisage similar levels of attention, the latter must comply, in particular, with the contents of the chapter "General principles for the prevention of crimes and offences" of the Parent Company's 231 Model, adjusting them to the peculiar aspects of their own situation in coherence with the local regulations in force. If any of the provisions contained in the model are less restrictive than the local legislation, the already mentioned structures adopt the local legislation;
- in relation to foreign subsidiaries, the Parent Company adopts all initiatives aimed at guaranteeing standards of control and safeguards comparable to those envisaged by the Italian supervisory provisions, even in cases where the legislation of the countries in which the branches are based does not envisage the same standards of attention.

As part of the 231 Model, the Group continuously updates the risk mapping pursuant to Italian Legislative Decree 231/01, making use of the managers of the organisational structures, who are responsible for:

- the execution, proper functioning and effective application over time of the processes, proposing changes to the procedures under their remit, when those changes appear to be necessary for the effective implementation of the model;
- verifying the existence and remedies for any deficiencies in the regulations that could give rise to foreseeable risks of commission of the crimes as part of the activities under their remit;
- reporting to the Body any situations of irregularity or anomalous behaviours;
- keeping constantly updated the risk assessment sheet, making it available to the Body.

The highest management level responsible for approving and implementing the Model is the Parent Company Board of Directors. The Regulation and its updates are made available to the recipients and the public through publication on the intranet portal of the Group companies and on their websites, where present.
Each update of the model also involves keeping a log of the document being read by the recipients. New recruits receive, at the time of hiring, the instruction to access the legal section of the company intranet to read the 231 Model in full and they undertake to comply with its requirements, signing a specific declaration in that sense.

Anti-Corruption Regulation

The Group has set up procedures to quickly, independently and objectively investigate incidents concerning the conduct of the company, including cases of corruption and bribery. In particular, in addition to the investigation process linked

to whistleblowing reports, the Parent Company's Audit Function analyses all available evidence, also deriving from anomaly indicators, reporting the need to carry out further, more specific investigations or any interventions to the competent internal or external structures. For the insurance sector, the investigation process is linked to Whistleblowing and SB reports. For BBPM Life, the evidence is verified through its own structures.
At the same time, Anima has adopted an internal procedure called "Anti-Corruption Monitoring". This procedure provides for a preliminary corruption risk assessment. Based on the residual riskiness, a set of periodic checks and the sending of six-monthly information flows to the Anti-Bribery and Corruption function are envisaged. In addition, the Anti-Corruption Policy provides for the possibility for the Anti-Corruption Officer to notify the BoD of any critical situations or cases of corruption.

The Group Organisation function regularly carries out assessments to verify the exposure of each individual activity managed by the structures to any 231/01 risks, including corruption and bribery against private individuals and subjects belonging to/linked to Public Administration. Therefore, it implements a system of internal regulations and controls to minimise these risks which, as emerged from the aforementioned assessments, have a greater impact on activities and managers with economic relations and external relations.
The corporate control functions and the Supervisory Bodies established pursuant to Italian Legislative Decree 231/01 of the Group companies contribute to the periodic assessment and monitoring of risk and subsequently report to the Administrative, Management and Supervisory Bodies.

In addition, the Anti-Corruption Regulation constitutes a "protocol" pursuant to the regulations on the administrative liability of companies referred to in Italian Legislative Decree 231/01 and is adopted by all Group Companies, including those operating abroad, also in compliance with the local regulations even in cases where such regulations do not call for similar levels of attention. Any provisions of local legislation that are more restrictive than those contained in the Regulation take precedence over the latter. Furthermore, the foundations covered by Banco BPM's Articles of Association are required to comply with the principles of the Regulation.
The Regulation governs the fundamental principles, guidelines, roles and responsibilities for preventing and combating corruption, in compliance with current legislation on the matter. In particular, it is part of the system of regulations and organisational controls that aim to:

- assign prevention responsibilities to corruption and bribery;
- prevent the risk of incidents of corruption and bribery;
- define company processes and a financial resources management system that, in compliance with current external and internal regulations, guarantees the traceability of transactions and their timely identification and registration, also in order to prevent the creation of hidden funds instrumental to the commission of corrupt acts.

In this sense, the Regulation outlines the organisational, IT and control measures necessary to prevent and counter the commission of corrupt acts directly and indirectly against the public administration, private individuals, public officials or persons responsible for public services, by all staff, including collaborators, employees, Top Management and counterparties who operate on behalf of or in the interest of the Parent Company or of the other Group companies on the basis of professional relationships that determine their inclusion in the company organisation or collaboration.
Any alleged violation of applicable anti-corruption laws or the Anti-Corruption Regulation committed by Group staff must be reported immediately through the dedicated channels governed by the internal regulations on reporting violations.

The highest management level responsible for approving and implementing the Anti-Corruption Regulation is the BoD.

The Regulation and its updates are made available to the recipients and the public through publication on the company website, on the website of the Banco BPM Group and Group Companies, where present.

Regulations on the Prevention of Money Laundering and Terrorist Financing

The Regulations illustrate and explain the choices that the Banco BPM Group adopts with regard to preventing the risks of involvement in money laundering, international terrorist financing and the proliferation of weapons of mass destruction, the financing of companies that produce anti-personnel mines, cluster munitions and submunitions, as well as non-compliance with national and European Union restrictive measures. Through the aforementioned, the Group responds to the complexity and danger of the phenomenon of money laundering, terrorist financing and the proliferation of weapons of mass destruction, as well as non-compliance with the restrictive measures and with the

prohibition under Italian Law 220/2021, extending them also to those areas not directly envisaged through a full knowledge of the counterparty.

The Regulations apply:

- to the financial intermediaries belonging to the Group with registered offices in Italy (subject to the anti-money laundering provisions of Italian Legislative Decree 231/07);
- to other parties carrying out financial activities belonging to the Group with registered offices in Italy (subject to the anti-money laundering provisions of Italian Legislative Decree 231/07).

Moreover, despite their not being directly subject to the provisions on anti-money laundering, terrorist financing and the proliferation of weapons of mass destruction referred to in Italian Legislative Decree 231/07, also to facilitate the implementation of the measures provided for by Italian Legislative Decree 109/07, as subsequently amended and supplemented, and compliance with the prohibitions under Italian Law 220/2021, the Regulations apply:

- to all the other Group companies with registered offices in Italy, limited to the principles of full knowledge of their respective counterparties and compliance with the restrictive measures and with the prohibition under Italian Law 220/2021;
- to the parties exercising financial activities belonging to the Group with registered offices abroad, in compliance and compatibly with current local laws and regulations, to strengthen the organisational controls in the area of the prevention of money laundering, terrorist financing and the proliferation of weapons of mass destruction, as well as to comply with the restrictive measures and the prohibition under Italian Law 220/2021, and to allow the assessment of the specific risk exposure also during the Group's internal assessment.

The company BBPM Life has implemented Banco BPM's Anti-money Laundering and Terrorism Financing Activities Policy.

The principles to which the Group adheres under the Regulation refer to:

- national and European regulations, including applicable sector regulations to combat money laundering and the financing of terrorism, which aim to ensure the efficiency of markets, the promotion of competition, correct behaviour, the honourableness of company representatives, the transparency of ownership structures and relations with customers, and the effectiveness of the organisational structure and internal controls;
- the United Nations Sustainable Development Goals that promote the significant reduction of illicit cash flows and weapons as well as corruption and bribes in all their forms and the use of financial mechanisms for money laundering and terrorist financing.

The Regulations and subsequent amendments are subject to approval by the Banco BPM BoD and implemented by the relevant Management Bodies of the subsidiaries which resolve, insofar as they are responsible, on the implementation of the Regulations and guarantee that any internal Regulations are consistent with that of the Group.
The Chief Executive Officer is responsible for enforcing strategic policies for governing the risk of money laundering, as required by the relevant regulatory provisions.

The Regulation is made available to all staff through publication on the company intranet and to all external stakeholders through publication on the Group's institutional website.

Regulation for Managing the Purchase of Goods and Services

The Regulation for Managing the Purchase of Goods and Services (applied to all Group companies that have granted the mandate and signed the intercompany contract for relying on the purchase services of the Parent Company structure[1]) governs the principles, criteria, roles and responsibilities regarding the management of expenditure deriving from purchases of goods and services. In particular, it governs the operating model adopted by the Group for managing:

- relations with suppliers;
- purchase requests;

[1] Specifically, the Regulation does not apply to BBPM Life, which regulates relations with suppliers by means of the Procurement Policy, to Banca Aletti & C. (Suisse), which implements the Group Regulations, to Ge.Se.So, which adopts an internal organisational document, to Sagim, which in practice operates in accordance with the Group Regulation, and to all the companies with no suppliers.

- supplier selection process;
- process of negotiation, contracting and purchase order issue (including monitoring and control activities).

The Regulation is part of the organisational controls and processes implemented by the Group to foster the positive impact generated, ensuring compliance with payment deadlines towards its supply chain and strengthening awareness-raising on these areas. The Rules are approved by Banco BPM's BoD and implemented by the competent Administrative Bodies of the subsidiaries, which not only decide on the adoption of the Regulation, but also ensure that any internal rules of their own are consistent with the Group's rules. The Regulation and its updates are made available to internal stakeholders through publication on the Group's intranet.

Guidelines regarding operations in the weapon materials and systems industry

The Guidelines regarding operations in the weapon materials and systems industry govern Group operations in the defence sector, and in particular with respect to counterparties operating in the weapons materials and systems sector, setting out a more rigid authorisation process with a view to sustainability.
In fact, the Guidelines establish adequate controls to assess the potential ESG impacts of the individual operations subject to approval. The authorisation of lending operations, subject to the - non-binding - opinion of the ESG Committee[1], is the responsibility of the BoD, i.e., the highest management level responsible for the approval and implementation of the aforementioned Guidelines. In addition, the BoD defines the list of countries - in particular non-NATO and non-EU countries - with which it is possible to operate.

The Guidelines also regulate operations in relation to the application of Italian Law 220/21 on anti-personnel mines.

The Guidelines and their updates are made available to the recipients and the public through publication on the company portal and, in the form of an extract, on the institutional website of the Parent Company.

Actions related to the management of IROs in relation to corporate culture and conduct [G1 MDR-A]

The Group has adopted and planned multiple actions in order to manage material matters related to business conduct, as well as to achieve the purposes and objectives of its internal policies.
In particular, in order to achieve the objectives defined in internal regulations, the main actions adopted by the Group concern:

- the enforcement of corruption risk management processes, regulatory and operational compliance with regulations and the risk of money laundering and terrorist financing;
- the activation of mandatory training programmes for the envisaged recipients on anti-money laundering and anti-corruption and the preparation of a training plan on anti-money laundering.

Finally, with reference to the management of relations with suppliers, the Group has not envisaged and does not envisage (at the moment) the adoption of specific actions by virtue of the high standards already envisaged in the context of:

- supplier analysis procedures according to ESG criteria;
- management of relationships with suppliers;
- management of payment practices that ensure compliance with contractual deadlines defined with them.

In addition, it should be noted that Anima has activated and planned actions in order to manage material matters related to business conduct, as well as to achieve the purposes and objectives of its internal policies. In particular, recurring training programmes have been activated for staff in relation to the Code of Ethics and the Anti-Corruption System.

Implementation of the corruption risk management process and regulatory and operational compliance

Banco BPM's Compliance function ensures the implementation of the corruption risk management process and the regulatory and operational compliance with standards, including self-regulatory ones on the subject, and performs the

[1] The ESG Committee has the right to authorise transactions that do not envisage any use of credit lines, with reference to foreign countries authorised by the BoD, pursuant to Italian Law 185 of 1990.

functions of guidance, coordination and control for the compliance structures of Group Companies that have not outsourced this function to the Parent Company.
In its control activities on the Group Companies it oversees, the Audit function of Banco BPM monitors compliance with the relevant regulations with the aim of preventing or detecting the occurrence of anomalous and risky behaviours or situations and guarantees the consistency with the policies established by the Competent Bodies and internal regulations. With reference to the companies excluded from the scope of monitoring of the Parent Company's Audit function, the activities are carried out by specific functions in compliance with the same roles and responsibilities, taking into account the specific operating characteristics of the individual Companies.
Also with reference to the risks of corruption and bribery, the company control functions plan control activities on an annual basis and present a report to the Corporate Bodies on the activity carried out. It illustrates the checks conducted, the results emerged, the points of weaknesses identified, and it proposes the actions to be taken to remove them.
The Supervisory Bodies pursuant to Italian Legislative Decree 231/2001 of the companies with a Model, prepared in accordance with the regulations, monitor, as far as they are concerned, the observance of the provisions envisaged on the issue of corruption.

Implementation of the process to manage the risk of money laundering and terrorism financing, proliferation of weapons of mass destruction and violation of national and EU restrictive measures

The Anti-Money Laundering function of Banco BPM monitors, in full autonomy, the risk of money laundering, terrorist financing, proliferation of weapons of mass destruction and violations of national and European Union restrictive measures, and carries out the functions of guidance, coordination and control for the anti-money laundering structures of the Companies belonging to the Group that have not outsourced the same function to the Parent Company. Also with reference to the risks of money laundering, the company control functions plan control activities on an annual basis and present a report to the Corporate Bodies on the activity carried out. It illustrates the checks conducted, the results emerged, the points of weaknesses identified, and it proposes the actions to be taken to remove them.
Pursuant to Italian Legislative Decree 231/2001 of the Companies with a Model prepared in accordance with the regulations, the Supervisory Bodies also supervise compliance with the provisions on anti-money laundering, to the extent of their competence.

Mandatory training programmes for the envisaged recipients on anti-money laundering and anti-corruption and the preparation of a training plan on anti-money laundering

In compliance with the provisions of the reference regulations, through the Academy structure of Banco BPM, the Group has prepared the mandatory annual training on anti-money laundering and anti-corruption for the intended recipients in order to:

- spread a culture focused on combating these phenomena, mitigating the related risks and increasing awareness of the controls put in place in these areas;
- raising awareness and updating all Group staff on the evolution of money laundering risks and on the typical schemes of criminal financial transactions.

Objectives related to corporate culture and conduct [G1 MDR-T]

The regulations on anti-corruption and anti-money laundering issues, as well as those on other areas relevant to the Group's business sectors, are part of a context of regulations that permeates all operations of the Banco BPM Group. Since the training programmes on the subject are mandatory and already involve the entire company population, they do not give rise to the definition of specific objectives. In any case, the Group constantly monitors the effectiveness of its policies and actions regarding the material impacts, risks and opportunities related to the issues in question. In particular, the use of training on the topics of preventing corruption and money laundering is constantly monitored through the Academy platform, which makes it possible to keep track of the regular use of the courses and the successful passing of the verification test. In addition, considering the sensitivity of the activities carried out, the Group imposes a maximum level of ambition on the aforementioned issues. As reported in the Anti-Corruption Regulation, "the Regulation outlines the organisational, IT and control measures necessary to prevent and counter the commission of corruption and bribery against the Public Administration, private individuals, public officials or persons responsible for public services, by all staff, including collaborators, employees, Top Management and counterparties who operate on behalf of or in the interest of the Parent Company or of the other Group companies"

Prevention and identification of corruption and bribery and confirmed cases of corruption [G1-3] [G1-4]

In addition to what has already been explained with regard to the management of reports, the Banco BPM Group puts in place all the organisational, IT and control measures necessary to prevent and combat the commission of direct and indirect acts of corruption by all Staff.
It also guarantees a regulatory framework, organisational safeguards, clear allocation of responsibilities, corporate procedures and a system for managing financial resources that ensure the traceability of transactions and their timely identification and registration, also in order to prevent the creation of hidden funds instrumental to the commission of corrupt acts.
With reference to Anima, the Anti-Corruption Management System has been adopted, certified according to ISO 37001[1]. Each subsidiary has appointed an anti-corruption manager, although the preparation of controls remains centralised in the Group Compliance division of Anima Holding. Finally, the heads of the Anti-Corruption function of the individual companies draw up an annual report on the checks carried out, which is presented to the BoD.

With reference to the processes and chain of management of reports of corruption and bribery, it should be highlighted that reports are reviewed by the head of Audit or their delegate and forwarded to colleagues in the Audit structure.
If the SISV manager is:

- both hierarchically or functionally subordinate to any reported party;
- the person allegedly responsible for the violation;
- has or is believed to have a potential interest related to the report such as to compromise impartiality and independence of judgement.

the report of the breach must be made on a paper form, addressed by ordinary or internal mail, to the Compliance officer (or to the Board of Statutory Auditors of the Company in the case of the involvement of one or more members of the BoD), who on that occasion assumes the role of head of the Violation Reporting System. In this case, it is also possible to make an external report to ANAC on the relevant site.
In the case of BBPM Life, the reports are presented to the reference manager or the Chief Compliance Officer or the Chief of Internal Audit or the Chief Executive Officer. Finally, the report containing the outcome of the investigation and the recommendations is reviewed and approved by the Chief Executive Officer and subsequently sent to the whistleblower. If the whistleblower is not satisfied with the contents of the report or deems the fact reported to be particularly serious, they may contact the director/chairman of the Audit Committee, directly. In this case, it is also possible to make an external report either to the website of the Irish government www.gov.ie or to the Office of the Protected Disclosures Commissioner on the website OPDC Home | Protected Disclosures Commissioner | OPDC.ie).
Anima has appointed an anti-corruption officer, but the preparation of controls has been centralised in the Group Compliance division of Anima Holding through the preparation of appropriate outsourcing contracts.
At the end of the reporting process, the results are communicated to the Administrative, Management and Supervisory Bodies. Specifically:

- for the Parent Company, Banca Akros, Banca Aletti, Banco BPM Vita and Vera Vita, annual reporting is envisaged through an ad hoc report;
- for Banco BPM Invest SGR, BBPM Life, Ge.Se.So., Sagim, BRF Property, Lido dei Coralli, Partecipazioni Italiane, Sirio Immobiliare, Terme Ioniche, and Agriurbe, reporting is envisaged "per event";
- for Anima, the heads of the Anti-Corruption function of the individual companies draw up an annual report on the checks carried out, which is presented to the BoD.

Training programmes on the prevention and detection of corruption and bribery are aimed at all employees of the Group companies. They are focused on informing and training on external and internal anti-corruption regulations and on the importance of compliance therewith in order to develop the necessary awareness of risks and personal and administrative responsibilities, as well as to inform staff about the actions to be taken to identify, report and combat corruption as well as potential sanctions in the event of violation of the rules.
The programmes proposed by the Group[2] are differentiated by target and adapted to the different levels of responsibility, guaranteeing specialised and specific training to the top positions on the risks and the reference regulations and to all the remaining staff of the banking area basic training or in-depth training in relation to the role performed and the responsibilities attributed. Training takes place annually or every two years, ensuring that all

[1] At present, the Vita company (whose business unit was acquired in August 2024) has not adopted the Anti-Corruption Policy, but has embarked on the path of certification.
[2] For details on Anima, see below.

targeted employees are kept up-to-date. As part of the periodic assessment, the company activities and responsibilities with a higher risk of corruption offences being committed are also identified: specific anti-corruption training courses are defined for the staff carrying out these activities or assuming these responsibilities, which may be modulated according to their duties and roles within the Company. In addition, for newly hired staff, these paths are envisaged in the period immediately following recruitment. Each structure manager, depending on the activities and responsibilities at greatest risk, must ensure that their staff periodically complete the training courses provided.
In turn, Anima provides its employees with an online course on anti-corruption that includes a final learning assessment. An updated version of the course was administered again in January 2026.

As part of the training sessions provided at least once a year for staff most exposed to the risk of corruption, the topics covered concern: the definition of corruption and bribery, the procedures regarding suspicious transactions and the relevant internal and external regulations. The percentage of functions exposed to risk covered by the training programmes is shown below, as well as the methods of delivery and the intended duration of the training programmes.

	2025				2024			
	Administrative, Management and Supervisory Bodies(*)	Executives	Functions at risk	Other own workers	Administrative, Management and Supervisory Bodies	Executives	Functions at risk	Other own workers
Total people at risk	101	222	239	18,504	65	171	185	19,133
Total training recipients	57	109	123	13,172	43	134	145	17,608
Percentage of functions at risk covered by the training programmes by reference category	56%	49%	51%	71%	66%	78%	78%	92%
Classroom training (hours)	2.5	2	4	4	3	3	3	7.5
E-learning (hours)	2.5	4	3	5	3	3	3	4
Voluntary e-learning (hours)	9	2	2	1	0	1	3	4

(*) For the Administrative, Management and Supervisory Bodies, the training for 2025 is part of a year-round training calendar (September 2025 - June 2026) and was delivered on 27 January 2026 in a classroom with remote connection.

Data on the number of hours of training provided to identified individuals were extracted from the HR Information System and, for data on Administrative, Management and Supervisory Bodies only, from the Parent Company's Corporate Affairs function[1]. The calculation was made taking into account all active resources of the Banco BPM Group at year-end.
The Legal structure of Human Resources of Banco BPM consults the 'Legal Suite', an application that records any cases of violations of Italian Legislative Decree 231/2007 (anti-money laundering legislation) and the Model pursuant to Italian Legislative Decree 231/2001 (regulations on the administrative liability of entities) by Group employees. This consultation ascertained that in 2025 there were no cases of violation of the laws against corruption and bribery or cases related to contracts with commercial partners that have been resolved or not renewed due to violations related to corruption or bribery[2].

Management of relations with suppliers and metrics related to payment practices [G1-2] [G1-6]

As part of the management of relations with its suppliers, the Group ensures compliance with the payment terms through a procedural process that involves various company functions and that is disciplined by a specific Process Standard and in the Regulation for Managing the Purchase of Goods and Services. Compliance with these internal regulations and IT procedure process tracking guarantee timely payments to all suppliers.

The relationship with the Group's supply chain is managed through the Parent Company's Integrated Procurement Management function, within which operate both the structures responsible for negotiating and finalising contracts/orders and a structure dedicated to the census and management of suppliers.
The relationship with the supply chain of Ge.Se.So., Sagim, Banca Aletti & C. (Suisse), BBPM Life and Anima is normally managed directly by each of them for both negotiations and for the finalisation of contracts/orders with suppliers, except in cases where the Parent Company's Purchasing Department is involved for support and optimisation of expenditure. The selected suppliers are then listed by the Parent Company's Integrated Procurement Management

[1] For Anima, the data was extracted from their information system.
[2] Please refer to the information provided in the section of the Management Report on significant events during the financial year, under "Proceedings initiated by the Public Prosecutor's Office at the Court of Milan", regarding the proceedings involving Castello SGR.

function within the limits and competences of the operating rules governing the functioning of the Supplier Register. To be included in the Supplier Register, the Group requires the completion of an ESG questionnaire that assigns suppliers a sustainability rating. At present, the outcome of the questionnaire is not a constraint in the selection. In particular, it should be noted that Ge.Se.So., Sagim, Banca Aletti & C. (Suisse) and BBPM Life do not currently take sustainability criteria into account when selecting suppliers.
During the evaluation phase of suppliers considered relevant (i.e. those with an annual turnover of €100,000 or more), Anima requests evidence of any social and environmental certifications. Such certifications contribute to a higher score for the supplier, ensuring that the evaluation is as clear, accurate and transparent as possible.

As regards the Group Companies that have not mandated the Integrated Procurement Management function, the following should be noted:

- Sagim also ensures compliance with payment deadlines through the supervision provided by the accountancy firm in charge of bookkeeping;
- Ge.Se.So. selects and manages suppliers in accordance with the provisions of the company's Organisational Model and ensures the punctuality of payments through a procedure involving Administration and Management. This process is formalised in an internal organisational document that governs the activities and ensures that deadlines are met;
- Banca Aletti & C. (Suisse) analyses its suppliers on the basis of the general principles defined in the Group Regulations and files the findings. For cases of a certain complexity and relevance, it relies on the support of the Purchasing Structure of the Parent Company. Generally speaking, it ensures compliance with payment deadlines through a procedure involving various corporate functions and which is described in the documents "Practical/operational implementation of the Group Rules", "Management of purchases of goods and services" and related guidelines, drawn up in agreement with the functions of the Parent Company. In addition, the tracking of processes by means of an IT procedure also ensures the punctuality of payments;
- BBPM Life regulates relations with suppliers through internal regulations, including the "Procurement Policy", "Outsourcing Policy", "Contract Procedure", "ICT Third-Party Service Provider Policy" and accounting procedures;
- Anima ensures that payment deadlines are met through a fully automated expenditure approval procedure, which reduces delays and prevents congestion in the authorisation process. Moreover, the automation of the monitoring of deadlines makes it possible to avoid late payments and the possible application of penalties.

With particular reference to the payment practices adopted, the Group provides standard payment terms with payment at 30 or 60 days from the invoice date, which, with reference to payments made in 2025, according to the sample analysis, were respected in 72% of the cases, compared to a value of 76% recorded last year. In general, the Group paid the invoices to suppliers on the date coinciding with the contractual or legal payment term. Specifically, the Group took an average of nine days during 2025 to pay invoices to suppliers (compared to 10 days during 2024[1]).

It should be noted that to calculate the average number of days taken by the Group to pay an invoice and the percentage of payments that comply with the standard conditions defined for payments to suppliers, payments made in 2025[2] were taken into account for invoices recorded in 2024 and 2025 on behalf of the companies: Banco BPM - Banca Aletti - Banca Akros - Anima Holding - Anima SGR - Anima Alternative SGR - Castello SGR - Kairos Partners SGR - Vita. The sample used was considered significant, as the aforementioned Companies contribute (at aggregate level) around 97% to the aggregate of the consolidated financial statements with reference to “Other administrative expenses”, “Fee and commission expense” and “Operating expenses” (figures as at 31 December 2025, net of intercompany items). Finally, when calculating and indicating the average time taken to pay invoices to suppliers, payments made in advance were also included (with a value of “zero” in the calculation of days).

The legal proceedings currently pending due to late payments to suppliers, managed by the Parent Company's Legal Cases and Procedures and Receivables Transfer and Management of Special Situations structures, amount to six cases, down from nine recorded in 2024.

[1] For more details on the calculation methodology, please see the chapter “General Information” under the section “Changes in the preparation and presentation of sustainability information”.
[2] It should be noted that with regard to Anima, reference is made to invoices issued and paid from 1 April 2025 to 31 December 2025.

Consolidated financial statements

CONSOLIDATED BALANCE SHEET

Asset items	31/12/2025	31/12/2024
10. Cash and cash equivalents	5,606,509	12,124,840
20. Financial assets at fair value through profit and loss	22,512,342	15,570,018
a) financial assets held for trading	11,775,491	6,012,317
c) other financial assets mandatorily measured at fair value	10,736,851	9,557,701
30. Financial assets measured at fair value through other comprehensive income	26,316,786	22,682,060
40. Financial assets at amortised cost	135,525,867	131,794,858
a) loans to banks	6,475,780	5,842,536
b) loans to customers	129,050,087	125,952,322
50. Hedging derivatives	834,792	1,033,292
60. Fair value change of financial assets in macro fair value hedge portfolios (+/-)	(148,718)	(1,450)
70. Interests in associates and joint ventures	1,452,559	1,708,439
80. Insurance assets	6,730	7,219
a) insurance contracts issued - assets	63	63
b) reinsurance assets	6,667	7,156
90. Property, plant and equipment	2,481,158	2,513,905
100. Intangible assets	3,214,115	1,256,612
of which:		
- goodwill	1,606,106	56,709
110. Tax assets	2,909,743	3,372,636
a) current	259,152	253,714
b) deferred	2,650,591	3,118,922
120. Non-current assets and disposal groups held for sale	196,649	444,525
130. Other assets	4,987,775	5,702,133
Total assets	**205,896,307**	**198,209,087**

Liabilities and shareholders' equity items	31/12/2025	31/12/2024
10. Financial liabilities at amortised cost	139,711,050	133,165,852
a) due to banks	6,646,055	6,383,938
b) due to customers	109,942,349	103,408,494
c) debt securities in issue	23,122,646	23,373,420
20. Financial liabilities held for trading	22,221,580	22,896,647
30. Financial liabilities designated at fair value	8,329,162	8,287,982
40. Hedging derivatives	614,825	869,068
50. Fair value change of financial liabilities in macro fair value hedge portfolios (+/-)	(487,533)	(403,870)
60. Tax liabilities	551,625	471,782
a) current	15,739	41,692
b) deferred	535,886	430,090
70. Liabilities associated with assets classified as held for sale	-	1,215
80. Other liabilities	4,342,059	4,444,573
90. Provisions for employee severance pay	193,796	237,783
100. Provisions for risks and charges	667,269	750,842
a) commitments and guarantees given	103,609	121,328
b) post-employment benefits and similar obligations	73,003	83,467
c) other provisions	490,657	546,047
110. Insurance liabilities	14,167,311	12,883,201
a) insurance contracts issued - liabilities	14,167,311	12,883,201
120. Valuation reserves	258,523	(188,413)
140. Equity instruments	1,787,145	1,608,773
150. Reserves	5,036,083	4,830,455
155. Advances on dividends	(691,552)	(600,553)
170. Share capital	7,100,000	7,100,000
180. Own shares (-)	(67,510)	(66,712)
190. Non-controlling interests (+/-)	80,487	69
200. Profit (loss) for the year (+/-)	2,081,987	1,920,393
Total liabilities and shareholders' equity	**205,896,307**	**198,209,087**

CONSOLIDATED INCOME STATEMENT

Items	2025	2024
10. Interest and similar income	5,785,462	7,228,107
of which: interest income using the effective interest method	5,269,006	6,521,928
20. Interest and similar expense	(2,370,076)	(3,509,654)
30. Net interest income	**3,415,386**	**3,718,453**
40. Fee and commission income	2,883,788	2,069,495
50. Fee and commission expense	(527,542)	(210,781)
60. Net fee and commission income	**2,356,246**	**1,858,714**
70. Dividends and similar income	195,684	93,146
80. Net trading income	329,919	129,591
90. Fair value gains/losses on hedging derivatives	9,082	(8,144)
100. Gains (losses) on disposal or repurchase of:	(41,729)	(11,759)
a) financial assets at amortised cost	37,631	(61,396)
b) financial assets measured at fair value through other comprehensive income	(81,593)	37,567
c) financial liabilities	2,233	12,070
110. Net gains (losses) from other financial assets and liabilities measured at fair value through profit and loss	(106,651)	60,134
a) financial assets and liabilities designated at fair value	(259,399)	(235,761)
b) other financial assets mandatorily measured at fair value	152,748	295,895
120. Operating income	**6,157,937**	**5,840,135**
130. Net credit impairment losses/recoveries relating to:	(363,586)	(405,379)
a) financial assets at amortised cost	(361,768)	(404,125)
b) financial assets measured at fair value through other comprehensive income	(1,818)	(1,254)
140. Gains (losses) from contractual modification without derecognition	(2,667)	598
150. Net income from financial activities	**5,791,684**	**5,435,354**
160. Profit (loss) on insurance services	96,197	68,635
a) insurance revenues deriving from insurance contracts issued	204,980	191,298
b) costs for insurance services deriving from insurance contracts issued	(107,845)	(119,445)
c) insurance revenues from reinsurance	2,298	2,064
d) costs for insurance services deriving from reinsurance	(3,236)	(5,282)
170. Balance of revenues and costs of a financial nature relating to insurance activities	(505,608)	(540,384)
a) net costs/revenues of a financial nature relating to insurance contracts issued	(505,711)	(540,482)
b) net revenues/costs of a financial nature relating to reinsurance	103	98
180. Net income from financial and insurance activities	**5,382,273**	**4,963,605**
190. Administrative expenses:	(2,825,276)	(2,973,626)
a) personnel expenses	(1,783,040)	(1,921,687)
b) other administrative expenses	(1,042,236)	(1,051,939)
200. Net provisions for risks and charges	(8,547)	(22,192)
a) commitments and guarantees given	17,744	12,474
b) other net provisions	(26,291)	(34,666)
210. Depreciation and impairment losses on property, plant and equipment	(156,954)	(152,267)
220. Amortisation and impairment losses on intangible assets	(174,828)	(140,617)
230. Other operating expenses/income	326,741	369,284
240. Operating expenses	**(2,838,864)**	**(2,919,418)**
250. Gains (losses) of associates and joint ventures	323,905	104,254
260. Fair value gains (losses) on property, plant and equipment and intangible assets	(7,291)	(54,627)
270. Value adjustments to goodwill	(1,200)	-
280. Gains (losses) on disposal of investments	3,132	502,428
290. Profit (loss) before tax from continuing operations	**2,861,955**	**2,596,242**
300. Taxation charge related to profit or loss from continuing operations	(759,172)	(675,860)
310. Profit (loss) after tax from continuing operations	**2,102,783**	**1,920,382**
330. Profit (loss) for the year	**2,102,783**	**1,920,382**
340. Profit (loss) for the year attributable to non-controlling interests	(20,796)	11
350. Parent Company's profit (loss) for the year	**2,081,987**	**1,920,393**
Basic EPS (euro)	1.38	1.27
Diluted EPS (euro)	1.38	1.27

STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME

Items		31/12/2025	31/12/2024
10.	**Profit (loss) for the year**	**2,102,783**	**1,920,382**
	Other comprehensive income after tax without reclassification to the income statement	**259,001**	**103,346**
20.	Equity instruments designated at fair value through other comprehensive income	281,208	67,373
30.	Financial liabilities designated at fair value through profit and loss (changes to its own credit risk)	(28,769)	(12,596)
50.	Property, plant and equipment	8,214	31,392
70.	Defined benefit plans	5,016	(569)
90.	Share of valuation reserves related to interests in associates and joint ventures carried at equity	(6,668)	17,746
	Other comprehensive income after tax with reclassification to the income statement	**205,768**	**(28,730)**
110.	Foreign investment hedges	323	983
120.	Exchange rate differences	374	(7,474)
130.	Cash flow hedges	(8,487)	19,818
150.	Financial assets (other than equity instruments) measured at fair value through other comprehensive income	224,484	17,448
170.	Share of valuation reserves related to interests in associates and joint ventures carried at equity	3,884	(3,632)
180.	Revenues or costs of a financial nature relating to insurance contracts issued	(14,810)	(55,873)
200.	**Total other comprehensive income after tax**	**464,769**	**74,616**
210.	**Comprehensive income (Items 10+200)**	**2,567,552**	**1,994,998**
220.	Consolidated comprehensive income attributable to non-controlling interests	34,770	(11)
230.	**Consolidated comprehensive income attributable to the Parent Company**	**2,532,782**	**1,995,009**

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

31 December 2025	Balance as at 31/12/2024	Changes in opening balances	Balance as at 1/01/2025	Allocation of profit from previous year		Changes in the year										Comprehensive income for 2025	Shareholders' equity as at 31/12/2025	Group shareholders' equity as at 31/12/2025	Non-controlling interests as at 31/12/2025
							Operations on shareholders' equity												
				Reserves	Dividends and other allocations	Changes in reserves	Issue of new shares	Purchase of own shares	Advances on dividends	Extraordinary distribution of dividends	Changes in equity instruments	Derivatives on own shares	Stock options	Changes in equity interests					
Share capital:	**7,100,050**		**7,100,050**	**-**			**-**	**-**						**-**			**7,101,762**	**7,100,000**	**1,762**
a) ordinary shares	7,100,050		7,100,050	-		1,712	-	-						-			7,101,762	7,100,000	1,762
b) other shares	-		-	-			-	-						-			-	-	-
Share premium reserve	**-**		**-**	**-**		**80,677**	**-**							**-**			**80,677**	**-**	**80,677**
Reserves:	**4,830,485**	**-**	**4,830,485**	**1,920,393**	**(1,507,902)**	**(241,837)**	**(1,778)**	**-**		**-**		**-**	**-**	**-**			**4,999,361**	**5,036,083**	**(36,722)**
a) retained earnings	4,230,603	-	4,230,603	1,920,393	(1,507,902)	(204,360)	(1,778)	-		-				-			4,436,956	4,444,830	(7,874)
b) other	599,882	-	599,882	-		(37,477)	-			-		-	-	-			562,405	591,253	(28,848)
Valuation reserves	**(188,413)**	**-**	**(188,413)**			**(3,859)**								**-**		**464,769**	**272,497**	**258,523**	**13,974**
Equity instruments	**1,608,773**		**1,608,773**								**178,372**						**1,787,145**	**1,787,145**	**-**
Advances on dividends	**(600,553)**		**(600,553)**		**600,553**				**(691,552)**								**(691,552)**	**(691,552)**	**-**
Own shares	**(66,712)**		**(66,712)**			**-**	**16,215**	**(17,013)**									**(67,510)**	**(67,510)**	**-**
Profit (loss) for the year	**1,920,382**	**-**	**1,920,382**	**(1,920,382)**	**-**											**2,102,783**	**2,102,783**	**2,081,987**	**20,796**
Shareholders' equity	**14,604,012**	**-**	**14,604,012**	**11**	**(907,349)**	**(163,307)**	**14,437**	**(17,013)**	**(691,552)**	**-**	**178,372**	**-**	**-**	**-**		**2,567,552**	**15,585,163**	**15,504,676**	**80,487**
- of the Group	**14,603,943**	**-**	**14,603,943**	**-**	**(907,349)**	**(208,944)**	**14,437**	**(17,013)**	**(691,552)**	**-**	**178,372**	**-**	**-**	**-**		**2,532,782**	**15,504,676**		
- of non-controlling interests	**69**	**-**	**69**	**11**		**45,637**	**-**	**-**		**-**	**-**	**-**	**-**	**-**		**34,770**	**80,487**		

31 December 2024	Balance as at 31/12/2023	Changes in opening balances	Balance as at 1/01/2024	Allocation of profit from previous year		Changes in the year												
							Operations on shareholders' equity											
				Reserves	Dividends and other allocations	Changes in reserves	Issue of new shares	Purchase of own shares	Advances on dividends	Extraordinary distribution of dividends	Changes in equity instruments	Derivatives on own shares	Stock options	Changes in equity interests	Comprehensive income for 2024	Shareholders' equity as at 31/12/2024	Group shareholders' equity as at 31/12/2024	Non-controlling interests as at 31/12/2024
Share capital:	**7,100,060**		**7,100,060**	**-**			**-**	**-**						**(10)**		**7,100,050**	**7,100,000**	**50**
a) ordinary shares	7,100,060		7,100,060	-			-	-						(10)		7,100,050	7,100,000	50
b) other shares	-		-	-			-	-						-		-	-	-
Share premium reserve	**-**		**-**	**-**		**-**	**-**							**-**		**-**	**-**	**-**
Reserves:	**4,507,140**	**-**	**4,507,140**	**416,354**		**(89,535)**	**(3,474)**	**-**		**-**		**-**	**-**	**-**		**4,830,485**	**4,830,455**	**30**
a) retained earnings	4,157,010	-	4,157,010	416,354	-	(339,287)	(3,474)	-		-				-		4,230,603	4,230,615	(12)
b) other	350,130	-	350,130	-		249,752	-			-		-	-	-		599,882	599,840	42
Valuation reserves	**(276,378)**	**-**	**(276,378)**			**13,349**								**-**	**74,616**	**(188,413)**	**(188,413)**	**-**
Equity instruments	**1,465,843**		**1,465,843**								**142,930**					**1,608,773**	**1,608,773**	**-**
Advances on dividends	**-**		**-**						**(600,553)**							**(600,553)**	**(600,553)**	**-**
Own shares	**(22,936)**		**(22,936)**			**-**	**6,263**	**(50,039)**								**(66,712)**	**(66,712)**	**-**
Profit (loss) for the year	**1,264,431**	**-**	**1,264,431**	**(416,332)**	**(848,099)**										**1,920,382**	**1,920,382**	**1,920,393**	**(11)**
Shareholders' equity	**14,038,160**	**-**	**14,038,160**	**22**	**(848,099)**	**(76,186)**	**2,789**	**(50,039)**	**(600,553)**	**-**	**142,930**	**-**	**-**	**(10)**	**1,994,998**	**14,604,012**	**14,603,943**	**69**
- of the Group	**14,038,092**	**-**	**14,038,092**	**-**	**(848,099)**	**(76,186)**	**2,789**	**(50,039)**	**(600,553)**	**-**	**142,930**	**-**	**-**	**-**	**1,995,009**	**14,603,943**		
- of non-controlling interests	**68**	**-**	**68**	**22**		**-**	**-**	**-**		**-**	**-**	**-**	**-**	**(10)**	**(11)**	**69**		

CONSOLIDATED CASH FLOW STATEMENT

Indirect method

A. Operating activities	31/12/2025	31/12/2024 (*)
1. Cash flow from operations	**3,085,058**	**3,375,560**
- profit (loss) for the year (+/-)	2,102,783	1,920,382
- gains/losses on financial assets held for trading and on other financial assets/liabilities at fair value through profit and loss (-/+)	(267,177)	(237,348)
- capital gains/losses on hedging derivatives (-/+)	(9,082)	8,144
- net credit impairment losses/recoveries (-/+)	366,253	404,781
- net impairment losses/recoveries on property, plant and equipment and intangible assets (+/-)	332,982	292,884
- net provisions for risks and charges and other costs/revenues (+/-)	17,748	33,679
- net revenues and costs of insurance contracts issued and reinsurance (-/+)	409,411	471,749
- taxes, duties and tax credits not settled (+/-)	250,422	590,532
- net impairment losses/recoveries on discontinued operations net of taxes (-/+)	-	-
- other adjustments (+/-)	(118,282)	(109,243)
2. Cash flow from/used in financial assets	**(14,305,450)**	**(3,387,322)**
- financial assets held for trading	(5,540,092)	(1,525,827)
- financial assets designated at fair value	-	-
- other financial assets mandatorily measured at fair value	(1,032,364)	(942,413)
- financial assets measured at fair value through other comprehensive income	(3,636,544)	(3,003,670)
- financial assets at amortised cost	(4,095,444)	2,994,168
- other assets	(1,006)	(909,580)
3. Cash flow from/used in financial liabilities	**6,802,792**	**(5,130,001)**
- financial liabilities at amortised cost	5,959,270	(9,140,528)
- financial liabilities held for trading	(399,939)	4,606,494
- financial liabilities designated at fair value	(13,205)	1,556,913
- other liabilities	1,256,666	(2,152,880)
4. Cash flow from/used by insurance contracts issued and reinsurance	**875,188**	**170,960**
- insurance contracts issued - liabilities/assets (-/+)	874,699	170,212
- reinsurance assets/liabilities (+/-)	489	748
Net cash flow from/used in operating activities	**(3,542,412)**	**(4,970,803)**
B. Investing activities		
1. Cash flow from:	**150,673**	**311,018**
- sales of interests in associates and joint ventures	41,000	228,000
- dividends collected on interests in associates and joint ventures	61,317	81,464
- sales of property, plant and equipment	47,210	1,554
- sales of intangible assets	1,146	-
- sales of subsidiaries and business segments	-	-
2. Cash flow used in:	**(1,565,297)**	**(256,434)**
- purchases of interests in associates and joint ventures	(21)	-
- purchases of property, plant and equipment	(91,309)	(113,586)
- purchases of intangible assets	(421,440)	(142,848)
- purchases of subsidiaries and business segments	(1,052,527)	-
Net cash flow from/used in investing activities	**(1,414,624)**	**54,584**
C. Financing activities		
- issues/purchases of own shares	(17,013)	(50,039)
- issues/purchases of equity instruments	54,619	37,945
- dividend distribution and other allocations	(1,598,901)	(1,448,652)
- third-party sales/purchases	-	-
Net cash flow from/used in financing activities	**(1,561,295)**	**(1,460,746)**
Net cash flow from/used during the year	**(6,518,331)**	**(6,376,965)**

(*) The previous year's figures have been restated to provide a like-for-like comparison.

Reconciliation	31/12/2025	31/12/2024
- Cash and cash equivalents at the beginning of the year	12,124,840	18,501,805
- Net cash flow from/used during the year	(6,518,331)	(6,376,965)
- Cash and cash equivalents: foreign exchange effect	-	-
Cash and cash equivalents at the end of the year	**5,606,509**	**12,124,840**

Below is the information required under IAS 7, paragraph 44, A and B.

(thousands of euro)	31/12/2024	Cash flows	Non-monetary changes			31/12/2025
			Business combinations/ loss of control of companies	Fair value changes	Other	
Liabilities deriving from loan activities (items 10, 20 and 30 in the liabilities)	164,350,481	5,546,126	689,444	(92,740)	(231,519)	170,261,792

Notes to the consolidated financial statements

PART A – ACCOUNTING POLICIES

A.1 - GENERAL PART

Section 1- Statement of compliance with international accounting standards

These consolidated financial statements have been prepared according to the IFRS accounting standards issued by the International Accounting Standards Board (IASB) adopted by the European Union and the related interpretations of the International Financial Reporting Interpretations Committee (IFRIC) endorsed by the European Commission, as established by EU Regulation no. 1606 of 19 July 2002, in implementation of Italian Legislative Decree no. 38 of 28 February 2005.

For the interpretation and application of international accounting standards, the following documents, although not endorsed by the European Commission, have been referenced:

- Conceptual Framework;
- Implementation Guidance, Basis for Conclusions and any other documents prepared by the IASB or IFRIC to complete the accounting standards issued.

The accounting standards applied in the preparation of these financial statements are those in force on 31 December 2025 (including the SIC and IFRIC interpretation documents).

For an overview of the accounting standards and the related interpretations endorsed by the European Commission, whose application is planned for 2025 or future years, refer to "Section 5 - Other aspects", below, which also illustrates the main impacts on the Group.
The attachments to the financial statements contain a list of the endorsed IAS/IFRS standards (including the SIC and IFRIC interpretation documents) in force on 31 December 2025.

The communications of the Supervisory Authorities (Bank of Italy, ECB, EBA, CONSOB, IVASS and ESMA), the interpretation documents on the application of IFRS prepared by the Italian Accounting Body (OIC) and by the Italian Banking Association (ABI), the documents of the Italian Valuation Body (OIV), with which recommendations were provided on the information to be included in the Annual Report, on certain important aspects in the accounting field, on the accounting treatment of particular transactions, on uncertainties in the macroeconomic scenario, and on the impacts of climate change, have also been considered, where applicable.

For the purposes of preparing this Financial Report, note, in particular, the latest priorities provided by ESMA in its communication of 14 October 2025 entitled "European Common Enforcement Priorities for 2025 corporate reporting" as referenced by CONSOB on 15 October 2025.

Section 2 - General preparation principles

The consolidated financial statements consist of the balance sheet, the income statement, the statement of comprehensive income, the statement of changes in shareholders' equity, the cash flow statement and the Notes to the consolidated financial statements and are accompanied by the Directors' report on operations and on the situation of all the companies included within the scope of consolidation.

The financial statements and the content of the notes to the financial statements have been prepared in keeping with the provisions of Circular no. 262 of 22 December 2005 "Bank financial statements: layouts and rules for preparation" and the subsequent updates, most recently, the eighth update published on 17 November 2022, which incorporated the new regulations set forth in IFRS 17 "Insurance Contracts". Specifically, this was a Circular issued by the Bank of Italy in exercising its powers established by the above-mentioned Legislative Decree 38/2005 (hereinafter also referred to as "Circular no. 262").
As the Group is categorised as a financial conglomerate, the provisions contained in ISVAP Regulation no. 7 of 13 July 2007 were also taken into account, most recently updated by IVASS Order no. 152 of 26 November 2024.

These provisions govern the disclosure obligations envisaged by IFRS 17 in relation to insurance contracts issued by Group's insurance companies.

The financial statements present, in addition to the accounting data as at 31 December 2025, comparative information relating to the last financial statements approved as at 31 December 2024. For the purposes of a correct comparison, it should be noted that the financial statements as at 31 December 2025 include, line by line, the balances of the Anima Holding Group, following the acquisition of control on 11 April 2025. This operation and relative impacts are illustrated in detail in the paragraph entitled "Acquisition of control of Anima Holding S.p.A. - notes for a correct comparison of the comparative balances" contained in "Section 5 - Other Aspects" below.
In line with the provisions of the aforementioned Circular, the financial statements do not include items that do not have amounts for both the current year and the previous year.

These financial statements have been prepared using the euro as the reference currency.

The amounts of the financial statements and the data shown in the tables of the Notes are expressed in thousands of euro, unless otherwise indicated.

The consolidated financial statements are drawn up clearly and provide a true and fair view of the balance sheet and income statement result for the year of Banco BPM and its subsidiaries/controlled entities, as detailed in "Section 3 - Scope of consolidation and methods". The financial statements used to prepare the consolidated financial statements are those prepared by the subsidiaries/controlled entities with reference to 31 December 2025, appropriately adjusted, where necessary, to harmonise them with the accounting standards adopted by the Group.

In exceptional cases, where the application of a provision envisaged by international accounting standards is retained incompatible with a true and fair representation of the equity, financial and economic situation, said provision would not be applied. In this circumstance, the reasons for the exception and the relative effects on the representation of equity, financial and economic information would be illustrated in the notes to the financial statements.
Note that for 2025 - as for the previous year - no exceptions were applied to IFRS accounting standards.
In addition, if the information required by international accounting standards and by the provisions contained in the aforementioned Circular were to be considered insufficient to provide a true and fair representation, the notes to the financial statements would include additional information required for such purpose.

The financial statements have been prepared in accordance with the following general principles:

- *going concern*: the financial statements are drawn up with a view to the continuity of the Group's business activities. As later illustrated in a analytical way - on the basis of the main economic and financial indicators - the directors can reasonably expect that the Group may continue to operate for the foreseeable future;
- *accrual accounting*: the financial statements have been drawn up on an accrual basis, with the exception of the information on cash flows, whose representation is based on the criteria envisaged by IAS 7;
- *consistency of presentation*: the presentation and classification of items in the financial statements are kept constant from one financial year to the next, unless a standard or its interpretation requires a change, or a different presentation or classification is more appropriate, in accordance with the provisions of IAS 8. In these cases, the notes to the financial statements provide information on the changes made with respect to the previous year;
- *materiality and aggregation:* the balance sheet and income statement schedules are made up of items (identified by Arabic numerals), sub-items (identified by letters) and additional detailed disclosure (the "of which" captions of the items and sub-items). The items, sub-items and related information details constitute the financial statement accounts. The layouts comply with those defined by the Bank of Italy in Circular no. 262 of 22 December 2005 and subsequent updates. New items may be added to these layouts where the content of such is not attributable to any of the items already provided in the layouts and only if they are significant amounts. The sub-items provided in the layouts may be grouped together when either of the following conditions is met:
  - the amount of the sub-items is irrelevant;
  - the grouping adds to the clarity of the financial statements; in this case, the Notes to the financial statements contain the grouped sub-items shown separately.

  The balance sheet, the income statement and the statement of comprehensive income do not include accounts with no amounts for either the financial year to which the financial statements relate or the previous financial year;

- *predominance of substance over form*: the transactions and other events are recognised and stated in compliance with their substance and economic entity and not just their legal form;
- *offsetting*: assets and liabilities, income and costs are not offset, with the exception of cases in which it is permitted or required by an international accounting standard, its interpretation or by the provisions of the cited Circular no. 262;
- *comparative information*: comparative information relating to the previous year is provided for each balance sheet and income statement account, unless an accounting standard or interpretation does not allow for this or provides otherwise. The figures for the previous financial year may be adjusted, where necessary, to ensure the comparability of information for the current financial year. Any non-comparability, adaptation or impossibility of the latter is indicated and commented on in the Notes to the financial statements. As already indicated, for a correct comparison, note that the statements as at 31 December 2025 show the balances of the Anima Holding Group line by line; for details, please refer to the paragraph entitled "Acquisition of control of Anima Holding S.p.A. - notes for a correct comparison of the comparative balances" contained in "Section 5 - Other Aspects" below.

The Notes to the financial statements are divided into parts: A - Accounting policies, B - Information on the consolidated balance sheet, C - Information on the consolidated income statement, D - Statement of consolidated comprehensive income, E - Information on risks and related hedging policies, F - Information on consolidated shareholders' equity, G - Business combinations regarding companies or divisions, H - Transactions with related parties, I - Share-based payment agreements, L - Segment reporting, and M - Disclosure of leases.
Each part of the Notes is divided into sections, each of which explains a specific operational aspect.

Significant accounting policies and uncertainties regarding the use of estimates in the preparation of consolidated financial statements

The application of certain accounting standards necessarily involves the use of estimates and assumptions that influence the values of the assets and liabilities recorded in the balance sheet, as well as the disclosure made on contingent assets and liabilities provided in the notes to the financial statements.
The assumptions underlying the estimates are made taking into account all the information available as at the date of preparation of the financial statements and the assumptions considered reasonable on the basis of past experience and the current scenario.

Due to their nature, it cannot be excluded that the assumptions adopted, however reasonable, might not be confirmed by future scenarios in which the Group will operate. The forecasting capacity is, in fact, influenced by multiple external factors, including the persistence of geopolitical instability related to the conflict in Ukraine, tensions in the Middle East and the trade policies of the United States, elements that have affected and will continue to affect the evolution of the global economy and international balances.

These uncertainties influence the financial statement estimates, requiring the use of significant elements of judgement when selecting hypotheses and of assumptions underlying said estimates.

The results, which will be expressed in the future, could therefore differ from the estimates made for the purpose of drawing up the financial statements and, consequently, could require adjustments to the book value of the assets and liabilities recognised, which at present cannot be foreseen or estimated.
In that context, note that it may be necessary to adjust estimates as a result of a change in the underlying circumstances, of the acquisition of new information or greater experience acquired over time.

The accounting policies considered most relevant for the purpose of providing a true and fair view of the Group's equity, economic and financial situation are illustrated below. These policies are characterised both by the materiality of the financial statement values influenced by them, and by the high degree of judgement required in the valuations, which involves the use of estimates and assumptions by management. For more detailed information on the valuation processes carried out as at 31 December 2025, please refer to the specific sections of the Notes to the financial statements.

Determining the impairment on loans disbursed recognised in balance sheet assets

Loans represent one of the valuation items that is most exposed to the choices made by the Group in terms of disbursement, risk management and monitoring.
More specifically, the Group manages the risk of default of the borrowing counterparties, through the continuous monitoring of any changes in customer accounts, in order to assess their repayment ability, based on the relative economic-financial situation. The purpose of this activity is to promptly intercept any signs of deterioration in credit risk, so as to enable the correct classification within the perimeter of non-performing loans and an accurate estimate of the relative total value adjustments. This estimate may be made on the basis of a materiality threshold of the exposure under valuation, on an analytical basis taking account of the recoverable cash flows or on a lump-sum basis, taking into consideration the losses recorded historically on loans with similar characteristics.

With regard to loans for which objective impairment losses have not been identified singularly, namely performing loans, the impairment model, based on expected losses, requires the implementation of adequate monitoring systems to identify the existence or otherwise of significant deterioration in credit risk with respect to the initial date of recognition of the exposure. The IFRS 9 impairment model requires that losses be determined with reference to the time horizon of one year for financial assets that have not suffered a significant deterioration in their credit risk with respect to initial recognition (Stage 1) rather than with reference to the entire life of the financial asset if a significant deterioration is found (Stage 2).

On the basis of the above, it follows that losses on loans must be recorded with reference not only to the objective evidence of impairment already seen at the reporting date, but also on the basis of expectations of future impairment losses that have not yet emerged, which must reflect:

- the probability of occurrence of the different macroeconomic scenarios considered in the valuation models;
- the effect of discounting expected cash flows using the effective interest rate;
- historical loss experiences, integrated with current and forward-looking assessments of the economic context.

This means that calculating expected credit losses represents a complex exercise that requires the use of substantial level of judgement and estimation. Specifically:

- assessing the existence of a significant deterioration in credit risk with respect to the date of initial recognition of the exposure (Significant Increase in Credit Risk - SICR) is based on the identification of adequate qualitative and quantitative criteria, which also include forward-looking information. Consequently, it cannot be ruled out that the use of different criteria may lead to the identification of a different scope of exposures to be classified as Stage 2, with a consequent impact on the level of expected credit losses to recognise in the financial statements;
- the outcome of the impairment model must reflect an objective estimate of the expected credit loss, obtained by evaluating a range of possible results. This requires the identification of multiple scenarios, based on assumptions relating to the future evolution of economic conditions, to which appropriate probabilities of occurrence are associated. The selection of different scenarios and probabilities, as well as any changes in the set of macroeconomic variables considered in the forecast time horizon, can have significant effects on the calculation of expected credit losses. As at 31 December 2025, macroeconomic projections are based on three scenarios - "baseline", "adverse" and "favourable" - which are assigned probabilities of occurrence of 50%, 35% and 15% respectively. Compared to the previous year, the "adverse" scenario replaced the "adverse plus" scenario; in order to offset the slight reduction in the risk profile of the new scenario, the relative probability of occurrence was increased from 30% to 35%, with a corresponding reduction in the probability assigned to the "favourable" scenario from 20% to 15%.
  For further details on the scenarios, the probabilities and the sensitivity analyses of expected losses as a function of the different macroeconomic scenarios, please refer to "Part E - Information on risks and related hedging policies, 1.1 Credit risk, 2.3 Measurement methods for expected losses" of these Notes to the financial statements;
- the calculation of expected losses requires the use of estimation models relating to:
  - expected cash flows, which individual debtors - or portfolios of debtors that are similar in terms of risk - are expected to be able to generate in order to meet, in whole or in part, the obligations undertaken with regard to the Group, also taking into account possible scenarios in which the exposures are sold;
  - debt collection times;
  - the estimated realisable value of property and collateral.

Given the array of estimation approaches and methods permitted by international accounting standards, the use of a specific model or the selection of specific estimation parameters may have a significant influence on the valuation of the loans. These methods and parameters are subject to a continuous updating process, also in light of historic data available, in order to refine estimates to provide the most accurate representation of the estimated realisable value of the credit exposure.
In addition, in contexts characterised by high uncertainty, also due to the evolution of the macroeconomic scenario and to the limited availability of reasonable and demonstrable forward-looking information, the measurement of expected losses may be integrated by managerial adjustments (management overlay/post model adjustment). These interventions are introduced in order to consider risk factors considered not fully captured by the models in use, such as, for example, climate risks and geopolitical risks.
For updates adopted in the measurement of expected losses, please refer to the content of "Part E - Information on risks and related hedging policies, 1.1 Credit risk, paragraph 2.3 Measurement methods for expected losses" of these Notes to the financial statements.

Given the above, it cannot be excluded that alternative monitoring criteria or different methodologies, parameters or assumptions used to determine the recoverable value of the Group's credit exposures – influenced, inter alia, by possible alternative recovery strategies approved by the competent corporate bodies, as well as by the evolution of the economic and financial context and reference regulations – may lead to valuations different from those made for the purposes of the preparation of the consolidated financial statements as at 31 December 2025.

Incorporation of climate and environmental risks in the calculation of expected losses

To estimate the expected losses on credit exposures, one of the most complex aspects to assess is the effective relevance of climate and environmental risks, given the high uncertainty that inevitably surrounds forecasting events which, by nature, may arise in long-term time horizons.
In the preparation of the financial statements as at 31 December 2025, the inclusion of climate factors was made both through the development of satellite models sensitive to climate scenarios, and through the application of managerial adjustments, aimed at considering climate and environmental risk factors not fully captured by the core models in use. For further details, please refer to the following "Section 5 - Other Aspects, Climate and environmental aspects and relative impact on accounts".

With regard to the continuous process of revising models and calculation methods, it cannot be ruled out that the development of models and alternative methods, able to better factor in climate and environmental risks, may lead to different valuations with respect to those conducted for the preparation of the consolidated financial statements as at 31 December 2025.

Determination of the Purchase Price Allocation (PPA) process

The PPA process applied to the accounting of business combinations requires that the difference between the cost of the business combination and the book value of the shareholders' equity acquired is attributed to the fair value adjustments of the identifiable net assets acquired, in compliance with IFRS 3. Any excess of the cost with respect to the fair value of the identifiable net assets acquired is recognised as goodwill; vice versa, the difference is recognised in the income statement as revenue (badwill).
Taking into account the complexity of the PPA process, which requires consideration of all available information referring to facts and circumstances existing at the date of the business combination, IFRS 3 envisages a measurement period of one year for its completion.
The PPA process implies, by its nature, a high degree of discretion and technical complexity. In fact, the determination of the fair value of the net assets acquired requires: the recognition and analysis of the information available at the date of the business combination, the use of appropriate valuation techniques, the selection of inputs and assumptions that are often unobservable, such as expected cash flow, discount rates, turnover rates, specific risk parameters of the assessed asset. These elements require a significant level of professional judgement, with potentially significant effects on the quantification of the goodwill/badwill resulting from the combination.

With particular reference to the acquisition of the Anima Holding Group, completed in April 2025, please refer to the illustration contained in the paragraph entitled "Acquisition of control of the Anima S.p.A. Group - notes for a correct comparison of the comparative balances" of "Section 5 - Other Aspects" below and in "Part G - Business combinations regarding companies or divisions" of these Notes to the financial statements.

Estimating impairment losses in relation to intangible assets with an indefinite useful life

Pursuant to IAS 36, all intangible assets with an indefinite useful life must undergo impairment testing at least once a year to verify the recoverability of their book value. The standard permits that the results of the annual test may be considered valid also for subsequent interim tests, provided that the probability that the recoverable value becomes less than the book value is considered remote. This opinion may be based on the analysis of the facts and the circumstances that occurred after the date of the most recent annual impairment test conducted.
In application of these provisions, Banco BPM Group conducts impairment testing on intangible assets with an indefinite useful life as at 31 December of each year. The results of the aforementioned tests can be considered valid for subsequent interim situations, unless indicators of loss emerge that require an early impairment test, aimed at ascertaining the recoverability of the value of the aforementioned intangible assets with an indefinite useful life.

As at 31 December 2025, the assets in question amounted to a total of 2,201.8 million, recording an increase compared to 561.0 million as at 31 December 2024 mainly due to the acquisition of the Anima Holding Group. They refer to:

- goodwill for 1,606.1 million. The assets in question arise from the business combination of Banca Popolare Italiana in 2007 (42.9 million allocated to the Bancassurance Protection CGU), the acquisition of the controlling interest in Oaklins Italy S.r.l. in 2021 (2.6 million, after the recognition of a write-down of 1.2 million in 2025), the acquisition of control of Banco BPM Vita in 2022 (10.0 million) and the acquisition of control of Anima Holding in April 2025 (1,550.6 million). As regards the latter operation, please refer to the content of the paragraph entitled "Acquisition of control of Anima Holding S.p.A. – notes for a correct comparison of the comparative balances" contained in "Section 5 – Other Aspects" below;
- business trademarks for 595.6 million, recognised as part of business combinations with the former Banca Popolare Italiana Group in 2007 (222.2 million), with the former BPM Group in 2017 (282.1 million) and with Anima Holding in 2025 (91.4 million). The assets in question were mostly allocated to the Retail CGU, with the exception of 18.6 million relating to the Banca Akros trademark, and attributed to the relative CGU and 91.4 million assigned to the Anima CGU in relation to the relative trademark.

In line with valuation best practices and with ESMA recommendations, with the exception of the Bancassurance Protection CGU, the cash flows projections considered when determining the recoverable value of the intangible assets in question were formulated according to a multi-scenario approach, drawn up with the objective of factoring in the uncertainties related to the macroeconomic scenario in place on the date of preparation of the financial statements.

More specifically, the macroeconomic scenarios used as reference to develop the cash flows projections are those approved by the Board of Directors of Banco BPM on 22 July 2025. Alongside a scenario assumed as more likely ("baseline"), a more favourable one ("favourable") and a worse scenario ("adverse plus") were developed, to which, based on an expert opinion, the following respective probabilities of occurrence were assigned: 50% to the baseline scenario, 30% to the adverse scenario and 20% to the favourable scenario.

The cash flows projections used in the valuation process are those approved by the Board of Directors on 14 October 2025, prepared as part of the half-yearly capital and liquidity adequacy assessment, both on assumptions of a more likely macroeconomic scenario and in alternative scenarios.
The further updates of the scenarios approved by the Board of Directors on 16 December 2025 were not incorporated, as the same did not show significant deviations from the macroeconomic framework and the expected interest rate levels of previous forecast years. The effects resulting from the possible adoption of the new scenarios were assessed as not significant for the purposes of the outcome of the 2025 impairment test, also in light of the sensitivity analyses conducted on the recoverable value.

The results of the impairment test conducted as at 31 December 2025 confirmed the recoverability of the book values of intangible assets with an indefinite useful life, with the sole exception of the write-down of the goodwill of Oaklins for a total of 1.2 million. For more details, please refer to "Section 10 - Intangible assets – item 100" contained in "Part B – Information on the consolidated balance sheet" of these Notes.

However, it should be noted that verifying the recoverability of the intangible assets in question is an intrinsically complex process characterised by a high degree of professional judgement. The estimates made are affected by the valuation methods adopted, the selection of the parameters and the underlying assumptions, the evolution of

macroeconomic variables and the materialisation of external factors not foreseeable at the date of preparation of this Report.
In particular, the forecast cash flows of the CGUs are, by their nature, characterised by uncertainty, as they are based on assumptions relating to future events that may not occur or may arise with different timing and intensity from those estimated. Therefore, the deviations between actual values and forecast values may also be significant.
For a more complete understanding of the resilience of recoverable values with respect to alternative hypotheses and assumptions, please refer to the sensitivity analysis contained in "Section 10 - Intangible Assets – Item 100" of "Part B - Information on the consolidated balance sheet" of these Notes to the financial statements.

Assessment of significant influence and measurement of shareholders' equity

The assessment of the existence of significant influence over an entity can be a complex exercise that requires consideration of all relevant facts and circumstances. The elements to be analysed include, for example, the voting rights held, the existence of shareholders' agreements or contractual agreements, the nature of business relationships and any other evidence that may indicate the ability to participate in the management and financial decisions of the entity.
Further elements of judgement are necessary to allocate the difference between the purchase cost of the entity and the book value of its shareholders' equity, to verify the presence of any impairment indicators, as well as to determine the recoverable value, especially in the presence of significant implicit goodwill.
It is therefore not possible to exclude that a different appreciation of the facts and circumstances analysed for the purpose of verifying significant influence, the internal and external evidence of impairment, the parameters and the assumptions used to allocate the purchase cost and to estimate the recoverable value, may result in a different perimeter or different valuations with respect to the figures considered for the purpose of the financial statements as at 31 December 2025.
As at 31 December 2025, the recoverability assessments of interests in associates and joint ventures confirmed the recoverability of the relative book values, with the sole exception of the interest in Gardant Liberty Servicing. For this interest, the alignment of the book value to shareholders' equity, deemed to express the recoverable value, resulted in the charge to the income statement of a write-down of -2.6 million, resulting in a residual book value of 12.9 million as at 31 December 2025.
For further details, please refer to the contents of "Section 7 - Interests in associates and joint ventures – Item 70" in the assets of Part B of these Notes to the financial statements, with particular reference to the disclosure contained in paragraphs 7.6 and 7.10.

Determining the fair value of financial assets and liabilities

The determination of the fair value of financial assets and liabilities may require the activation of complex valuation processes, especially in the presence of instruments not listed on active markets, or instruments with reduced liquidity or characterised by particularly complex technical structures. In these circumstances, it is necessary to exercise a significant degree of judgement in the selection of the most appropriate valuation models and in the definition of the related input parameters, which may include variables not directly observable on the market.
Further margins of subjectivity may emerge in the assessment of the observability or otherwise of these parameters and, consequently, in the correct allocation of the fair value to the levels of the relative hierarchy envisaged by IFRS 13 (levels 1, 2 and 3). The classification to a given level of the hierarchy reflects the degree of transparency and verifiability of the inputs used in the valuation process and can significantly affect the measurement and representation in the financial statements.
For a detailed description of the methods adopted to measure the fair value of financial assets and liabilities, as well as for the qualitative and quantitative disclosure of financial instruments measured at fair value - including the sensitivity analysis relating to instruments classified as level 3 of the hierarchy - please refer to the contents of part "A.4 – Fair value disclosure" of these Notes.

Estimating the recoverability of deferred tax assets

The Group holds significant deferred tax assets (DTAs), generated mainly by deductible temporary differences between the time of recognition in the income statement of certain costs and the time when they become tax deductible, as well as - to a lesser extent - by tax losses carried forward. The recognition and maintenance in the financial statements of these assets assumes the formulation of an opinion on their recoverability, to be expressed considering the tax regulations in force at the date of preparation of the financial statements, in compliance with IAS 12.

More specifically, the deferred tax assets that meet the requirements of Italian Law no. 214 of 22 December 2011 can be converted into tax credits in the presence of a "statutory loss", a "tax loss" for IRES purposes and a "net negative value of production" for IRAP purposes. For these assets, the recovery is considered certain, insofar as it does not depend on the ability to generate future taxable income. The maintenance of convertibility into tax credits is subject to the payment of a fee - introduced with Italian Decree Law no. 59 of 3 May 2016, converted with amendments by Law no. 119 of 30 June 2016 - which the Group decided to continue to make use of through the payment of an annual consideration until 2030.

For residual tax assets that cannot be converted into tax credits, the judgement on recoverability must be based on reasonable forecasts of future profitability, inferred from strategic plans and forecasts approved by the competent bodies. For the sole purposes of IRES tax, account is also taken of the tax regulations that make it possible to carry forward any previous tax losses, without any time limit. The judgement of recoverability is supported by a probability test, characterised by significant elements of complexity, in particular if referring to DTAs deriving from tax losses that can be carried forward. The very presence of tax losses may be an indicator of the possible absence, in the future, of sufficient taxable income. In line with the provisions of IAS 12 and on the indications of the ESMA (Document dated 15 July 2019), the above judgement of recoverability requires a careful recognition of all evidence available supporting the generation of sufficient taxable income, and of the circumstances that generated the tax losses, which must be able to be linked to definite causes and be considered non-recurring.
Considering the uncertainties of the macroeconomic scenario and the possible impact on the generation of taxable income, the probability test was conducted - as in previous years - using the "Risk-adjusted profit approach". This method envisages the discounting of the projections of future taxable income, through the application of a corrective factor representing the specific risk, defined in line with the methodology used to determine the risk premium for the purposes of impairment testing of intangible assets with indefinite useful life. The corrective factor increases progressively as the time horizon to which the taxable income flows refer increases, reflecting the greater uncertainty associated with long-term estimates.

The forecasts of taxable income were developed on the basis of income projections and multi-scenario calculations approved by the Board of Directors of Banco BPM on 14 October 2025, considered valid for the purposes of preparing the financial statements, as they are not significantly different from the updates subsequently approved by the Board of Directors' meeting of 16 December 2025, neither from a macroeconomic perspective, nor with regard to the expected trend in interest rates. This is consistent with that already illustrated in the previous paragraph "Estimating impairment losses in relation to intangible assets with an indefinite useful life", to which reference should be made for further details.
In order to adequately reflect the uncertainty associated with macroeconomic scenarios, the estimate of future taxable income was carried out using a multi-scenario approach, in line with that suggested by the valuation doctrine for years characterised by high uncertainty and in line with the methodology adopted for impairment testing of intangible assets with an indefinite useful life, illustrated above, to which reference is made for further details.

It should also be noted that the recoverability of DTAs could be negatively affected by any future changes in tax regulations, the terms and conditions of which are not currently foreseeable.

The detailed disclosure of the breakdown of deferred tax assets, of the assessments carried out with regard to their recoverability and of the sensitivity analyses - conducted to assess the time horizon for the recovery of the same, based on reasonable changes in the main underlying hypotheses and assumptions - is provided in "Section 11 - Tax assets and liabilities - Item 110 of assets and Item 60 of liabilities" contained in assets of "Part B - Information on the consolidated balance sheet" of these Notes.

Estimating provisions for risks and charges

Group companies are defendants in a wide range of legal proceedings and tax disputes and are also exposed to numerous types of contingent liabilities, also related to the interpretation of laws, regulations and the rules issued by supervisory authorities. The complexity of the situations and company transactions underlying the ongoing disputes, together with issues related to the interpretation of the applicable law, require significant judgement to estimate the liabilities that could arise at the time that the pending disputes are settled. The difficulties in assessment regard both the occurrence, the amount and the timing of any emergence of liabilities, and are particularly evident when the proceeding is at the initial stage and/or the relative preliminary investigation is in progress. The specific nature of the matter in dispute and the consequent absence of case law relating to comparable disputes, as well as different

approaches taken by the judicial bodies - both at the different levels of the contentious proceeding, and by bodies at the same level at different times - make the measurement of liabilities difficult, even when provisional rulings are available at the first level of judgement. Past experience demonstrates that in various cases, the rulings made by the judges in the courts of first instance have then been completely overturned on appeal or at the Supreme Court, and this may be in favour or not in favour of Group companies. In this context, the classification of contingent liabilities and the consequent evaluation of the provisions needed are based on judgements that are not always objective, which require the use of often extremely complex estimation procedures. Therefore, it cannot be ruled out that following the issue of final decisions, the provisions for risks and charges made against liabilities relating to legal and tax disputes or other types of liability may prove to be lacking or excessive.

For information on the Group's main risk positions in relation to legal disputes (actions to void and pending lawsuits) and tax disputes with the Tax Authorities, reference should be made to "Section 10 - Provisions for risks and charges - Item 100" contained in liabilities of "Part B - Information on the consolidated balance sheet" of these Notes.

Additional allocations to provisions for risks and charges may be necessary in relation to the commitments undertaken by the Group as part of transactions such as the sale of interests in associates and joint ventures, business units, non-performing loan portfolios, as well as regarding partnership agreements linked to the aforementioned transactions. These commitments consist essentially of providing protection and guarantee mechanisms for the investment made by the purchasing counterparties.
In these contexts, the mechanisms may provide for the recognition, in favour of the purchaser, of an indemnity if certain commercial objectives are not achieved. In these cases, the estimate of the probable outlay requires an assessment of the reasonable evolution of the objectives and an analysis of the time available to the Group to adopt any corrective actions aimed at avoiding the occurrence of the obligation. With regard to the assignments of non-performing loans, indemnities are instead due if discrepancies emerge with respect to the declarations issued at the time of the assignment, relating to the quality of the information or documentation supporting the loans. In these circumstances, the quantification of the provision must consider the expected evolution of the outlays relating to claims received from purchasers for alleged breaches of contractual guarantees.

For a more detailed description, reference should be made to "Section 10 - Provisions for risks and charges - Item 100" contained in "Part B - Information on the consolidated balance sheet" of these Notes.

Determination of the fair value of property

The Group's accounting policies envisage that real estate assets are measured at fair value, according to the measurement criteria established by accounting standard IAS 40 for investment property or by standard IAS 16 - and in particular by the revalued amount criterion - for properties used in operations, i.e. those used for administrative and/or commercial purposes. The update of the fair value, in compliance with the requirements laid out by IFRS 13, is supported by appraisals issued by leading specialised companies, drawn up on the basis of the "RICS Valuation" standards[1].

In more detail, for properties for investment purposes, the Group's accounting policies require fair value to be updated annually, at the closures of each year, unless there is evidence that renders an earlier update necessary; for properties with a book value above 10 million[2], an update on a half-yearly basis is envisaged in any event.
For properties used in operations, the fair value may be restated more frequently than one year. This frequency may depend on whether there are significant deviations in property market prices, based on a scenario analysis, on its relevance or on the distinctive characteristics of properties. In particular, for properties used in operations, the appraisal is updated every two or three years depending on whether the property has a value of more than or less than 3 million, unless the scenario analysis is such that an earlier revision is required.

In line with the aforementioned policy, the properties for which the fair value was updated represent over 90% of the Group's total real estate assets.
In greater detail, during the year a total of 761 properties were valued, for a pre-valuation book value of approximately 1,655.7 million.

[1] Standards set out in the "RICS Valuation – Global Standard" of the Royal Institution of Chartered Surveyors of the United Kingdom (also known as the "Red Book").
[2] The threshold of 10 million is also applied to properties with mixed use, i.e. for investment and used in operations.

For properties classified as held for sale, the fair value update takes into account the prices of sale negotiations, as resolved by the Bodies and/or the authorised company functions.
For properties not classified as held for sale, the updated fair value was calculated by using specific appraisals drawn up by qualified, independent experts, in compliance with the criteria of IFRS 13.
IFRS 13 allows the use of different valuation methods. The choice of method, as well as the selection of parameters and estimation assumptions, can significantly influence the fair value, also taking into account the specific nature and distinctive characteristics of the object to be measured.
This is particularly relevant for land and real estate development initiatives, the value of which is notoriously volatile and susceptible to significant changes, due to fluctuations in construction costs, the availability and cost of development loans, and supply and demand trends of the real estate market, strongly influenced by the macroeconomic context.

The critical assumptions used in the appraisals include the assessment of the highest and best use of the property, defined as the reasonably possible use able to maximise its value. In this regard, for properties used in operations, the valuation was carried out assuming the continuity of use by the Group, on the basis of a rental fee in line with market conditions, unless specific indications relating to release plans are given.

Margins of subjectivity are also present when identifying the perimeter of properties used in operations, for which the appraisals need to be updated, based on the ability to identify significant changes in value in property market prices, which make the request for an updated valuation necessary.

In light of the above, it cannot be ruled out that the use of alternative methods, different parameters or different assumptions - influenced by forecasts relating to the real estate markets pertinent to the Group, as well as by real estate management strategies, including any disposals of portfolios - may lead to different values with respect to those estimated for the 2025 financial statements, with potential negative impacts on the Group's balance sheet and income statement.

The composition and changes in real estate assets are illustrated in "Section 9 - Property, plant and equipment – Item 90" and in "Section 12 - Non-current assets and disposal groups held for sale and associated liabilities – Item 120 of assets and Item 70 of liabilities", contained in "Part B - Information on the consolidated balance sheet" of these Notes to the financial statements.
For information on the methods for determining the fair value and relative sensitivity analyses for the portfolio of properties used in operations, please refer to the content of the following part "A.4 - Fair value disclosure".

Estimating obligations relating to employee benefits

The valuation of liabilities related to employee benefits - in particular defined benefit plans and long-term benefits - requires the application of complex actuarial methods, based on a complex set of demographic assumptions (such as mortality, longevity and turnover rates) and financial assumptions (including discount rates and inflation rates). The definition of these assumptions involves significant elements of judgement on the part of management and is conditioned by both the socio-economic framework of reference and the evolution of the financial markets.
With specific reference to employee benefits represented by the provisions for employee severance pay (TFR) and by defined benefit pension funds, changes in actuarial assumptions (demographic and financial), as well as deviations between the experience observed and the assumptions made in previous valuations, led to a decrease in the relative liabilities totalling 6.8 million.
This effect was recognised in shareholders' equity, through the establishment of a valuation reserve, and represented among the other income components in the statement of comprehensive income, as illustrated in "Part D - Comprehensive income" of these Notes to the financial statements. The overall impact, net of the tax effect, was +5.0 million, compared with a corresponding negative effect of -0.6 million recorded in the previous year.

The main actuarial assumptions adopted, the effects generated by changes in the same and the sensitivity analysis of the liabilities with respect to the most significant actuarial assumptions, are detailed in "Section 9 - Provisions for employee severance pay - Item 90" and in "Section 10 - Provisions for risks and charges - Item 100" contained in liabilities of "Part B - Information on the consolidated balance sheet" of these Notes, respectively for provisions for employee severance pay and for defined benefit company pension funds.

Estimating insurance liabilities for commitments to policyholders

The measurement of the insurance liabilities of the Group companies, represented by the technical reserves governed by sector regulations, requires the definition of a complex set of demographic, financial and behavioural assumptions. These assumptions, at the basis of the valuation process, significantly affect the calculation of the total amount of commitments to policyholders.

In particular, the valuation of insurance liabilities according to the approach of IFRS 17, follows metrics similar to the "Solvency II" regulatory framework for Insurance companies to analyse and assess the main risks typical of the sector. A more detailed description of these risks and the management techniques adopted is provided in the "Solvency and Financial Condition Report" that the Companies publish annually.
With reference to the Life business, the most significant sources of uncertainty concern the evolution of mortality and longevity assumptions, the variability of policyholder behaviour (such as surrenders and contractual options), as well as the trend in inflation rates that affect the forecast of future expenses. The assumptions adopted for the definition of the discount rate curve, as well as the methodologies applied to estimate the adjustment for non-financial risk, also play a decisive role, for the purposes of measuring reserves.

In light of these factors, it cannot be ruled out that the occurrence of risk events other than those assumed during the calculation of tariffs or the preparation of the financial statements may affect the amount of commitments vis-à-vis the policyholders and consequently the estimate of liabilities in the financial statements.

Lastly, the value of the aforementioned liabilities may be influenced by the valuation approaches adopted in terms of those permitted by IFRS 17 on insurance contracts; therefore, it cannot be ruled out that the use of alternative methods may lead to a different estimate of commitments to policyholders.

Ongoing inspections by the Supervisory Authority

As represented in the Report on operations, as part of the ordinary inspection cycle by the Supervisory Authority, at the date of this Financial Report, some inspections are underway on specific areas. With regard to the inspections completed, the Group launched the appropriate remedial actions in response to the recommendations or decisions set forth in the "Decisions" or "Final follow-up letters".
Although the information elements acquired in the inspections underway are carefully assessed in order to consider any implications on the financial statement estimates, it cannot be ruled out that any introduction of changes to the processes, in response to any requests or final recommendations issued by the Supervisory Authority, as well as the emergence of new information not known at the date of this Report, may in the future affect the assessments of the exposures reported in the financial statements.
The same applies in relation to the remedial actions in progress, as any refinements of valuation methods or processes could prospectively impact Group financial statement estimates.

§§§

The illustration of the valuation processes referred to above is provided exclusively with the aim of facilitating the reader in understanding the main areas of uncertainty that characterise financial statement estimates; it is in no way intended to suggest that, at present, alternative hypotheses or assumptions may be more appropriate than those adopted.

To enable a more comprehensive assessment of any negative effects resulting from the above-mentioned factors of uncertainty, for the main items in the financial statements subject to estimates - including the recoverability of intangible assets with an indefinite useful life, the recoverability of deferred tax assets, expected losses on performing exposures, liabilities for defined benefits to employees, as well as the fair value of financial instruments and properties - the Notes to the financial statements contain specific illustrative sections. These sections illustrate the main hypotheses and assumptions used in the valuation models, together with a sensitivity analysis with respect to reasonably plausible alternative assumptions.

Declaration of going concern

In compliance with that required by the Bank of Italy, CONSOB and ISVAP in the Joint Document no. 4 of 3 March 2010, the consolidated financial statements as at 31 December 2025 were prepared on a going concern basis.
In this regard, the Directors believe that no risks and uncertainties have emerged such as to give rise to doubts regarding business continuity, considering that the Group has a reasonable expectation of being able to continue to operate in the foreseeable future.

In expressing this opinion, the Directors took into account the uncertainties relating to the current macroeconomic scenario, as well as the ongoing geopolitical tensions, which could generate potential negative impacts on future results. These possible effects were carefully considered and are deemed not to compromise the going concern assumption, also in light of the high level of current and future soundness of the Group's equity and financial structure.

For more in-depth information on significant risks and the relative safeguards set in place, please refer to the content of "Part E – Information on risks and related hedging policies" of these Notes, as well as the Consolidated report on operations.

Section 3 - Scope of consolidation and methods

(A) Subsidiaries

The consolidated financial statements include the balance sheet and income statement results of the Parent Company Banco BPM S.p.A. and its direct and indirect subsidiaries, including structured ones, in accordance with that envisaged by accounting standard IFRS 10. Based on the cited standard, the requirement of control is the basis for the consolidation of all types of entity, including structured entities, and is met when an investor simultaneously fulfils the following three requirements:

- power to decide on the relevant activities of the entity;
- exposures, or rights, to variable returns resulting from involvement with the entity;
- ability to use its power to affect the amount of said returns, as a result of its involvement with the entity (link between power and returns).

More specifically, IFRS 10 establishes that, in order to possess control, the investor must have the ability to direct the relevant activities of the entity, by virtue of a legal right or of a mere state of fact, and must also be exposed to the variability of the results arising from said power.

In light of the above-mentioned regulatory references, the Group must therefore consolidate all types of entity where all three control requirements are met.
Generally, when an entity is considered direct by virtue of voting rights, control results from holding over half of those rights.

In the other cases, establishing the scope of consolidation requires all factors and circumstances that give the investor the practical ability to unilaterally conduct the relevant activities of the entity (actual control). To this end, a set of factors has to be considered, such as, merely by way of example:

- the purpose and the design of the entity;
- the identification of the relevant activities and how they are managed;
- any right held by means of contractual arrangements which award the power to direct the relevant activities, such as the power to establish the financial and operating policies of the entity, the power to exercise majority voting rights in the decision-making body or the power to appoint or remove the majority of the body with decision-making functions;
- any potential voting rights that can be exercised and are considered substantial (including those embedded in options, way-out clauses or instruments convertibles into shares);
- involvement with the entity in the role of agent or principal;
- the nature and dispersion of any rights held by other investors.

Potential voting rights are considered substantial if all of the following conditions are met:

- they can be exercised immediately or in any case in time for the shareholders' meeting;

- there are no legal or economic barriers to their exercise;
- the exercise is economically viable.

The following paragraphs provide further details on the scope of entities controlled exclusively as at 31 December 2025, broken down into companies controlled through voting rights and structured entities.

Companies controlled through voting rights

With reference to the Group's structure as at 31 December 2025, companies in which the Group holds the majority of voting rights that can be exercised in the ordinary shareholders' meeting are considered to be exclusively controlled, as no evidence has emerged that other investors have the practical ability to unilaterally direct the relevant activities.

For companies in which the Group holds a share equal to or less than half of the voting rights, as at 31 December 2025, no contractual agreements, statutory clauses, potential rights or other circumstances were identified that gave the Group the practical ability to exercise exclusive control over the relevant activities.

Consolidated structured entities

Control of structured entities - i.e. entities for which voting rights do not constitute the main element for determining control - is deemed to exist when the Group holds contractual rights that give it the ability to govern the relevant activities of the entity and, at the same time, is exposed to the variable returns generated by the same.

On this basis, the structured entities that were consolidated in the financial statements as at 31 December 2025, are represented by the Special Purpose Entities created to carry out securitisation transactions originated by the Group for funding purposes (self-securitisation), and by some mutual investment funds held and managed by the Group.
In particular, for securitisation SPEs, the elements deemed significant for identifying control and the resulting consolidation are:

- the purpose of said SPEs;
- exposure to the outcome of the transaction;
- the ability to structure transactions and to direct the relevant activities and take critical decisions through servicing contracts;
- the ability to arrange for their liquidation.

For a detailed description of the effects resulting from the consolidation of the separate assets of the special purpose entities relating to the securitisations originated by the Group - in relation to the transactions for which the assets transferred into the separate financial statements were not "derecognised" - please refer to that illustrated in paragraph "16 – Other information, Traditional securitisations - derecognition from financial statements of financial assets sold" in "A.2. Key financial statement items" below.

With regard to structured entities represented by mutual investment funds and similar vehicles, the Group is considered to act in the capacity of "principal" - and therefore to exercise control, with the consequent consolidation of the fund - if the following conditions are simultaneously met:

- power to direct relevant activities, a situation that occurs when:
  - the Group operates as fund manager and there are no other investors with substantial removal rights; or
  - the Group has a substantial right to remove the fund manager (external to the Group) without just cause or due to the performance of the funds; or
  - the governance structure of the fund gives the Group the ability to substantially govern the relevant activities;
- significant exposure to the variable returns generated by the fund, as it directly holds a share deemed significant, in addition to any other form of exposure related to the fund's economic results;
- ability to influence returns through the exercise of power, if:
  - the Group acts as fund manager;
  - the Group has a substantial right to remove the fund manager (external to the Group);
  - the Group has the right to participate in the Committees of the fund, with powers that give it the legal and/or practical ability to direct the activities of manager.

In application of the aforementioned policy, with the acquisition of control of Anima Holding, the "Anima Valore Obbligazionario" and "Private Equity Opportunities (PEO)" funds entered the scope of consolidation, the latter divided into primary and secondary sub-funds. Both funds are managed by the Group and, in substance, almost entirely held by the same. The relative consolidation did not have a significant impact on the Group's equity and economic position.
In greater detail, "Anima Valore Obbligazionario" is an open-ended harmonised fund subscribed by Banco BPM in 2020 and managed by Anima SGR, a company that became a subsidiary from 11 April 2025. As at 31 December 2025, the net assets of the fund amounted to 418.7 million, mainly comprised of government securities and bank bonds. The consolidation of the fund had no impact on shareholders' equity and on the overall result of the Group; the fund and the related accruals were replaced by the underlying assets and by the corresponding economic contributions, maintaining the amounts overall unchanged.

The "Private Equity Opportunities" (PEO) fund is an alternative investment fund (AIF) of the fund of funds type, managed by Banco BPM Invest SGR. The secondary sub-fund was constituted in the second quarter of 2025, through the contribution in kind of 25 private equity funds with vintage 2015-2019, already held in the portfolio by Banco BPM.
During the third quarter of 2025, Banco BPM sold approximately 7.7% of its shares, of which 4.3% to third parties with respect to the Group.
As at 31 December 2025, the funds underlying the PEO fund were classified in item "20. c) Other financial assets mandatorily measured at fair value" for 123.4 million; the non-controlling interest, equal to 5.4 million, was recognised in item "80. Other liabilities".

During the third quarter of 2025, the primary sub-fund was also launched, with subscription commitments of 76.9% by Banco BPM and 9.6% by Anima SGR.

With reference to the UCIT units held by the insurance companies, as at 31 December, no UCIT was identified - including those managed by the recently acquired Anima Holding Group - over which the Group holds control. These funds represent the assets underlying the insurance contracts issued, whose returns (positive or negative) are attributed to policyholders. The Group's exposure is limited to management fees, the incidence of which is not considered significant with respect to the overall returns of the funds.

Line-by-line consolidation method

Controlled entities are consolidated from the date on which the Group acquires control, according to the purchase method, and cease to be consolidated from the moment a situation of control no longer exists, as described in paragraph "16 – Other information, Business combinations, goodwill and changes in interest holdings" in section "A.2. Key financial statement items" below.
Full consolidation consists of the "line-by-line" acquisition of the balance sheet and income statement aggregates of subsidiary entities. For consolidation purposes, the book value of the equity interests held by the Parent Company or by the other Group companies is eliminated against the acquisition of the assets and liabilities of the investees, as a balancing entry to the corresponding portion of shareholders' equity attributable to the Group and the portion held by non-controlling interests, also taking into account the purchase price allocation upon acquisition of control.
For subsidiaries and companies governed by voting rights, the portion of shareholders' equity, profit (loss) for the year and comprehensive income attributable to non-controlling interests is indicated as a separate item in the respective schedules of the consolidated financial statements (respectively in items: "190. Non-controlling interests", "340. Profit (loss) for the year attributable to non-controlling interests", "220. Consolidated comprehensive income attributable to non-controlling interests"). For mutual investment funds, subject to consolidation, the non-controlling interest is represented in the balance sheet liability item "80. Other liabilities", while for the income statement, the non-controlling interest is recorded as a reduction of the income statement items affected by the consolidation.

The costs and revenues of the subsidiary entity are consolidated from the date on which control was acquired. The costs and revenues of a subsidiary sold are included in the income statement up until the date of sale; the difference between the sale price and the book value of the net assets of the same is recognised under the income statement item "280. Gains (losses) on disposal of investments". In the event of the partial sale of a subsidiary entity, which does not result in a loss of control, the difference between the sale price and the relative book value is recognised as a balancing entry of shareholders' equity.
The assets, liabilities, off-balance sheet transactions, income and expenses relating to transactions between consolidated companies are eliminated in full.

The balance sheet and income statement results of the consolidated companies whose operating currency is different from the euro are translated based on the following rules:

- the balance sheet assets and liabilities are converted at the exchange rate in effect at the end of the period;
- the revenues and costs on the income statement are converted at the average exchange rate for the period.

All exchange rate differences originated by the conversion are recognised in a specific valuation reserve under shareholders' equity. Changes in value of the valuation reserve due to exchange rate differences are included in the Statement of comprehensive income.
Said reserve is eliminated through a concurrent debiting/crediting of the income statement when the foreign interest is disposed of. The disposal can take place by sale, liquidation or repayment of capital.

In order to prepare the consolidated financial statements as at 31 December 2025, all of the exclusively controlled companies have prepared a balance sheet and income statement in accordance with the Group's accounting principles.
Interests in associates and joint ventures held for sale are recorded in compliance with the reference international accounting standard IFRS 5, which regulates the recording of non-current assets held for sale. In this case, the assets and liabilities held for sale are included in the balance sheet items "120. Non-current assets and disposal groups held for sale" and "70. Liabilities associated with assets classified as held for sale".

If the disposal of the associates and joint ventures is classified as discontinued operations, under the terms of IFRS 5, the relative income and expenses are recognised in the income statement, net of taxes, under item "320. Profit (loss) after tax from discontinued operations". Otherwise, the contribution of the investee is shown in the income statement "line by line". For further details please refer to the content of paragraph "8 – Non-current assets and disposal groups held for sale" in section "A.2. Key financial statement items" below.

If the fair value of the assets and liabilities held for sale, net of costs to sell, turns out to be lower than the book value, a value adjustment is recognised, to be booked to the income statement, in accordance with the requirements of IFRS 5.

(B) Interests in companies subject to joint control and subject to significant influence

Associates, i.e. companies over which significant influence is exercised, are considered to be non-controlled companies in which the Group is able to exercise significant influence. This influence is presumed to exist when the Group holds an interest equal to or greater than 20% of voting rights. However, it may also occur with lower percentages, if the Group has the ability to participate in the management and financial decisions of the investee, by virtue of specific legal ties, such as shareholder agreements, aimed at ensuring representation in the management bodies and consistency of management guidelines, without however setting up a situation of control.

Companies subject to joint control are enterprises where the joint control is based on a contract or other agreement whereby it is necessary to obtain the unanimous consensus of all the parties sharing the control to make strategic financial and operating decisions. This takes place when the voting rights and control over the economic activity of the investee are shared jointly by Banco BPM and another party. Furthermore, an equity investment is qualified as under joint control when, even though voting rights are not shared jointly, the unanimous consent of all parties sharing control is required to take decisions regarding significant activities.

Interests in companies subject to joint control and subject to significant influence are measured according to the equity method, based on the most recent financial statements available of the associated company/company subject to joint control, adjusted, where necessary, to reflect significant events or transactions that occurred after the reporting date of the financial statements used.
For an illustration of the classification, recognition, measurement and derecognition criteria, please refer to paragraph "5 – Interests in associates and joint ventures" in "A.2. Key financial statement items" below.

1. Interests in exclusively controlled companies

The table below lists the interests in exclusively controlled companies. For information on interests in companies subject to joint control and significant influence by Banco BPM Group, please refer to "Part B - Information on the consolidated balance sheet" - "Section 7 - Interests in associates and joint ventures – Item 70" in these Notes.

Company name	Operational headquarters	Registered office	Type of relationship (1)	Investment relationship		Available
				Holder	% held	% of votes (2)
Banco BPM S.p.A.	**Verona**	**Milan**		**Parent Company**		
1. Agriurbe S.r.l. in liquidation Share capital € 10,000.00	Milan	Milan	1	Banco BPM	100.000%	100.000%
2. Aletti Fiduciaria S.p.A. Share capital € 1,040,000.00	Milan	Milan	1	Banca Aletti	100.000%	100.000%
3. Anima Holding S.p.A. Share capital € 7,421,605.63	Milan	Milan	1	Banco BPM Vita	89.949%	89.949%
4. Anima SGR S.p.A. Share capital € 23,793,000.00	Milan	Milan	1	Anima Holding	100.000%	100.000%
5. Anima Alternative SGR S.p.A. Share capital € 3,000,000.00	Milan	Milan	1	Anima Holding	100.000%	100.000%
6. Banca Akros S.p.A. Share capital € 39,433,803.00	Milan	Milan	1	Banco BPM	100.000%	100.000%
7. Banca Aletti S.p.A. Share capital € 121,163,538.96	Milan	Milan	1	Banco BPM	100.000%	100.000%
8. Banca Aletti & C. (Suisse) S.A. Share capital CHF 35,000,000	CH - Lugano	CH - Lugano	1	Banca Aletti	100.000%	100.000%
9. Banco BPM Invest SGR S.p.A. Share capital € 2,500,000.00	Milan	Milan	1	Banco BPM	100.000%	100.000%
10. Banco BPM Vita S.p.A. Share capital € 2,099,125,000.00	Milan	Milan	1	Banco BPM	100.000%	100.000%
11. BBPM Life DAC Share capital € 802,884.81	Dublin	Dublin	1	Vera Vita	100.000%	100.000%
12. Bipielle Bank (Suisse) S.A. in liquidation Share capital CHF 7,550,000	CH - Lugano	CH - Lugano	1	Banco BPM	100.000%	100.000%
13. BPM Covered Bond S.r.l. Share capital € 10,000.00	Rome	Rome	1	Banco BPM	80.000%	80.000%
14. BPM Covered Bond 2 S.r.l. Share capital € 10,000.00	Rome	Rome	1	Banco BPM	80.000%	80.000%
15. BRF Property S.p.A. Share capital € 2,000,000.00	Parma	Parma	1	Banco BPM	99.000%	99.000%
16. Castello SGR S.p.A. Share capital € 4,801,506.000	Milan	Milan	1	Anima Holding	80.000%	80.000%
17. Ge.Se.So. S.r.l. Share capital € 10,329.00	Milan	Milan	1	Banco BPM	100.000%	100.000%
18. Kairos Partners SGR S.p.A. Share capital € 5,084,124.00	Milan	Milan	1	Anima Holding	100.000%	100.000%
19. Lido dei Coralli S.r.l. Share capital € 10,000.00	Sassari	Sassari	1	Banco BPM	100.000%	100.000%
20. Oaklins Italy S.r.l. Share capital € 109,000.00	Milan	Milan	1	Banca Akros	100.000%	100.000%
21. Partecipazioni Italiane S.p.A. in liquidation Share capital € 350,000.00	Milan	Milan	1	Banco BPM	99.966%	100.000%
22. Sagim S.r.l. Società Agricola Share capital € 7,746,853.00	Asciano (SI)	Asciano (SI)	1	Agriurbe	100.000%	100.000%

Company name	Operational headquarters	Registered office	Type of relationship (1)	Investment relationship		Available
				Holder	% held	% of votes (2)
23. Sirio Immobiliare S.r.l. Share capital € 10,000.00	Lodi	Lodi	1	Banco BPM	100.000%	100.000%
24. Terme Ioniche S.r.l. Share capital € 881,924.00	Cosenza	Lodi	1	Banco BPM	100.000%	100.000%
25. Vera Vita S.p.A. Share capital € 219,600,005.00	Milan	Milan	1	Banco BPM Vita	100.000%	100.000%
26. Vita S.r.l. Share capital € 17,841.00	Milan	Milan	1	Castello SGR	76.050%	76.050%
27. BPL Mortgages S.r.l. (*) Share capital € 12,000.00	Conegliano V. (TV)	Conegliano V. (TV)	4	-	0.000%	
28. ProFamily SPV S.r.l. (*) Share capital € 10,000.00	Conegliano V. (TV)	Conegliano V. (TV)	4	-	0.000%	
29. Anima Valore Obbligazionario (**)	Milan	Milan	4	Banco BPM	99.970%	
				Anima SGR	0.030%	
30. Private Equity Opportunity primary (**)	Milan	Milan	4	Banco BPM	76.880%	
				Anima SGR	9.600%	
31. Private Equity Opportunity secondary (**)	Milan	Milan	4	Banco BPM	92.330%	
				Anima SGR	3.330%	

(1) Type of relationship:
1 = majority of voting rights in the ordinary shareholders' meeting
4 = other forms of control
(2) Availability of votes in the ordinary shareholders' meeting, distinguishing between actual and potential.
(*) Special Purpose Entity for securitisation transactions originated by the Group.
(**) Funds managed and wholly owned by the Group.

Changes in the scope of consolidation

Changes in the scope of consolidation compared to the situation as at 31 December 2024 are shown in the tables below:

Fully consolidated companies	
Incoming:	
Incoming companies due to acquisition of control (Anima Holding Public Tender Offer)	
Anima Holding S.p.A.	89.95%
Anima SGR S.p.A.	100.00%
Anima Alternative SGR S.p.A.	100.00%
Castello SGR S.p.A.	80.00%
Kairos Partners SGR S.p.A.	100.00%
Vita S.r.l.	76.05%
Funds under management by the group and wholly owned by it	
Anima Valore Obbligazionario	100.00%
Private Equity Opportunity primary	86.48%
Private Equity Opportunity secondary	95.66%
Outgoing:	
Outgoing companies due to sale	
Burgos LeaseCo S.r.l.	100.00%
Tago LeaseCo S.r.l.	100.00%
P.M.G. S.r.l. in liquidation	84.00%
Outgoing company due to liquidation	
BP Covered Bond S.r.l. in liquidation	100.00%

Companies consolidated with the equity method	
Incoming:	
Incoming company due to acquisition (Anima Holding Public Tender Offer)	
GEM Hospitality S.r.l. (*)	80.00%
Outgoing:	
Outgoing company due to acquisition of control (Anima Holding Public Tender Offer)	
Anima Holding S.p.A.	21.97%
Outgoing company due to sale	
SelmaBipiemme Leasing S.p.A.	40.00%
Outgoing company due to merger	
Merged company	**Merging company**
Banco BPM Assicurazioni S.p.A. (**)	PiùVera Assicurazioni (**)

(*) It should be noted that the interest in the company GEM Hospitality S.r.l., established in 2024 by Vita S.r.l. and FIA Immobiliare GEM FUND (managed by Castello SGR) with the aim of managing the ancillary activities of the fund itself, does not fall within the scope of line-by-line consolidation. The analyses of the shareholders' agreements and existing contracts, supported by legal opinions, were concluded due to the absence of the requirement of control but rather of significant influence.

(**) On 29 October 2025, after obtaining the required legal authorisations, the deed of merger by incorporation of Banco BPM Assicurazioni S.p.A. into PiùVera Assicurazioni S.p.A. (a company owned by Banco BPM Vita S.p.A with a 35% stake in the share capital) was signed. The statutory effects of the merger took effect from 1 November 2025, while the accounting and tax effects were charged to the financial statements of the merging company with effect from 1 January 2025.

For further details on the transactions shown in the tables above and the entry into the scope of consolidation of the subsidiaries and affiliates of the Anima Group, reference should be made to the section dedicated to significant events during the year in the Consolidated report on operations and to "Part G - Business combinations regarding companies or divisions" in these Notes to the financial statements.

With regard to the consolidation of the structured entities represented by the "Anima Valore Obbligazionario" and "Private Equity Opportunities" funds, please refer to the previous paragraph of this section.

Lastly, it should be noted that in the third quarter of 2025, Banco BPM purchased the remaining 40% of the interest in BP Covered Bond S.r.l., thus becoming its only shareholder. Subsequently, on 7 October 2025, the same company was placed in liquidation.

2. Significant assessments and assumptions used to determine the scope of consolidation

Within the scope of wholly-controlled companies, inclusion in the scope of the Group is determined by the possession of majority voting rights that can be exercised at the shareholders' meeting without exclusion in the case of legal control.

The only exceptions regard the special purpose entities used in securitisation transactions in which, as previously illustrated, even in the absence of direct equity interests, the Group holds contractual rights that give it the power to manage the relevant activities of the entity and is exposed to the variable returns generated by the same. In these circumstances, the conditions for consolidation are met, pursuant to IFRS 10, as they qualify as structured entities.

For information on non-controlling interests in subsidiaries that are considered significant for the Group as at 31 December 2025, please refer to "Section 14 – Non-controlling interests – Item 190", included in "Part B - Information on the Consolidated balance sheet" of these Notes to the financial statements.

3. Interests in exclusively controlled companies with significant non-controlling interests

3.1 Non-controlling interests, availability of non-controlling interest votes and dividends distributed to non-controlling interests

Company name	% held	% of available votes	Dividends distributed to third parties
Anima Holding S.p.A.	10.05%	10.05%	14,710

It should be noted that Anima Holding holds the following equity interests:

- Anima SGR S.p.A. ("Anima SGR"): 100% direct subsidiary;
- Anima Alternative SGR S.p.A. ("Anima Alternative"): 100% direct subsidiary;
- Castello SGR S.p.A. ("Castello SGR"): 80% direct subsidiary;
- Vita S.r.l. ("Vita S.r.l."): 60.84% subsidiary, indirectly controlled through Castello SGR, which holds 76.05%;
- Kairos Partners SGR S.p.A., ("Kairos SGR"): 100% direct subsidiary.

3.2 Interests in companies with significant non-controlling interests, accounting information

The figures of the consolidated financial statements of Anima Holding as at 31 December 2025 are presented below.

Company name	Cash and cash equivalents	Financial assets	Non-financial assets	Financial liabilities	Non-financial liabilities	Shareholders' equity	Net interest income	Operating income	Profit (loss) before tax from continuing operations	Profit (loss) after tax from continuing operations	Profit (loss) after tax from discontinued operations	Net profit (loss) for the year (1)	Other income components after tax (2)	Comprehensive income (3) = (1) + (2)
Anima Holding	569,894	757,896	1,618,183	818,144	252,308	1,875,521	X	565,818	(182,594)	381,853	266,692	-	266,692	375,535

4. Significant restrictions

As at 31 December 2025, there were no legal or substantial constraints or restrictions such as to obstruct the rapid transfer of capital resources within the Group. The only limits applicable are those attributable to the regulatory legislation, which may require the maintenance of a minimum amount of own funds, as well as to the provisions of the Italian Civil Code regarding distributable profits and reserves.
It should also be noted that there are no protective rights held by minorities that could limit the Group's ability to access or transfer assets between Group companies or to settle Group liabilities. This is also in consideration of the fact that there are no subsidiaries with significant non-controlling interests, as illustrated in the previous paragraph.

5. Other information

All the subsidiaries prepare financial statements as at 31 December 2025, coinciding with the closing date of the consolidated financial statements and of the separate financial statements of the Parent Company.

Section 4 - Events subsequent to the reporting date

The significant events that occurred in the period between the reporting date (31 December 2025) and the date of approval of the draft financial statements by the Board of Directors (3 March 2026) are highlighted below. These events did not make it necessary to adjust the balances in the financial statements, pursuant to IAS 10.

Merger by incorporation of Vera Vita S.p.A. into Banco BPM Vita S.p.A.

On 20 January 2026, IVASS issued the authorisation for the merger by incorporation of Vera Vita S.p.A. into Banco BPM Vita S.p.A. It is expected that the transaction will be completed with effect from 1 May 2026, with retroactive accounting and tax effects from 1 January 2026.

In addition, on 5 February 2026, the Central Bank of Ireland announced its authorisation for the direct acquisition, by Banco BPM Vita S.p.A., of 100% of the interest in BBPM Life DAC - currently held by Vera Vita S.p.A. - as an effect resulting from the merger.

Extraordinary shareholders' meeting

On 23 February 2026, the Extraordinary Shareholders' Meeting of Banco BPM S.p.A. was held, which approved by a very large majority, after obtaining on 17 February 2026 the authorisations from the competent Supervisory Authorities, the proposal to amend certain articles of the Articles of Association.
The purpose of these amendments is to adapt the Articles of Association to the new governance regulations, in accordance with Italian Capital Law (Article 147-ter of the Consolidated Finance Law) and the new Article 144-quater of the Issuers' Regulation.

Establishment of BP Holding S.p.A.

As part of the banking system transaction aimed at the recovery of Banca Progetto S.p.A., currently under extraordinary administration, which involves the Interbank Deposit Guarantee Fund, Banco BPM and 4 other banks (Banca Monte dei Paschi di Siena, BPER Banca, Intesa Sanpaolo and UniCredit), BP Holding S.p.A. was established in February 2026. This company, jointly owned (20% each) by the participating banks, will hold 90% plus one share of Banca Progetto S.p.A.'s share capital at the end of the transaction. Within the overall framework of the transaction, at the date of approval of this financial report, there were no economic and/or financial impacts that needed to be recognised in the 2025 financial statements, as no obligating event had occurred.

Funding operations

In February 2026, Banco BPM issued a new Social Senior Preferred bond, addressed to institutional investors, for an amount of 500 million, a fixed coupon of 3.0% and a 5-year maturity under its Euro Medium Term Notes programme. This is the first Social Bond issued in 2026 issued as part of the Green, Social and Sustainability Bonds Framework, which increases the total ESG issues of Banco BPM to 8 billion. The proceeds will be used to refinance Eligible Social Loans, as defined in the Bank's Framework. In particular, the purpose of the funding is to finance and/or refinance loans disbursed to Italian SMEs, located in economically disadvantaged areas.

In the same month, Banco BPM concluded the placement of a new issue of Covered Bonds reserved to institutional investors for an amount of 1 billion, with a 6-year maturity, as part of its 10 billion Covered Bond programme (BPM Covered Bond 2).
This is the first issue of European Covered Bonds (Premium) issued by Banco BPM in 2026 and the first 1-billion bond placed on the market by the Group.

Section 5 - Other aspects

Illustration of the priorities indicated by ESMA and CONSOB for the purposes of preparing the 2025 financial statements

On 14 October 2025, ESMA published the Public Statement entitled "European common enforcement priorities for 2025 corporate reporting", which illustrates the thematic areas considered most important for the purposes of the financial and non-financial disclosures for 2025. These indications were subsequently referred to by CONSOB, in a communication dated 15 October 2025.
It should be noted that the aforementioned documents do not introduce new disclosure obligations with respect to the provisions of IAS/IFRS accounting standards. Their objective is rather to draw the attention of issuers to the existing requirements considered a priority in the context of the current economic and regulatory scenario, promoting greater transparency, completeness and compliance of the information presented.
Below is an illustration of the aspects considered most important by the aforementioned Authorities, together with the assessments carried out by the Group for the preparation of these financial statements.

Geopolitical uncertainties

ESMA observes that the ongoing war in Ukraine, tensions in the Middle East and the deterioration of international trade relations continued to generate high volatility in energy and commodity prices in 2025, as well as supply chain disruptions and changes in global trade balances. In light of these developments, the Authority believes that geopolitical risks and uncertainties represent an important element for the 2025 financial statements, considering the potential impacts on business performance, financial position and disclosures to be provided in the financial statements.
According to ESMA, these risks may have significant implications in various valuation areas, including the valuation of non-financial assets, the recoverability of deferred tax assets, the recognition of revenues for certain specific cases, provisions related to corporate restructuring plans, liquidity risk, the key assumptions used in the models for estimating expected credit losses (ECL) and in the measurement of fair value, the assessment of the going concern assumption and the preparation of sensitivity analyses.
With reference to the impairment testing of non-financial assets - such as goodwill or other intangible assets with an indefinite useful life - ESMA refers to the requirements of IAS 36, emphasising the obligation to provide precise information on the key assumptions used to measure the recoverable amount of a cash-generating unit (CGU), giving priority to external evidence and providing sensitivity analyses that make it possible to assess the impact of reasonable possible changes in key measurement assumptions.
ESMA also notes that a reduction in future profitability, resulting from geopolitical uncertainties, could cast doubt on the recoverability of DTAs (Deferred Tax Assets), especially in unstable scenarios and in the presence of tax losses.
Geopolitical developments can also significantly affect the valuation of financial instruments and their risk profile, requiring particular attention in determining expected credit losses (ECL), pursuant to IFRS 9.
To ensure transparency and consistency of information, ESMA invites issuers to:

- provide clear, specific and detailed information on the effects that geopolitical uncertainties may have on the financial situation and on company performance;

- update sensitivity analyses, illustrating how reasonably possible changes in key measurement assumptions could affect book values;
- consider, applying judgement, whether additional disclosures (beyond those required by IFRS) are necessary to improve the understanding of the effects on the financial position, cash flows and performance.

In light of the above and in continuity with the previous year, the uncertainties attributable to the geopolitical context and, more generally, to the evolution of the macroeconomic scenario were considered when developing the income projections used to verify the recoverability of intangible assets with an indefinite useful life and of deferred tax assets. These projections were developed using a multi-scenario approach, consistent with the best practices envisaged by the legal system in contexts characterised by high uncertainty.
Forward-looking information, based on the expected evolution of macroeconomic scenarios, is also a core element in estimating the recovery flows of credit exposures. With reference to these exposures, the managerial adjustment was confirmed also for 2025, which resulted in an increase in adjusting provisions, in order to take into account the possibility that geopolitical uncertainties are not fully incorporated in internal models.
Considering the need to integrate these elements of uncertainty consistently in the various valuation processes, it should be noted that the maximum possible consistency between the assumptions used and the relative underlying assumptions applied in the various models was ensured.
For further details, please refer to the content of the paragraph above entitled "Significant accounting policies and uncertainties regarding the use of estimates in the preparation of consolidated financial statements".

Segment Reporting

ESMA draws the attention of issuers to the need to ensure consistency between the disclosure on operating segments provided in the financial statements, in the report on operations and in the management reporting used by company management (Chief Operating Decision Maker - CODM).
ESMA also points out that paragraph 80 of IAS 36 envisages that the Cash Generating Units (CGUs) to which goodwill is allocated for the purposes of impairment testing may not have a greater perimeter than the individual operating segments identified pursuant to IFRS 8.
In addition, it should be noted that the aggregation criteria envisaged by paragraph 12 of IFRS 8 can only be applied to operating segments with similar economic characteristics. Issuers are therefore required to provide adequate information on the judgements made in applying the aforementioned criteria, including a description of the aggregated sectors and, where relevant, of the indicators that demonstrate that those segments share similar economic characteristics.
In this regard, ESMA highlights how geopolitical uncertainties, the related trade tensions and climate issues may lead to changes in the identification of operating segments or in the application of revenue aggregation and/or disaggregation criteria. Issuers are therefore invited to pay particular attention to these aspects.
In this context, ESMA reiterates the need to provide accurate information on the revenues and costs of the operating segments, to the extent that they are highlighted in the management reporting used by company management, pointing out any unusual or non-recurring items.
Lastly, ESMA draws attention to the disclosure requirements contained in paragraphs 33 and 34 of IFRS 8, relating to the breakdown of revenues by geographical area and by main customers. In particular, the supervisory body points out that issuers must always indicate the number of customers (or groups under common control) that contribute more than 10% of revenues, as no exceptions to this disclosure requirement are envisaged.

For the Group, Segment Reporting represents a fundamental tool for assessing the contribution of the various business lines to company results and plays an important role in the processes of preparing the financial statements, management monitoring, recovery/resolution planning and as regards the periodic disclosure to be provided to the European Central Bank. For these reasons, the drafting framework - and any amendments - is subject to the approval of the Board of Directors and must comply with the qualitative and quantitative criteria established by IFRS 8. The latest revision of the segment reporting framework was approved in July 2025, in order to incorporate the new scope of business activities of the Group resulting from the acquisition of control of Anima. In this context, the identification of the operating segments subject to disclosure was carried out paying particular attention to compliance with the aggregation criteria based on the similarity of the economic characteristics, as well as the materiality thresholds envisaged by IFRS 8.
The disclosure relating to the identification of the operating segments, the relative preparation criteria, the contributions provided by the individual segments, as well as the irrelevance, for the Group, of the breakdown of revenues by

geographical area and by main customers, is provided in the Report on operations and in Part L of these Notes to the financial statements, to which reference should be made for further details.

Sustainability Statement

With regard to Sustainability Statement, ESMA has provided specific recommendations regarding the assessment of double materiality for the purposes of preparing the reporting according to the European Sustainability Reporting Standards (ESRS), as well as in relation to the scope and structure of the reporting itself, in continuity with the priorities already expressed for 2024. No warnings were formulated regarding the EU Taxonomy, due to the ongoing development of the reference regulatory framework.
The above recommendations were taken into consideration for the purposes of preparing Sustainability Statement, included in the Report on Operations, to which reference is made for further details.

Climate and environmental aspects and relative impact on accounts

Climate and environmental issues represent a point of attention on which ESMA and CONSOB have been focusing for some years, recommending that issuers consider the relative key aspects for the purposes of financial statement valuations. In greater detail, the specific disclosure can be concentrated in a specific note or by referring to the sections in which the relative effects are analysed.
In this regard, it should be noted that the issues mentioned above - and, more generally, ESG factors - are not subject to specific regulations in the IAS/IFRS international accounting standards currently in force. Nevertheless, these factors must be considered in the valuation processes in order to determine whether they may have material impacts on financial statement estimates and, consequently, require adequate disclosure.

In support of the assessments to be made, the documents published by the IASB entitled "Effects of climate-related matters on financial statements" (July 2023) and "Exposure Draft on Climate-related and Other Uncertainties in the Financial Statements" (July 2024) are important as they highlight the potential effects of climate issues on the financial statements and the information to be provided, also through some examples of their application. Similarly, the indications of the IFRS Interpretations Committee (April 2024) regarding the method of accounting, pursuant to IAS 37, of the climate commitments undertaken by issuers in relation to the emission reduction targets, are also important. Additional interpretative elements are provided by the illustrative examples published by the IASB on 28 November 2025, which show how to report the effect of uncertainties in the financial statements using certain climate scenarios, applicable however, in the underlying principles, to all forms of uncertainty.

Environmental and climate aspects represent a central cornerstone in the Group's strategy and can influence its operations, objectives and methods of conducting its business. The 2023-2026 Strategic Plan, updated on 11 February 2025 and extended to 2027, pays special attention to supporting customers on their path to ESG sustainability, with specific reference to the decarbonisation of production processes in sustaining the transition to an economy with zero net greenhouse gas emissions. In this context, the Group expects to increase loans to finance decarbonisation projects and initiatives in the low-emission sectors to 7 billion per year, a significant increase compared to the 5.7 billion disbursed in 2024. To demonstrate the Group's contribution to supporting the transition of Corporate customers towards a carbon-free economy, in August 2024 the Group published the interim decarbonisation targets to 2030 for the loans and securities portfolios of the Banking Book, relating to the five priority sectors identified with regard to the Net-Zero Banking Alliance (NZBA). In May 2025, the Transition Plans were published, which illustrate the ways in which Banco BPM plans to achieve the aforementioned targets.
For a detailed illustration on the management of climate and environmental risks, as part of the Group's strategy and governance model, please refer to "Sustainability Statement" in the Consolidated report on operations and in Part E of the Notes to the consolidated financial statements ("Climate and environmental risks" and "Information on the inclusion of ESG factors in credit processes").
Although ESG factors - and, specifically, climate risks - can theoretically have a widespread influence on different areas of the financial statements, based on the Group's operations, as at 31 December 2025 no issues were identified that could have significant impacts on the equity, financial and economic situation of the Group. Given the above, the following paragraph illustrates the effects observed in the main areas of assessment, mainly related to the classification and measurement of financial assets, as well as the estimation of the value of real estate investments.

Classification of financial instruments

The Group's commitment to promoting the ESG transition of customers is also reflected in the range of loans offered - such as Sustainability Linked Loans (SLL) - whose remuneration benefits from the achievement of specific sustainability objectives (so-called "ESG covenants"), through a reduction of the spread applied.

For accounting purposes, financial instruments whose remuneration varies depending on the occurrence of contingent events - such as the achievement of ESG objectives - require an assessment pursuant to the SPPI (Solely Payments of Principal and Interest) test, aimed at verifying that the relative contractual flows are consistent with those of a basic lending agreement.
With reference to the Group's credit products characterised by ESG covenants, note that they are fully classified in the portfolio of "Financial assets at amortised cost", in line with the HTC business model. This is because the variability of the interest rate - defined contractually in terms of basis points depending on the achievement of the specific objectives of the borrower - is considered residual with respect to the total cash flows of the instrument.
The same considerations apply to the investments made by the Group in securities with ESG covenants, enabling their inclusion in "Financial assets at amortised cost" or in "Financial assets measured at fair value through other comprehensive income", depending on the relative business model.
It should be noted that through Regulation (EU) no. 1047 of 27 May 2025, some amendments to IFRS 9 and IFRS 7 relating to the classification, measurement and disclosure of financial instruments containing contingent clauses, such as those of an ESG nature, were endorsed. Said amendments are applicable from 1 January 2026. The Group is conducting the necessary analyses, without expecting - at present - significant impacts with respect to the current results of the test. For more details, please refer to the paragraph entitled "New accounting standards/interpretations or amendments to existing standards approved by IASB/IFRIC".

Impairment of financial instruments

Climate risks may affect credit risk and, consequently, the measurement of expected losses pursuant to IFRS 9.
The potential impacts concern, on one hand, physical risk (such as fires, floods or other extreme weather events) and, on the other, the transition risk related to the decarbonisation process of the economy. Both components can have a negative impact on the ability of debtors to fulfil the obligations assumed. In addition, adverse weather events can deteriorate the value of the assets used as collateral for the receivable (for example, property and plant), with possible effects on the recovery of the flows deriving from the enforcement of the collateral.
When assessing expected credit losses, reasonable and supportable forward-looking information must be considered, including the possible effects of climate risks on the definition of macroeconomic scenarios, on the determination of the significant increase in credit risk (SICR) and on the estimate of risk parameters (PD and LGD).
Recognising the growing relevance of climate factors, in 2022, the Group introduced a method to incorporate these factors in the measurement of expected losses of performing credit exposures, which has been improved over the following years. Starting from 2024, to partially replace the previous management overlays, new satellite models were introduced to estimate the PD parameter, designed to grasp the impacts of physical and transition risks, by including financial KPIs sensitive to climate scenarios.
As at 31 December 2025, the climate overlays applied – further improved against the previous year – led to higher value adjustments of 31.2 million compared to 25.1 million as at 31 December 2024.
For further details on credit policies and on the approach adopted to include climate factors in credit risk assessment processes, please refer to "Part E - Information on risks and related hedging policies" of these Notes to the financial statements.

Measuring the fair value of property

Pursuant to IFRS 13, the measurement of the fair value must reflect the assumptions that market participants would use to determine the price of an asset or liability.
In this context, the fair value measurement of the Group's properties, carried out with the support of independent experts, considers the sustainability factors relevant to the market, including the energy performance of the property, the presence of any environmental certification, the level of efficiency and the use of renewable energy sources, exposure to physical and climate risk, with particular reference to the impacts of extreme weather events or adverse environmental conditions.
In the corporate segment, these elements are becoming increasingly important, as they influence the property's ability to generate future income flows.

As at 31 December 2025, in determining the fair value of real estate assets, no explicit adjustments for climate or environmental risks were recognised, other than those already implicitly reflected in the observable market inputs used in the valuation techniques.

Impairment of non-financial assets and provisions for contingent liabilities

In impairment tests on intangible assets with an indefinite useful life (trademarks and goodwill), the cash flows used to determine the recoverable value of the Retail Cash Generating Unit (CGU) were developed on the basis of income projections approved by the Board of Directors of Banco BPM in October 2025. These projections do not include specific adjustments linked to climate and environmental risks, as these factors were not considered suitable to change the results of the test, also in light of the significant surplus of the recoverable value with respect to the corresponding book value.
The sensitivity analyses relating to intangible assets, carried out to assess the impact of changes in income flow projections, are reported in "Section 10 – Intangible assets – Item 100" of "Part B – Information on the consolidated balance sheet" of these Notes to the financial statements.
Considering the nature of the Group's operations, no likely or potential liabilities of a material amount attributable to environmental risks, such as disputes, sanctions, remediation obligations, onerous contracts or restructuring related to the achievement of climate objectives, were recognised.

GHG Credit and Power Purchase Agreement (PPA) emissions

With reference to the case of carbon credits (Greenhouse Gases Credit) and Power Purchase Agreements (PPAs)– the latter represented by long-term contracts entered into with a producer for the supply of renewable electricity at a fixed price – it should be noted that during 2025, the Group did not carry out any transactions attributable to these instruments. Therefore, it was not necessary to define or select any specific accounting policies applicable to these cases.

Impacts of the Russia-Ukraine and Middle East conflicts

The geopolitical tensions existing at the date of preparation of these financial statements, in particular those related to the Russia-Ukraine conflict and the situation in the Middle East, continue to generate a macroeconomic context characterised by high uncertainty and lower predictability of future scenarios. These uncertainties could, in the future, require a revision of financial statement estimates if new information that is not currently foreseeable were to emerge.
In line with the recommendations of Supervisory Authorities (ESMA and CONSOB)[1], aimed at guaranteeing adequate oversight over valuation issues impacted by the conflicts in question and a clear and transparent disclosure, an overview of the Group's credit exposures directly or indirectly interested is provided below.

Direct exposures to Russia and Ukraine

For Banco BPM Group, the impacts directly related to the Russia-Ukraine conflict are wholly marginal. In particular, the Group has no operating activities located in Russia or Ukraine, and credit exposures to customers residing in the same countries or indirectly linked to Russian or Ukrainian counterparties are insignificant and are constantly decreasing. As at 31 December 2025, these exposures were entirely represented by loans, for a total amount of 2.7 million (3.5 million as at 31 December 2024). The book value, net of adjusting provisions, amounted to 1.1 million (1.9 million as at 31 December 2024).

[1] In more detail, see the following documents:
- ESMA Public Statement (ESMA71-99-1864) of 14/03/22 entitled "ESMA coordinates regulatory response to the war in Ukraine and its impact on EU financial markets";
- ESMA Public Statement (ESMA32-63-1277) of 13/05/22 entitled "Implications of Russia's invasion of Ukraine on half-yearly financial reports";
- ESMA Public Statement (ESMA32-63-1320) of 28/10/22 entitled: "European common enforcement priorities for 2022 annual financial reports";
- CONSOB notification of 18/03/2022 entitled "Notification on the impact of the war in Ukraine with regard to inside information and financial reporting";
- CONSOB notification of 19/05/22 entitled "Conflict in Ukraine - Call for the attention of the supervised entities on financial reporting and on the obligations related to compliance with the restrictive measures adopted by the European Union against Russia".

Exposures referring to counterparties belonging to groups directly controlled by Russian, Belarussian or Ukrainian entities were eliminated as at 31 December 2025. As at 31 December 2024, these exposures concerned a single Italian counterparty, controlled by a Ukrainian group, with a total amount disbursed of 0.8 million and drawdowns of 0.5 million for unsecured loans.
The gross direct exposures to banks resident in Russia, relating to letters of credit issued by the same - amounted to a total of 1.3 million, down compared to 1.8 million as at 31 December 2024.
Commercial risks associated with the operations of the Group's main customers in transactions with Russian and Ukrainian counterparties were also down and amounted to 2.7 million (2.9 million as at 31 December 2024).

Indirect impacts related to the Russia-Ukraine conflict - credit risk

In relation to the sectors potentially most vulnerable to the conflict – as they are more exposed to rising energy prices and raw material procurement difficulties – no significant impacts were observed. The contact campaigns launched with customers operating in these segments were progressively completed during 2022 and, subsequently, no differential elements emerged with respect to the controls already in place as part of the usual credit risk monitoring processes.

Exposures to the Middle East

With reference to the Israeli-Palestinian crisis, the Group's exposure to the countries directly involved is marginal.
The credit exposure to counterparties in the Israeli and Palestinian territories is nil, against an amount granted of 8.5 million (12 million as at 31 December 2024). Exposure in Israeli government bonds amounted to 45 million (unchanged compared to 31 December 2024), in terms of nominal value. Exposure in equity securities and fund units referring to Israeli counterparties amounted to 4.8 million (7.5 million as at 31 December 2024). Indirect risks for guarantees issued amount to 3.7 million (3.4 million as at 31 December 2024), referring to Israeli counterparties.

According to a more conservative approach, the analysis extended to the surrounding countries potentially involved in the geopolitical tensions (Egypt, Lebanon, Iran, and Qatar) indicates that overall risk is contained in any event: the direct exposure to the counterparties of the above-mentioned countries amounts to 16.2 million (10.5 million as at 31 December 2024), while indirect risks for guarantees issued amount to 62.5 million (approximately 72.5 million as at 31 December 2024).

Covid-19 support measures by the Group represented by loans with public guarantee

During the period of the Covid-19 pandemic, the Group had granted a set of support measures to customers, mainly relating to moratoria and loans backed by public guarantees.
With reference to the moratoria, it should be noted that as at 31 December 2025 no moratorium was active, as the relative period of suspension of payments had already expired from 31 December 2023.
As regards loans with public guarantee[1], the residual gross exposure as at 31 December 2025 amounted to approximately 4.2 billion, significantly down compared to the 8.5 billion recorded as at 31 December 2024. The public guarantees received refer for 3.6 billion to the guarantee received from MCC/Small-Medium Enterprises Management Fund and for 0.6 billion to that from SACE. Overall, the public guarantees cover 83.3% of the volumes agreed.
In terms of credit quality, the aforementioned exposures are classified for 3.7 billion as performing exposures (of which 0.8 billion in Stage 2) and for 0.5 billion as non-performing. Net of adjusting provisions, the net exposure in the financial statements stood at 4.1 billion (8.2 billion as at 31 December 2024).

Terms for approval and publication of the financial statements

Art. 154-ter of Italian Legislative Decree 58/98 (Consolidated Finance Law or CFL) states that, within one hundred and twenty days from the end of the financial year, the separate financial statements must be approved and the annual financial report must be published. The latter must contain the draft separate financial statements, the consolidated financial statements, the report on operations of the separate financial statements and the report on operations of the consolidated financial statements, including the specific section dedicated to sustainability statement. The financial

[1] Loans granted as part of the Covid-19 support measures, pursuant to the provisions of Legislative Decree 8 April 2020 converted into Law on 5 June 2020 (which entered into force on 7 June 2020).

report also includes the declarations that the Manager responsible for preparing the Company's financial reports and the Chief Executive Officer must issue for the separate and consolidated financial statements, as well as for sustainability statement, pursuant to Article 154-bis, paragraphs 5 and 5-ter.

The draft financial statements of Banco BPM S.p.A. were approved by the Board of Directors at its meeting on 3 March 2026 and will be submitted for approval by the Shareholders' Meeting convened for 16 April 2026.

The Regulation of the European Commission 815/2019 (European Single Electronic Format – ESEF Regulation)

The European Commission Regulation 815/2019 (European Single Electronic Format Regulation - ESEF), issued to implement the Transparency directive (Directive 2004/109/EC), introduced the obligation for issuers with securities listed on EU regulated markets to draw up annual financial reports in the XBRL format, which represents a combination between xHTML language (for the presentation of the financial reports in a legible format for human users) and the XBRL machine readable markup (eXtensible Business Reporting Language), with a view to facilitating the accessibility, analysis and comparability of consolidated financial statements drawn up according to International Financial Reporting Standards (IFRS).
The use of this new format entails the mapping of the information contained in the consolidated financial statements according to the "Inline XBRL" specifications, of the basic taxonomy issued by the ESMA (European Securities and Markets Authority).

As at 31 December 2025, the mapping process was structured as follows:

- for the consolidated financial statements (balance sheet, income statement, statement of comprehensive income, statement of changes in shareholders' equity and cash flow statement), the detailed markup was applied, which consists of marking up all the numerical values contained in the statements themselves, identifying the appropriate label in the basic taxonomy;
- for the notes to the consolidated financial statements, the block markup was applied, which envisages that for each applicable element of the taxonomy, the conceptually corresponding portion of the Notes to the financial statements, consisting of text and tables (so-called "bloc tag") is identified.

The basic taxonomy to be used for the single electronic reporting format is updated periodically to take into account, among other aspects, the issue of new IFRS, the amendment of those in force and the analysis of the information published by the issuers.
The taxonomy applied by Banco BPM for the tagging of the accounting statements and of the notes to the consolidated financial statements is that contained in Delegated Regulation of the European Commission no. 2025/19 of 26 September 2024 (published in the OJEU dated 15 January 2025), applicable to the annual financial reports for years beginning on 1 January 2025.

Independent audit

The separate financial statements and the consolidated financial statements as at 31 December 2025 are subject to independent auditing by the auditing firm PricewaterhouseCoopers S.p.A., in application of the appointment conferred on this firm with resolutions of the shareholders' meetings of Banco Popolare Soc. Coop. and Banca Popolare di Milano S.c. a r.l. of 15 October 2016.
The aforementioned engagement was assigned for the years from 31 December 2017 to 31 December 2025, in compliance with the duration envisaged by law (9 financial years).
In addition, based on the regulations introduced by Art. 8 of Italian Legislative Decree no. 125 of 6 September 2024, the sustainability statement contained in the report on operations is subject to a limited review ("limited assurance engagement") by the independent auditors PricewaterhouseCoopers S.p.A., pursuant to Art. 14-bis of Italian Legislative Decree no. 39 of 27 January 2010.
The audit report on the financial statements (separate and consolidated) and the report on the assurance of sustainability statement, are made available in full to the public together with the annual financial report, pursuant to Art. 154-ter of Italian Legislative Decree 58/98.

New accounting standards/interpretations or amendments to existing standards approved by IASB/IFRIC

An illustration of the new accounting standards or amendments to existing standards approved by the IASB is provided below, as well as new interpretations or amendments to existing ones, published by the IFRIC, with separate disclosure of those applicable in 2025 and of those applicable in subsequent years.

IFRS accounting standards and related SIC/IFRIC interpretations endorsed that must be applied when preparing the 2025 financial statements

Regulation (EU) no. 2862 of 12 November 2024 - Amendments to IAS 21 "Effects of Changes on Foreign Exchange Rates"

On 15 August 2023, the IASB published an amendment to IAS 21 to clarify the circumstances in which a currency is considered non-convertible, the criteria for identifying the exchange rate to be applied when a currency tis not exchangeable into other currencies and the disclosure to be provided in cases of limited availability of observable exchange rates.

This amendment had no impact on the Group's equity and financial position.

Endorsed IFRS accounting standards and SIC/IFRIC interpretations, the application of which takes effect after 31 December 2025

Regulation (EU) no. 1047 of 27 May 2025 - Amendments to IFRS 9 and IFRS 7 - "Amendments to the Classification and Measurement of Financial Instruments"

On 30 May 2024, the IASB published important amendments to IFRS 9 (and consequently to IFRS 7), applicable from 1 January 2026, with a view to resolving some critical aspects that emerged in the Post Implementation Review of IFRS 9.
The amendments mainly concern:

- the classification of financial instruments, whose contractual cash flows are dependent on ESG clauses. Since the presence of the aforementioned clauses could influence the measurement of loans at amortised cost or at fair value, the amendments in question provide indications and examples to assess whether the contractual cash flows of a financial asset are consistent or not with a basic lending arrangement;
- the settlement of a liability through electronic payment systems. The amendment establishes that a liability can be settled in cash, using an electronic payment system, before the settlement date, as an exception to the current rules, if specific criteria are met.

Specific disclosure requirements were also introduced for equity instruments for which the option to recognise changes in fair value in the statement of comprehensive income was exercised, and for financial instruments with contingent features, such as features tied to ESG-linked targets.

The expected impacts for the Group are mainly of an organisational nature (definition of policies, product mapping, procedural implementations for the required disclosure), while no significant impacts are expected on the Group's equity, financial and economic situation.

Regulation (EU) no. 1266 of 30 June 2025 - Amendments to IFRS 7 and IFRS 9 "Contracts Referencing Nature-dependent Electricity"

On 18 December 2024, the IASB published some amendments aimed at improving the accounting representation of contracts for the supply of electricity, the generation of which depends on natural factors (e.g. wind, solar radiation), which are typically structured as Power Purchase Agreements (PPAs). The amount of electricity generated under these contracts may vary on the basis of uncontrollable factors, such as weather conditions. In fact, current accounting requirements may not adequately capture the ways in which these contracts affect a company's performance. The main innovations regard: i) clarifications on the application of the requirements for own use; ii) the possibility of using hedge accounting if these contracts are used as hedging instruments; iii) the addition of new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

For the amendments in question, which will be in force for financial statements from 1 January 2026, with the option of early application, no significant impacts are expected for Banco BPM Group's equity, financial and economic situation. As shown in the previous paragraph "Climate and environmental aspects and relative impact on accounts", for the case in question, no profile of attention from an accounting point of view emerged, as such operations are not present within the Group.

Regulation (EU) no. 1331 of 9 July 2025 - Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 "Annual Improvements to IFRS Accounting Standards - Volume 11"

On 18 July 2024, the IASB issued the usual annual amendments to the IFRS standards "Annual Improvements to IFRS Accounting Standards - Volume 11". The document contains clarifications, simplifications, corrections and amendments aimed at improving the effectiveness of the existing standards. Specifically, these improvements concern IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7.
The amendments are applicable to financial statements from 1 January 2026, and may be applied early.

As these are minor changes, no significant impacts are expected on the Group's equity, financial and economic situation.

Regulation (EU) no. 338 of 13 February 2026 - IFRS 18 "Presentation and Disclosure in Financial Statements"

On 9 April 2024, the IASB published the new accounting standard IFRS 18 "Presentation and Disclosure in Financial Statements", which will replace IAS 1 "Presentation of Financial Statements".
The new standard seeks to improve the comparability, transparency and understanding of financial statement disclosures by introducing new requirements for the presentation of the income statement and strengthening the rules for the aggregation and disaggregation of financial statement disclosures.
In particular, IFRS 18:

- introduces three mandatory categories for the classification of income and expenses (operating, investing and financing activities), envisaging new mandatory subtotals, including the operating profit or loss;
- requires greater transparency regarding the use of Management Performance Measures (MPMs), through reconciliation with IFRS subtotals and an explanation of the underlying reasons;
- strengthens the criteria for aggregating and disaggregating information in the primary financial statements and the notes, in order to ensure a clearer and more consistent representation.

Similar to the provisions of the current IAS 1, IFRS 18 does not introduce mandatory financial schedules, nor does it provide a predefined structure for the notes to the financial statements. The standard, on the other hand, defines a minimum set of information to be presented, leaving the party preparing the financial statements an adequate margin of discretion in order to guarantee the best representation of the economic, equity and financial situation of the entity.
The new standard is applicable from 1 January 2027, with an obligation to submit comparative information from the previous year.
Since the changes introduced mainly concern the presentation of the income statement and the structure of the disclosure, it will be necessary to ensure coordination with Circular no. 262 of the Bank of Italy, the updates of which will be published during the course of 2026 to adapt the banking formats to the new requirements set forth in the standard.
Since this is a standard that mainly affects the way in which the disclosure is represented, and not the measurement criteria, no significant impacts are expected on the Group's equity, financial and economic situation.

IAS/IFRS accounting standards and relative SIC/IFRIC interpretations issued by the IASB/IFRIC, awaiting endorsement

The following is a summary of the standards, interpretations or amendments that have been approved by the IASB, but are pending endorsement.

IFRS 19: "Subsidiaries without Public Accountability: Disclosures"

With the publication of IFRS 19 "Subsidiaries without Public Accountability: Disclosures" on 9 May 2024, the IASB completed the Disclosure Initiative, launched in 2014 with a view to improving the quality and usability of the financial disclosure, in coordination with the project relating to the Primary Financial Statements.

IFRS 19 seeks to simplify the disclosure obligations required in the explanatory notes for a wide range of subsidiaries belonging to groups that apply IAS/IFRS, while at the same time, facilitating the transition to international standards for entities that prepare their financial statements according to local accounting standards.
The application of the standard is only allowed for subsidiaries without "public accountability", namely to companies that do not have financial instruments admitted to trading on a public market or that do not hold assets, on a trustee basis, for a large group of people, as is instead, the case of banks, credit cooperatives, insurance companies, securities brokers, mutual investment funds and investment banks.
Entities that meet these requirements may, but are not required to, apply IFRS 19 in their consolidated, separate or stand-alone financial statements.
In relation to the transactions performed by the Group and the composition of the same, no significant impacts are expected following the introduction of the standard in question, which is not applicable to Banco BPM.

Amendments to IFRS 19 "Subsidiaries without Public Accountability: Disclosures"

The amendments to IFRS 19, published by the IASB on 21 August 2025, introduce the option for eligible subsidiaries not to communicate certain disclosures relating to the standards issued between February 2021 and May 2024.
In relation to the transactions performed by the Group and the composition of the same, no impacts are expected following the introduction of the standard in question, which is not applicable to Banco BPM.

Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency"

The amendments in question, published on 13 November 2025 and in force from 1 January 2027, clarify the methods for translating financial statements from a non-hyperinflationary currency to a hyperinflationary one.
No impacts are expected for the Group, as it does not carry out any operations in hyperinflationary contexts.

Other significant aspects relating to Group accounting policies

Below is an illustration of several transactions or events occurring during 2025, deemed significant for defining the related accounting treatment and/or impacts on the balance sheet or income statement.

Acquisition of control of Anima Holding S.p.A. – notes for a correct comparison of the comparative balances

As illustrated in the Consolidated report on operations, on 11 April 2025, following the completion of the Public Tender Offer on all shares of Anima Holding, the Group acquired control of the company and its subsidiaries.
From an accounting point of view, pursuant to IFRS 3, the transaction is considered a "step acquisition", as Banco BPM already held an interest of 21.973% in the capital of Anima Holding. The measurement at fair value of the interest previously held, led to the recognition of a positive result of 205.6 million, recognised in income statement item "250. Gains (losses) of associates and joint ventures" (201.8 million net of the tax effect).
During the last quarter of 2025, the process of allocating the cost of the combination (Purchase Price Allocation - PPA), conducted in compliance with the requirements of IFRS 3, was completed. The fair value adjustments of the net assets acquired amounted to a positive 331 million overall, referring mainly to intangible assets consisting of trademarks and client relationships. The residual difference between the cost of the business combination and the fair value of the identifiable net assets acquired, equal to 1,550.6 million, was recognised in balance sheet assets as goodwill.
For a detailed illustration of the impacts related to the acquisition of control of Anima Holding, please refer to part "G - Business combinations regarding companies or divisions" of these Notes to the financial statements.

As a consequence of that illustrated above, to ensure the correct comparison of the comparative balances, note that, starting from 1 April 2025, the balance sheet and income statement balances of Anima Holding and the companies controlled by the same were consolidated, line by line, in the Group's financial statements.
Consistent with these purposes, the tables of the notes to the financial statements relating to the changes in the individual items indicate, where relevant, the portion of the change in the balances attributable to the entry of the Anima Group, highlighted in the specific item "- of which business combinations".

In the financial statements as at 31 December 2024, when the interest was held to the extent of 21.973% and measured according to the equity method, the relative book value was recorded under item "70. Interests in associates and joint ventures".
The economic contribution for the first quarter of 2025, as well as that for the entire 2024 financial year, was included in item "250. Gains (losses) of associates and joint ventures".

Purchase of tax credits connected with the "Relaunch" Decree

In the context of the measures introduced by Decree Law no. 34 of 19 May 2020 (*"Relaunch Decree"*), converted with amendments into Law no. 77 of 17 July 2020, various tax incentive instruments were envisaged to mitigate the economic effects deriving from the Covid-19 pandemic. These measures included tax credits generated by energy efficiency measures (Ecobonus), seismic risk reduction (Sismabonus) and other concessions related to building bonuses. In the following years, the legislator intervened several times - first with Decree Law no. 50/2022 (*"Aid Decree"*) and subsequently with Decree Law no. 39/2024 - introducing restrictions, new obligations and further limits, which significantly affected the scope of application and the accessibility of incentives.
In this context, the Group's operations consisted of the purchase of tax credits transferred by the direct beneficiaries or by previous purchasers, which can be recovered by the Bank exclusively by offsetting its own tax payables according to the original timing envisaged for the deduction, or - for part of the receivables - through assignment to Group companies or third parties.
Tax credits with these characteristics are not specifically regulated by IAS/IFRS. Pursuant to IAS 8, in the absence of an applicable standard, company management must identify the most suitable accounting treatment, guaranteeing a reliable and relevant disclosure. To this end, the Group followed the indications provided by the Bank of Italy, CONSOB and IVASS in the document dated 5 January 2021 (Coordination Round Table no. 9 on the application of IAS/IFRS "Accounting treatment of tax credits related to the "Heal Italy" and "Relaunch" Decree Laws purchased following the sale by direct beneficiaries or previous purchasers"), which envisages the application by analogy of certain provisions contained in IFRS 9. In accordance with these guidelines, the credits purchased were classified as financial assets, with the application of IFRS 9 rules, where consistent with their nature.

For credits purchased under the "Hold to Collect" (hereinafter also HTC) business model, which can be recovered through the Bank's "offsetting capacity", the Group applies the IFRS 9 provisions envisaged for "Financial assets at amortised cost". Therefore, the credits acquired are initially recognised at fair value, equal to the consideration paid to the customer to purchase the tax credit, and subsequently measured at amortised cost, taking into account their value and offsetting timing. Instead, the provisions relating to the calculation of expected credit losses (ECL), are not applicable, as their recoverability solely depends on the tax capability of the Bank, namely the ability to offset tax credits purchased with its tax payables, as there is no option to request a refund from the Tax Authority. Said credits are recognised in the residual item "130. Other assets"; the interest accrued based on the amortised cost is recognised in the income statement in item "10. Interest and similar income".
As at 31 December 2025, the nominal value of all tax credits purchased according to the HTC model amounted to 4,944.8 million, of which 29.8 million relating to transactions completed during 2025 (4,915.0 million in credits purchased as at 31 December 2024).
The total credits recovered through offsetting amounted to 2,850.9 million (of which 998.5 million in 2025).
The residual nominal value of HTC credits outstanding as at 31 December 2025 therefore amounted to 2,093.9 million (3,062.7 million is the value reported as at 31 December 2024), approximately 73% of which can be offset by 2027.
The corresponding book value, shown in the balance sheet item "130. Other assets" on the basis of the amortised cost, which takes into account the purchase price and the net interest accrued as at 31 December 2025, amounted to 1,963.5 million (2,842.0 million as at 31 December 2024).
For the credits in question, as at 31 December 2025 there were no purchase commitments to third parties.
As at 31 December 2025, the volume of HTC credits is broadly compatible with the Bank's offsetting capacity and, in light of the prudential ceiling resolved by the Board of Directors, there are no risks of irrecoverability.

To exploit the residual offsetting capacity and seize further commercial opportunities, the Group has set an alternative model in place (Hold To Collect and Sell - HTCS), which envisages being able to recover tax credits both through offsetting with the Bank's tax payables, and through the sale to companies belonging to the Banking Group and possibly to other operators interested in the purchase, if deemed advantageous.
For these credits, the provisions of IFRS 9 for the category of "Financial assets measured at fair value through other comprehensive income" are considered applicable; in addition to the observations made above for HTC credits, it is necessary to determine an additional income component equal to the difference between fair value and amortised

cost. In this regard, fair value is measured on the basis of the Discounted Cash Flow (DCF) technique, i.e. discounting cash flows on the basis of the zero-coupon yield for the various offsetting maturities, constructed on the basis of 6-month Euribor rates, plus the commercial spread calculated at the initial recognition date. Such fair value is shown in the residual item "130. Other assets"; the interest accrued based on the amortised cost is recognised in the income statement in item "10. Interest and similar income", while fair value adjustments are represented under other income items that may be transferred to the income statement in the statement of comprehensive income.
As at 31 December 2025, the nominal value of the credits acquired based on the HTCS model amounted to 1,784.1 million, of which 815.8 million for transactions completed during 2025 (968.2 million in credits acquired as at 31 December 2024). The total credits recovered through offsetting amounted to 685.9 million (320.6 million as at 31 December 2024).
As no assignment of credits took place, the residual nominal value of the HTCS credits outstanding as at 31 December 2025 amounted to 1,098.2 million (647.6 million as at 31 December 2024), approximately 76% of which can be offset by 2027.
The corresponding book value, which takes into account the purchase price, the fees accrued on the basis of amortised cost and the fair value adjustment, is equal to 988.0 million (572.2 million as at 31 December 2024). This value is basically in line with amortised cost as the fair value adjustment attributable to the change in interest rates with respect to the purchase date, is 0.9 million (6.0 million as at 31 December 2024).
As at 31 December 2025, commitments assumed with third parties for future purchases of credits managed within the framework of the HTCS model, amounted to a total of around 405 million (667 million as at 31 December 2024).
As at 31 December 2025, there are no risks of irrecoverability of the tax credits managed under the HTCS model, as the relative volume is consistent and fully compatible with the Group's offsetting capacity. It follows that, at present, there is no need to resort to the external sales of the credits to guarantee their recovery.

Additional Tier 1 (AT1) Issue

The Additional Tier 1 (AT1) instruments are subordinated loans classified in Common Equity Tier 1 (CET1), under the terms of Regulation (EU) no. 575 of 2013 (CRR), and are exclusively addressed to institutional investors.
These are perpetual instruments, which give the issuer the option to request early repayment (call option) on the dates envisaged in the contract, with the option of subsequent calls if the call is not exercised at the earliest possible date.
The AT1 instruments issued by Banco BPM envisage the payment of a fixed coupon for an initial period of five years. If the early repayment option is not exercised, the coupon is restated by applying a fixed rate, equal to the sum of the original spread ("margin") and the five-year mid-swap rate recorded at the recalculation date, remaining valid for the next five years until the next reset date.
The payment of coupons is fully discretionary, non-cumulative and may be cancelled without this generating rights to recovery or default. Instead, the cancellation of the coupon payment becomes mandatory if one of the conditions envisaged in the contract occurs, including the achievement of a so-called trigger event, i.e. when the CET1 ratio of Banco BPM (individual or consolidated) falls below the threshold of 5.125%.
Upon the occurrence of the trigger event, the AT1 capital is subject to irrevocable and mandatory write-down for the amount required to bring CET1 back to the minimum level of 5.125%. The write-up of the derecognised capital is also envisaged, at the sole discretion of the issuer and if the conditions envisaged occur.
In light of the financial and legal characteristics referred to above, these issues are classified as equity instruments pursuant to IAS 32, as illustrated in the accounting policies set forth in paragraph "16 - Other information, Equity instruments" of "A.2. Key financial statement items" below, of these Notes to the financial statements.
As at 31 December 2025, Banco BPM had Additional Tier 1 instruments in place, issued in the 2021-2025 period, for a nominal value of 1,800.0 million. The book value, recorded under item "140. Equity instruments" amounted to 1,787.1 million, equal to the consideration collected, net of directly attributable transaction costs (12.8 million after tax).
The change compared to the figure as at 31 December 2024 (nominal value of 1,620.5 million), positive for approximately 179.5 million, depends on the issue made in May 2025 (+400.0 million), as well as on the repurchase, made in January 2025, following the exercise of the call option, of the residual share (of 220.5 million) of the AT1 issue in January 2020.
In line with the nature of the AT1 instruments, during the year, the coupons paid were recognised as a decrease of shareholders' equity (item "150. Reserves"), for an amount of 123.8 million (89.7 million, net of the relative taxes) and the negative effects, equal to 1.5 million, relating to the repayment of the residual share of the aforementioned issue in January 2020.

"Hold to Collect" Business Model – sales

For exposures classified in the "Financial assets at amortised cost" portfolio, i.e. in the portfolio held with the aim of collecting the contractual cash flows (the "Hold to Collect" Business Model - HTC), Group policy, in accordance with accounting standard IFRS 9 envisages that their sale is permitted in observance of specific materiality and frequency thresholds, close to maturity, in the event of a significant increase in credit risk or in the case of exceptional circumstances.

In 2025, the sale of securities classified in the accounting portfolio of "Financial assets at amortised cost" (HTC) amounted to approximately 3 billion, in terms of nominal value, entirely related to the Parent Company. These sales are part of a broader strategy to rebalance the overall profile of the banking book, which also includes securities managed with the HTCS Business Model; the positive result achieved from the sale of HTC securities (65.4 million) must therefore be read together with the symmetrical negative result recorded on HTCS securities, as this is a single integrated management strategy of the securities portfolio.
The sales made in 2025 are consistent with Group policy, as 0.6 billion refers to securities sold close to the maturity date and the remaining 2.4 billion to securities falling within the limits of the materiality and frequency thresholds envisaged by the business model. These latter sales represent around 8% of the nominal value of the HTC portfolio in place as at 1 January 2025, therefore lower than the materiality threshold of 10%; the annual frequency threshold (4) is also respected, defined in terms of twelve annual transactions, to be understood as the overall number of sale transactions - of one or more securities - completed within ten business days of the first sale transaction.

As part of the Group's derisking process, the sale of non-performing credit exposures represented by loans to customers continued in 2025. In line with Group policy, these sales are considered fully eligible, regardless of any frequency and materiality threshold, as they are transactions referring to exposures classified as Stage 3, the purpose of which is to reduce credit risk.

For more details on the configuration of the afore-mentioned thresholds, along with the other indicators/limits of eligibility of the sales, refer to paragraph "3 – Financial assets at amortised cost, Sales eligibility policy consistent with the HTC Business Model" in "A.2. Key financial statement items" below.

Lastly, it should be noted that during the year there were no changes in the business model relating to portfolios classified as HTC or HTCS. Similarly, there were no changes in the accounting policies adopted by the Group regarding the eligibility criteria of HTC sales, which are therefore in line with previous years.

Contribution to banking and insurance guarantee systems

Contributions to the various bank and insurance guarantee systems are recognised in income statement item "190. b) Other administrative expenses", in compliance with interpretation IFRIC 21 "Levies", as referred to in the Bank of Italy communication of 19 January 2016 and in the clarifications provided by IVASS in the letter to the market of 18 December 2024.
This interpretation establishes that the liability - and the relative charge - must be recognised when the "obligating event" occurs, i.e. when the obligation to pay the ordinary or extraordinary annual contribution arises.
Total charges recognised in the income statement for 2025, relating to the various resolution mechanisms, amounted to 14.1 million (9.6 million net of taxes), down compared to 105.0 million recorded in 2024 (71.0 million net of taxes).

Charges related to the banking system

Following the transposition into Italian law of Directive 2014/49/EU (DGSD) and of Directive 2014/59/EU (BRRD), since 2015, credit institutions have been required to finance both the Interbank Deposit Guarantee Fund - FITD) and the Single Resolution Fund (Single Resolution Fund - SRF) through ordinary ex ante contributions, paid annually. These contributions continue until the target level is reached, determined on the basis of the amount of protected deposits.
If, at any time, the FITD's resources are not sufficient to guarantee repayment to protected depositors, or the SRF does not have the necessary funds to finance a resolution intervention, the banks would be required to pay extraordinary contributions.

As regards the SRF, the ordinary contribution reached the target level in 2023; for 2024 and 2025, no contribution was requested, as the financial resources available to the SRF are deemed sufficient.

With reference to the FITD, the ordinary contribution reached the target level in 2024, the year in which the amount requested was 98.7 million (66.6 million net of taxes).
Subsequently, on 18 December 2025, the FITD announced that the total contribution due by the consortium banks for 2025 amounted to 100 million, of which 44.1 million as a supplementary contribution to cover the payment of fees and commissions on the credit line granted by a pool of banks, and for the remainder, by way of ordinary contribution to the financial resources of the FITD, also in consideration of the performance of protected deposits. The portion attributable to Banco BPM Group is 7.7 million (5.2 million net of taxes), of which 3.4 million by way of supplementary contribution and 4.3 million by way of ordinary contribution.
For 2025, as in 2024, no extraordinary contributions were requested from the SRF or the FITD.

Lastly, it should be noted that Group banks have never made use, where envisaged, of the option of fulfilling the contributions through the assumption of Irrevocable Payment Commitments (IPC).

Charges related to the insurance system (Life insurance guarantee fund)

Law no. 213 of 30 December 2023 introduced the new "Chapter VI-bis" into the Private Insurance Code (CAP), establishing the Life insurance guarantee fund, established as a private association between insurance companies and participating intermediaries enrolled in the register referred to in Article 109 of the CAP.
Article 274-quater, paragraph 1, of the CAP establishes that the Fund must have financial resources corresponding to at least 0.4% of the technical reserves of the life business, determined on the basis of the Solvency II prudential regulations and held by the participating companies as at 31 December of the previous year. These resources must be established through the annual payment of contributions in the period 1 January 2024 - 31 December 2025.
In application of the provisions envisaged for the transitional period, and as confirmed by the communication of the Provisional Management Committee of the Fund dated 23 December 2025, the contribution recognised in 2025 for the Group's insurance companies was 0.4 per thousand of life technical reserves of the previous year, and for the Group's banking intermediaries, it was 0.1 per thousand of the technical reserves brokered.
For 2025, the cost estimated and recognised in the fourth quarter amounts to 6.4 million (4.4 million net of taxes). In the previous year, the contribution due, determined according to the same methods, amounted to 6.3 million.

2026 Budget Law - Main impacts on the financial statements as at 31 December 2025

On 30 December 2025, Italian Law no. 199 of 30 December 2025, containing the "State budget for the financial year 2026 and the multi-year budget for the three-year period 2026-2028" (hereinafter also "2026 Budget Law") was published in the Official Gazette, General Series no. 301.
Two legislative measures introduced by the 2026 Budget Law that had a significant impact on the balance sheet and income statement for 2025 are illustrated below.

Extraordinary contribution to the "extra-profit reserve"

Art. 26 of Decree Law no. 104 of 10 August 2023, converted with amendments into Law no. 136 of 9 October 2023, had introduced - limited to 2023 - an extraordinary tax to be paid by banks, commensurate with the increase in net interest income recorded in the period 2021-2023 and subject to a maximum limit adjusted to the risk exposure on an individual basis ("RWA - Risk Weighted Assets") recognised as at 31 December 2022.

During the conversion process of the decree, paragraph 5-bis had been added, which allowed banks, as an alternative to paying the tax by 30 June 2024, to allocate, at the time of approval of the 2023 financial statements, an amount corresponding to two and a half times the tax due to a non-distributable reserve specifically established for this purpose ("Extra-profit reserve").
If the reserve thus constituted had subsequently been used for the distribution of profits, the tax due - corresponding to 40% of the above reserve - would have been paid in full, increased by the interest accrued on the basis of that envisaged by law.

On the basis of this rule, the total extraordinary tax of the Group amounted to 151.3 million, an amount almost entirely related to the Parent Company. The Banco BPM Shareholders' Meeting of 18 April 2024 resolved to allocate 378.3

million to the reserve (equal to 2.5 times the tax due), while the Shareholders' Meeting of Banca Aletti allocated 2.4 million for the same purpose.

The 2026 Budget Law (Article 1, paragraphs 68-73) has profoundly intervened on the previous rules, introducing a legal presumption of priority distribution of the Extra-profit reserve: starting from 1 January 2029, in the event of the distribution of profits or of other capital reserves, the regulations assume that the Extra-profit reserve is used first, resulting in the application of a substitute tax of 40%, plus interest.
The same legislation also introduced the right to release the reserve in question from the payment of the above-illustrated extraordinary tax, which can be exercised until 31 December 2028, subject to the payment of an extraordinary contribution equal to 27.5% of the amount of the reserve existing as at 31 December 2025, if the option is exercised in 2026, or 33% of the amount of the reserve existing as at 31 December 2026 or 31 December 2027, if the option is exercised in 2027 or 2028, respectively.

In light of the new rules and considering the reasonable expectation of future distributions of profits, the Boards of Directors of Banco BPM and Banca Aletti, which met in January 2026, resolved to exercise the option to release the reserve, by paying the extraordinary contribution to the extent of 27.5% of the amount of the reserve existing as at 31 December 2025. The contribution will be paid by 30 June 2026.
This decision makes it possible to significantly reduce the potential expense related to the reserve, avoiding the application of the ordinary rate of 40% envisaged when fully in force. The total amount of the extraordinary contribution amounted to 104.7 million, of which 104.0 million referring to Banco BPM and 0.7 million to Banca Aletti; this amount is lower than the 152.3 million - in addition to interest - that would have been due, starting from 1 January 2029, in the absence of the payment of the extraordinary contribution.

From an accounting perspective, the extraordinary contribution constitutes a new and separate obligation with respect to the extraordinary tax envisaged by Decree Law 104/2023 and there are no relevant rules within the IFRS international accounting standards. Therefore, in application of IAS 8, it was necessary to identify the most appropriate accounting treatment, referring, by analogy, to paragraph 61A of IAS 12.

Based on the prevailing interpretation, also shared within the Italian Banking Association (ABI), the liability relating to the obligation to pay the extraordinary contribution of 27.5% was recognised in the 2025 financial statements as a balancing entry to an equity reserve called "Extraordinary contribution under Law no. 199/2025", in line with the decision taken by the Boards of Directors to adhere to the option envisaged by law.
As a result of this recognition, the consolidated shareholders' equity was reduced by a total of 104.7 million, an amount corresponding to the contribution that will be paid in 2026 by Banco BPM and Banca Aletti.

Increase in the IRAP rate

The 2026 Budget Law (Article 1, paragraphs 74-76) introduced a temporary increase of two percentage points in the additional IRAP rate, applicable to banks and insurance companies for the 2026, 2027 and 2028 tax periods. Since this is a non-structural change, it is expected that, starting from the year following the one in progress as at 31 December 2028, the additional IRAP rates applicable will return to the previous levels.

For the purposes of preparing the 2025 financial statements, this legislative intervention made it necessary to recalculate, at the new rates, the deferred taxes already recognised (Deferred Tax Assets - DTAs and Deferred Tax Liabilities - DTLs), for the portion that is expected to be derecognised as a balancing entry to the recognition of lower or higher current taxes by 31 December 2028. The overall economic effect on the 2025 financial statements, considered non-recurring, was positive for 40.2 million.

2025 Budget Law – Stamp duty on insurance contracts

The 2025 Budget Law, approved on 28 December 2024, introduced a significant change to the methods of payment of the stamp duty due on periodic communications relating to class III and class V life policies issued by insurance companies.

Starting from 2025, stamp duty continues to accrue annually; however, the relative payment is no longer made by the policyholders - as is the case for other financial instruments, such as bank deposits and mutual funds - but is paid directly and in advance by the insurance companies. The amount advanced, which does not generate interest, will be recovered by the insurance company upon expiry or upon surrender of the policy, through a corresponding reduction in the benefit to be paid.
With reference to the stamp duty accrued up to 31 December 2024 on contracts in place at the same date, the legislation provides for an instalment payment plan, again borne by the insurance companies, broken down as follows: 50% in 2025, 20% in the 2026, 20% in 2027, 10% in 2028.
During 2025, the Group's insurance companies paid a total of 19.7 million in stamp duty, of which 5.8 million has already been recovered.
For class III and class V life policies falling within the scope of application of IFRS 17, the advance payment of the duty leads to a different distribution over time of outgoing cash flows. This effect is reflected in a reduction in the item "Insurance liabilities", which, net of recoveries already made, amounted to approximately 6 million.
For class III and class V life policies classified as financial liabilities according to IFRS 9, advance payments are not attributable to a specific rule envisaged by international accounting standards. On this point, Joint Document no. 10 published by the Bank of Italy, CONSOB and IVASS on 30 January 2026, clarified that the stamp duty paid in advance and not yet recovered must be recognised as an asset due from customers, to be measured at the present value of future flows, determined using a risk-free market rate referring to financial instruments with a similar expected maturity. The difference between the nominal value and the present value of the asset must be recognised in the income statement as an expense.
In line with these indications, in the 2025 financial statements, the Group recognised 7 million under "Other assets", corresponding to the present value of the payments made, net of recoveries already made. The effect on the income statement resulting from the discounting, recognised under other operating expenses, is not significant for the Group and amounted to 0.9 million.

A.2 - KEY FINANCIAL STATEMENT ITEMS

The accounting standards, broken down by individual financial statement item, adopted for the preparation of the consolidated financial statements as at 31 December 2025, are illustrated below. These standards refer to the phases of classification, recognition, measurement and derecognition of assets and liabilities, as well as the criteria for recognising revenues and costs, and are substantially aligned with those applied in the preparation of the comparative consolidated financial statements as at 31 December 2024.
Any refinements made during the year to the criteria and methodologies for the recognition and measurement of the individual financial statement items are duly highlighted in correspondence with the respective items concerned.

1 - Financial assets at fair value through profit and loss

Classification criteria

This category comprised financial assets other than those classified under "Financial assets measured at fair value through other comprehensive income" and "Financial assets at amortised cost". These include:

- the debt securities or loans to which an "Other" Business Model is associated, i.e. a method of managing financial assets not aimed at collecting the contractual cash flows (Hold to Collect Business Model) or at collecting the contractual cash flows and selling the financial assets (Hold to Collect and Sell Business Model);
- debt securities, loans and UCIT units whose contractual terms do not solely provide for repayment of principal and payments of interest on the amount of principal to be repaid (i.e., that do not pass the "SPPI test");
- equity instruments that cannot be classified as investments in subsidiaries, associates or entities under joint control or held for trading, or for which, on initial recognition, the option to classify them among "Financial assets measured at fair value through other comprehensive income" was not used;
- derivative contracts that are not used for hedging purposes and with a positive fair value (active derivatives). For these instruments, the offsetting with derivatives with a negative fair value (passive derivatives) is permitted for transactions stipulated with the same counterparty, if there is a present legal right to the offsetting and it will be settled on a net basis;
- the investments underlying the unit and index-linked insurance policies.

More detailed information is provided below on the three sub-items that comprise the category in question, represented by: "a) Financial assets held for trading", "b) Financial assets designated at fair value", and "c) Other financial assets mandatorily measured at fair value".

a) Financial assets held for trading

A financial asset (debt securities, equity instruments, loans, UCIT units) is classified as held for trading if it is managed with a view to collecting cash flows through sale, i.e. if it is associated with the "Other" Business Model, as:

- it is acquired for the purpose of being sold in the near future;
- it is part of a portfolio of financial instruments that are jointly managed and for which there is a proven strategy for short-term profit.

This also includes derivative contracts with a positive fair value, not designated as part of a hedging relationship. Derivative contracts include those embedded in structured financial instruments, in which the host contract is a financial liability, that have been recognised separately because:

- their economic characteristics and risks are not closely related to those of the host contract;
- a separate instrument with the same terms as the embedded derivative would meet the definition of derivative;
- the hybrid instruments to which they belong are not designated at fair value with the related changes recorded in the income statement.

A derivative is considered to be a financial instrument or other contract that has the following characteristics:

- its value changes in response to changes in an interest rate, in the price of a financial instrument, in a commodity price, in the exchange rate in foreign currency, in a price or interest rate index, in a credit rating or in a credit index or in another pre-established variable (the underlying) provided that, in the case of a non-financial variable, the underlying is not specific to a party to the contract;
- it does not require an initial net investment or requires a lower initial net investment than would be required for other types of contracts that would be expected to respond similarly to changes in market factors;
- it is settled at a future date.

b) Financial assets designated at fair value

A financial asset (debt securities and loans) may be irrevocably designated at fair value on initial recognition, with the measurement results recognised in the income statement, only when such designation makes it possible to provide better disclosure, as it eliminates or considerably reduces the inconsistency in valuation or recognition, that would otherwise be caused by measuring assets or liabilities or recognising the associated gains and losses on different bases (accounting mismatch). This category is not valued by the Group.

c) Other financial assets mandatorily measured at fair value

Other financial assets mandatorily measured at fair value represent a residual category and are made up of financial instruments that do not meet the business model or cash flow requirements to be classified as financial assets at amortised cost or financial assets measured at fair value through other comprehensive income. More specifically, these include:

- debt securities or loans whose contractual terms do not solely provide for repayment of principal and payments of interest on the amount of principal to be repaid (i.e., that do not pass the "SPPI test");
- UCIT units;
- equity instruments not held for trading, for which the option of classifying them among the financial assets measured at fair value through other comprehensive income was not used.

Financial instruments managed on the basis of fair value are also classified in this category, as the information obtained makes it possible to assess their performance and make decisions in line with the risk management or investment strategy.
This business model is applicable to financial assets, mainly represented by UCIT units, backing contracts issued by insurance companies, for which the investment risk is borne by the policyholders. In particular, these are assets relating to Class III insurance contracts (unit-linked or index-linked policies) whose services are related to the performance of market indices and investment fund units. In line with the aforementioned management model, the related liabilities of insurance contracts are measured at fair value, in application of the so-called "fair value option".

Recognition criteria

Financial assets are initially recognised on the settlement date in case of debt securities, equity instruments and UCIT units, on the disbursement date for loans and on the subscription date for derivative contracts.
Upon their initial recognition, financial assets at fair value through profit and loss are designated at fair value, which generally corresponds to the price paid, excluding transaction costs or revenues that are directly attributable to the financial instruments, which are instead recognised directly in the income statement.

Income item measurement and recognition criteria

Subsequent to initial recognition, financial assets at fair value through profit and loss are designated at fair value, with recognition of changes as a balancing entry to the income statement. For derivative instruments, if the fair value of a financial asset becomes negative, that item is recognised under item "20. Financial liabilities held for trading".

To determine the fair value of financial instruments listed on an active market, market listings at the reporting date are used. In the absence of an active market, estimate methods and valuation models are used that take into account all the risk factors associated with the instruments and that are based on market inputs, such as: methods based on the valuation of other listed instruments that are substantially the same, discounted cash flow analysis, option pricing models, and values recognised in recent comparable transactions. In the event that no reliable estimate of the fair value is possible for equity instruments and related derivatives, the cost criterion is used as an estimate of the fair value only on a residual basis and limited to a few cases (non-applicability of the above methods or in the presence of a range of possible fair value valuations, of which cost represents the most significant estimate).
Please refer to part "A.4 – Fair value disclosure" for details on how fair value is determined.

The interest of the three sub-items that make up this category is shown in item "10. Interest and similar income".

Trading profits or losses and gains or losses as a result of the valuation of the trading book, including derivatives connected with financial assets/liabilities designated at fair value, are recognised in the income statement in the item "80. Net trading income". The same economic effects related to financial assets designated at fair value and to those mandatorily measured at fair value are recognised in item "110. Net gains (losses) from other financial assets and liabilities measured at fair value through profit and loss", in sub-items "a) financial assets and liabilities designated at fair value and b) other financial assets mandatorily measured at fair value" respectively.

Derecognition criteria

Financial assets are derecognised when the contractual rights to receive the cash flows generated by the assets have expired, or when the financial assets are sold, and all risks and rewards of ownership of the assets have been substantially transferred. In the presence of renegotiations, the above requirements exist if the changes to the contractual conditions are considered substantial, as illustrated in paragraph "16 – Other information, Renegotiations" below, to which reference is therefore made.
In the event that the substantial transfer of risks and rewards cannot be verified, the financial assets are derecognised from the financial statements if control of the loans has been relinquished.

Lastly, assets sold are derecognised if the contractual right to receive the cash flows of the assets is maintained, but at the same time a contractual obligation is assumed to pay these flows to a third party without delay and only up to the amount of those received.

Reclassification criteria

Financial assets at fair value through profit and loss, other than equity instruments, can be reclassified into the accounting categories of "Financial assets measured at fair value through other comprehensive income" and "Financial assets at amortised cost". This reclassification can occur in the very rare circumstance that an entity decides to modify its business model for managing financial assets. The transfer value is represented by the fair value on the date of its reclassification and prospectively from that date. In this instance, the effective interest rate of the reclassified financial asset is determined on the basis of its fair value on the date of reclassification, which is the date of initial recognition for the allocation of the various stages of credit risk (stage assignment) for the purpose of impairment.

2 - Financial assets measured at fair value through other comprehensive income

Classification criteria

This category includes financial assets (debt securities and loans) when both of the following conditions are met:

- the purpose of holding them is represented by both the collection of contractual cash flows and their sale ("Hold to Collect and Sell" Business Model);
- the related contractual flows consist solely of payments of principal and interest on the capital to be repaid (i.e. they are expected to pass the SPPI test - Solely Payment of Principal and Interest test).

This category also includes equity instruments not held for trading and not qualifying as investments in subsidiaries, associates or entities under joint control, for which the option of classifying them among financial assets measured at fair value through other comprehensive income is applied. This option may be exercised on initial recognition of the individual financial instrument and is irrevocable (known as "OCI election").

Recognition criteria

Financial assets are initially recognised on the settlement date in case of debt securities and equity instruments, and on the disbursement date for loans.
Upon their initial recognition, assets are designated at fair value, which generally corresponds to the price paid, including transaction costs or revenues that are directly attributable to the instruments.

Income item measurement and recognition criteria

Subsequent to initial recognition, financial assets measured at fair value through other comprehensive income, consisting of debt securities and loans, continue to be measured at fair value, with recognition of the portion of interest in the income statement on the basis of the effective interest rate criterion, exchange rate revaluation effects and expected losses (impairment).
Interest is shown under item "10. Interest and similar income"; any negative interest accrued is instead represented in item "20. Interest and similar expense".

Gains and losses deriving from the change of the fair value are instead recorded in a specific shareholders' equity reserve (item "120. Valuation reserves"), which will be recycled to the income statement when the financial asset is derecognised (item "100. Gains (losses) on disposal or repurchase of: b) financial assets measured at fair value through other comprehensive income").

At each annual or interim reporting date, the aforementioned assets are subject to impairment in order to estimate the expected losses in value relating to credit risk (Expected Credit Losses), based on the impairment model also established for "Financial assets at amortised cost". Said adjustments are recognised in the income statement in item "130. Net credit impairment losses/recoveries relating to: a) financial assets measured at fair value through other comprehensive income", as a balancing entry of the specific equity valuation reserve (item "120. Valuation reserves"); the same applies to recoveries of part or all of the write-downs from previous financial years. For more information on the impairment model, please see the information set forth in the following paragraph "16 – Other information, Methods for determining impairment losses on IFRS 9 financial instruments".

Equity instruments for which the classification in this category has been opted for are measured at fair value; profits and losses resulting from the change in fair value, net of the relative tax effect, are recognised with a balancing entry in a specific equity reserve (item "120. Valuation reserves"). The amounts in said reserve will never be recycled to the income statement, even if the asset is sold; in this instance, it will be necessary to reclassify them under another shareholders' equity item (item "150. Reserves"). Additionally, no write-down is recognised in the income statement for these assets, as they are not subject to any impairment process. Dividends collected are the only component recognised in the income statement (item "70. Dividends and similar income").

For equity instruments recognised in this category, not listed on an active market, the cost criterion is used as an estimate of the fair value only to a residual extent and limited to a few circumstances, namely if all of the valuation methods illustrated in the paragraph above "1 - Financial assets at fair value through profit and loss" cannot be

applied, or in the presence of a large range of possible measurements of the fair value, with regard to which, cost represents the most relevant estimate.

For information on how fair value is determined, please refer to the criteria previously illustrated for "Financial assets at fair value through profit and loss" and part "A.4 – Fair value disclosure", below.

Derecognition criteria

Financial assets are derecognised when the contractual rights to receive the cash flows generated by the assets have expired, or when the financial assets are sold, and all risks and rewards of ownership of the assets have been substantially transferred.
In the presence of renegotiations, the above requirements exist if the changes to the contractual conditions are considered substantial, as illustrated in paragraph "16 – Other information, Renegotiations" below, to which reference is therefore made.
In the event that the substantial transfer of risks and rewards cannot be verified, the financial assets are derecognised from the financial statements if control of the loans has been relinquished.
Lastly, assets sold are derecognised if the contractual right to receive the cash flows of the assets is maintained, but at the same time a contractual obligation is assumed to pay these flows to a third party without delay and only up to the amount of those received.

Reclassification criteria

Financial assets measured at fair value through other comprehensive income, other than equity instruments, can be reclassified into the accounting categories of "Financial assets at fair value through profit and loss" and "Financial assets at amortised cost". This reclassification can occur in the very rare circumstance that an entity decides to modify its business model for managing financial assets. The transfer value is represented by the fair value on the date of its reclassification and prospectively from that date.
In the event of a reclassification to "Financial assets at amortised cost", the cumulative gain or loss in the valuation reserve is eliminated as a balancing entry to an adjustment to the fair value of the financial asset at the reclassification date.
In the event of reclassification under "Financial assets at fair value through profit and loss", the cumulative gain or loss in the valuation reserve is reclassified from shareholders' equity to the income statement.

3 - Financial assets at amortised cost

Classification criteria

This category includes financial assets (loans and debt securities) when both of the following conditions are met:

- the purpose of holding them is represented by the collection of contractual cash flows ("Hold to Collect" Business Model);
- the related contractual flows consist solely of payments of principal and interest on the capital to be repaid (i.e. they are expected to pass the SPPI test).

Specifically, this includes loans granted to customers and loans to banks and Central Banks – in any form – as well as debt securities that meet the requirements described above. An exception is represented by demand loans to banks and Central Banks in the form of deposits and current accounts, which are instead recognised under item "10. Cash and cash equivalents".

Loans originated through finance leases are also included in this item and, in line with IFRS 16, they are recognised as receivable as they transfer the risks and rewards to the lessee, including assets waiting to be granted under finance lease, including real estate under construction.
Also included are "repurchase agreements" with the obligation to sell securities at a future date and "securities lending" transactions with a cash guarantee deposit which is fully available to the lender, for the spot amount paid, if the characteristics of these transactions do not entail recognition in the proprietary portfolio of the security being carried over or lent, since no risk or reward has been acquired from them.

Lastly, the category in question includes operating receivables connected with the provision of financial services as defined in the Consolidated Banking Law and in the Consolidated Finance Law.

Recognition criteria

Financial assets are initially recognised on the settlement date in case of debt securities and on the disbursement date for loans.
Specifically, the initial recognition of a loan takes place on the disbursement date, which normally coincides with the date on which the contract is signed. If the date on which the credit contract is signed and the date on which the funds agreed are disbursed are not the same, at the time the contract is signed, a commitment to disburse funds is recognised, which will be closed out when the loan is effectively disbursed.
Initial recognition is made on the basis of the fair value of the financial instrument, which is usually equal to the amount disbursed, or the subscription price, including costs/income directly associated to the individual loan and that can be determined from the start of the transaction, although settled later on. Costs are excluded, that, although carrying the above characteristics, are repaid by the borrowing counterparty or fall under normal internal administrative costs.

Income item measurement and recognition criteria

After initial recognition, the financial assets in question are measured at amortised cost, with the consequent recognition of interest recorded on the basis of the effective interest rate over the duration of the asset. Said interest is shown under item "10. Interest and similar income"; any negative interest accrued is instead represented in item "20. Interest and similar expense".
More specifically, in the balance sheet, the financial asset is recognised on the basis of the gross book value, which is equal to the initial recognition value less repayments of principal, minus/plus the amortisation – calculated according to the effective interest rate method - of the difference between the amount disbursed and the amount repayable at maturity, typically comparable to the costs/income directly associated with the individual receivable.
The effective interest rate is determined by calculating the rate that is equivalent to the asset's present value of future principal and interest cash flows, to the amount disbursed including costs/income associated with the asset. The estimate of cash flows must take into account all the contractual provisions which could influence the amounts and maturities, without considering the expected credit loss on the asset. This accounting method, based on financial logic, spreads the economic effect of all transaction costs, commissions, bonuses or discounts considered an integral part of the effective interest rate method throughout the residual life of the asset.

The amortised cost method is not used for short-term assets, whose limited life span makes the application of discounting immaterial. Said assets are measured at historical cost and their costs/income, if any, are recognised in the income statement on a straight-line basis throughout the loan contract life. The same measurement criterion is used for assets without a defined maturity or demand loans.
The book value of financial assets at amortised cost is adjusted to account for any provisions on expected losses. At each annual or interim reporting date, the aforementioned assets are subject to impairment for the purpose of estimating the expected losses in value relating to credit risk ("ECL - Expected Credit Losses"). Said losses are recognised in the income statement in item "130. Net credit impairment losses/recoveries". If it is found that no reasonable expectations of recovery exist, the gross exposure is written off: in this case, the gross exposure is reduced by the amount considered not recoverable, as a balancing entry to the reversal of provisions covering the expected losses and the impairment in the income statement, for the part not covered by the provisions. For more information on the accounting treatment of write-offs please refer to the content of the paragraph on "derecognition criteria" below.

More specifically, the impairment model, illustrated in more detail in paragraph "16 – Other information, Methods for determining impairment losses on IFRS 9 financial instruments" below, provides for the classification of assets into three distinct "Stages" (Stages 1, 2, and 3), based on changes to the debtor's credit risk, corresponding to different criteria for measuring expected losses:

- Stage 1: includes performing financial assets for which no significant impairment of credit risk has been observed with respect to the date of initial recognition or for which the credit risk is considered low. Impairment is based on an estimate of the expected credit loss over one year (expected credit loss resulting from possible default on the financial asset within one year from the reference date);
- Stage 2: includes performing financial assets that have undergone significant impairment of credit risk with respect to initial recognition (known as SICR - "Significant Increase in Credit Risk"). Impairment is proportional to the estimate of expected credit loss over the entire residual life of the financial asset;

- Stage 3: includes non-performing financial assets, characterised by a 100% probability of default, to be measured by estimating the expected credit loss over the entire life of the instrument.

For performing assets, expected losses are determined using a collective process based on certain risk parameters, namely the Probability of Default (PD), the Loss Given Default (LGD) and the Exposure at Default (EAD), deriving from internal models for calculating regulatory credit risk that are suitably adjusted to account for the specific requirements set out in accounting regulations.
Non-performing assets, i.e. assets for which, in addition to a significant increase in credit risk, there is objective evidence of impairment, are measured with an analytical or lump-sum measurement process based on uniform risk categories, designed to establish the present value of expected future recoverable cash flows, discounted on the basis of the original effective interest rate or a reasonable approximation if the original rate is not directly available.

Non-performing assets include exposures to which the status of bad loan, unlikely to pay or past due for more than ninety days has been attributed in accordance with the definitions established by the supervisory provisions in force (Bank of Italy Circular no. 272 "Matrix of accounts") and referred to by Bank of Italy Circular no. 262, as they are considered to be consistent with the accounting regulations set out in IFRS 9 for objective evidence of impairment.

In the presence of sales scenarios, the determination of the cash flows is based on the forecast of flows recoverable through the internal management activity as well as on the basis of the flows obtainable from any sale on the market, according to the multi-scenario approach described in paragraph "16 – Other information, Methods for determining impairment losses on IFRS 9 financial instruments" below.

Expected cash flows also consider expected recovery times and the estimated net realisable value of any guarantees.

For fixed rate positions, the original effective rate used to discount the expected recovery flows, determined as illustrated above, remains unchanged over time, even if there is a change in the contractual rate due to financial difficulties of the debtor.
For positions with floating interest rates, the rate used for the discounting of cash flows is updated in relation to the indexation parameters (i.e. Euribor), while keeping the originally established spread constant.

The original value of financial assets is reinstated in subsequent years, due to an improvement in the credit quality of the exposure compared to that which had led to the previous write-down. The recovery is recognised in the income statement under the same item ("130. Net credit impairment losses/recoveries") and, in any event, cannot exceed the asset's amortised cost had no adjustments been carried out in the past.
For more information on the impairment model, please see the information set forth in the following paragraph "16 – Other information, Methods for determining impairment losses on IFRS 9 financial instruments".

For non-performing loans classified in Stage 3, accrued interest is calculated on the basis of amortised cost, that is on the basis of the exposure – determined using the effective interest rate – adjusted for expected losses.
For non-performing loans that do not accrue contractual interest, such as bad loans, this interest corresponds to the reversals of the impairment losses related to discounting the recovery forecasts due to the simple passing of time.

Derecognition criteria

Financial assets are derecognised when the contractual rights to receive the cash flows generated by the assets have expired, or when the financial assets are sold, and all risks and rewards of ownership of the assets have been substantially transferred. In the presence of renegotiations, the above requirements exist if the changes to the contractual conditions are considered substantial, as illustrated in paragraph "16 – Other information, Renegotiations" below, to which reference is therefore made.
In the event that the substantial transfer of risks and rewards cannot be verified, the financial assets are derecognised from the financial statements if control of the loans has been relinquished.
Lastly, assets sold are derecognised if the contractual right to receive the cash flows of the assets is maintained, but at the same time a contractual obligation is assumed to pay these flows to a third party (pass through arrangements) without delay and only up to the amount of those received.

The derecognition of non-performing financial assets may occur upon recognising that the exposure is irrecoverable and consequently concluding the recovery process (final derecognition) and involves a reduction in the nominal and

gross book values of the loan. This is the case where settlement agreements with the debtor result in a reduced loan amount (in full and final settlement) or in specific situations, for example:

- the final judgement declaring that part or all of the loan has been extinguished;
- the conclusion of insolvency or enforcement proceedings against the main debtor and the guarantors;
- the conclusion of all possible in- and out-of-court actions for recovering the debt;
- the completion of a mortgage foreclosure on an asset as collateral, with the consequent derecognition of the credit guaranteed by the foreclosed mortgage, in the absence of additional specific guarantees or other actions that may be taken to recover the exposure.

These specific situations may lead to the total or partial derecognition of the exposure, yet do not necessarily entail waiving the legal right to recover the debt.

In addition, non-performing financial assets may be derecognised by writing them off after acknowledging that no reasonable expectations of their recovery exist, even while continuing with actions aimed at their recovery. That write-off is made during the financial year in which the debt or part of it is deemed irrecoverable - even while legal proceedings are underway - and may occur before the legal debt recovery proceedings against the debtor and the guarantors have come to a close. This does not imply a waiver of the legal right to recover the loan and is carried out when the credit documentation contains reasonable financial information indicating that the debtor is unable to repay the debt. In that case, the nominal gross value of the loan remains unchanged, but the gross book value is reduced by an amount equal to the amount written off, which may be related to the entire exposure or to a portion thereof. The amount written off cannot be subject to subsequent recoveries in impairment losses, following an improvement in the recovery forecasts, but only after the amount is actually collected.

Derecognition may occur following sale of the financial assets; in this case, the difference between the book value of the asset sold and the amount received, including any assets received net of any liabilities assumed, is booked to the income statement item "100. a) Gains (Losses) on disposal of financial assets at amortised cost".

Sales eligibility policy consistent with the HTC Business Model

In line with the "Hold to Collect" Business Model that characterises financial assets at amortised cost, based on the accounting standard IFRS 9, the sale is permitted where specific circumstances occur. An illustration of the circumstances on whose occurrence the Group deems it permissible to carry out the sale of the assets in question is provided below.

Increase in credit risk

The Group deems that an increase in credit risk occurs where events that result in the following occur:

- the classification of financial assets that were previously classified in Stage 1 in Stage 2;
- the classification of financial assets which were previously classified in Stage 1 or 2 among non-performing assets (i.e. in Stage 3).

Where these cases arise, sales are permitted, irrespective of any threshold of frequency or materiality. This occurs, for example, for the sale of non-performing loans.

Instrument nearing maturity

The Group deems that, irrespective of any frequency or materiality thresholds, sales are compatible with the "HTC" Business Model where:

- the time remaining to maturity is less than 3 months; and
- the difference between the amount received from sale and the residual contractual cash flows does not exceed the threshold of 5% in absolute value.

Frequency and materiality below specific thresholds

Sales with the following characteristics are permitted:

- a frequency threshold of less than 12 sale transactions per year. An individual sale transaction must be understood as the set of sale transactions relating to one or more securities, which are finalised in a time frame of 10 working days starting from the day on which the first sale transaction was carried out;

or

- a materiality threshold of less than 10%, determined based on the ratio of the nominal value of sales during the year to the nominal value of the instruments in the portfolio of financial assets at amortised cost at the beginning of the year.

The two thresholds must be considered separately. As a result, sales made for an amount exceeding 10% of the opening balances are not permitted, even if infrequent.
Said thresholds are applied at the level of individual legal entity belonging to the Group, and separately for the portfolio of debt securities with respect to the portfolio of loans, as those portfolios are held with different management objectives and/or managed by autonomous business functions.

Exceptional circumstances

Examples of exceptional circumstances in which sales are considered permissible may be:

- significant business combinations/restructurings whose pursuit requires a reorganisation of Group assets and liabilities;
- sales made to handle liquidity crises, where the event could not have been reasonably foreseen (stress scenarios).

Reclassification criteria

Financial assets at amortised cost can be reclassified into the accounting categories of "Financial assets measured at fair value through other comprehensive income" and "Financial assets at fair value through profit and loss". This reclassification can occur in the very rare circumstance that an entity decides to modify its business model for managing financial assets. The transfer value is represented by the fair value on the date of its reclassification and prospectively from that date. Gains or losses resulting from the difference between the amortised cost of the financial asset and its fair value are recognised:

- in the income statement, in the event of reclassification under "Financial assets at fair value through profit and loss";
- in shareholders' equity to a specific valuation reserve, in the event of reclassification to "Financial assets measured at fair value through other comprehensive income".

4 - Hedging transactions

It should be noted that Banco BPM Group avails of the IFRS 9 option to continue to fully apply the hedge accounting rules set forth by IAS 39, in the version endorsed by the European Commission (the carved out version) for all types of hedges (both for micro hedges and for macro hedges).

Classification criteria

Asset and liability items include financial hedging derivatives, which at the reporting date of the financial statements or interim report showed a positive and negative fair value, respectively.

Hedges seek to neutralise potential losses recognisable on a given financial instrument or a group of financial instruments, attributable to a specific risk, by offsetting them with the gains recognisable on a different financial instrument or group of financial instruments in the event that said risk should actually materialise.

The following types of hedges are provided for:

- fair value hedges, which seek to hedge exposure to changes in the fair value of a financial statement asset or liability, attributable to a specific risk. It is also possible to activate macro fair value hedging, with the

goal of reducing fair value fluctuations attributable to the interest rate risk, of monetary amounts deriving from a portfolio of financial assets and liabilities (including "core deposits"). Net amounts deriving from the mismatch of assets and liabilities cannot be subject to macro hedging;
- cash flow hedges, which seek to hedge the exposure to changes in future cash flows attributable to specific particular risks associated with financial statement items or a highly likely expected transaction;
- hedges of foreign currency transactions, which seek to hedge the risks of investment in a foreign company expressed in foreign currency other than the Group's reference currency (euro).

At the level of the consolidated financial statements, only derivatives entered into with an external counterparty to the Group may be designated as hedging instruments. The results associated with internal transactions carried out between various Group entities are eliminated.

Recognition criteria

Hedging derivative financial instruments are recognised at fair value, at the date on which the relative contracts are entered into, and are classified under balance sheet assets in item "50. Hedging derivatives" or as liabilities in item "40. Hedging derivatives" depending on whether the value is positive or negative.

Derivatives can be designated as hedges, provided that the hedging relationship between the hedged instrument and the hedging instrument is formally documented, and includes risk management objectives, the hedging strategy and the methods to assess prospective and retrospective effectiveness; said relationship must be effective at the time the hedge is originated and prospectively throughout its entire life.
The hedge effectiveness depends on the extent to which the changes in the fair value or in the expected cash flows of the hedged instrument are actually offset by those of the hedging instrument. Therefore, effectiveness is measured by comparing said changes, while considering the aim pursued by the entity when the hedge was established.
A hedge is effective (within the limits established as a range of 80% to 125%) when changes in the fair value (or in the cash flows) of the hedging instrument neutralise almost completely the changes in the hedged instrument attributable to the hedged risk.
Hedging effectiveness is assessed at each annual or interim reporting date, using:
- prospective tests, that justify the application of hedge accounting in that they demonstrate its expected effectiveness;
- retrospective tests, demonstrating the hedge's actual effectiveness achieved over the period being examined. In other words, these tests measure how far the actual results deviate from perfect hedging.

Income item measurement and recognition criteria

Subsequent to initial recognition, hedging derivatives continue to be measured at fair value. Specifically:
- for fair value micro hedges, the changes in fair value of the hedged element are offset by the changes in fair value of the hedging instrument. Said offset is recognised by charging the changes in value to the income statement, in item "90. Fair value gains/losses on hedging derivatives", referring both to the hedged element (referring to the changes generated by the underlying risk factor), as well as to the hedging instrument. Any resulting difference, which represents the partial ineffectiveness of the hedge, represents the net effect on the income statement. If the hedging relationship ends, the hedged instrument reacquires the measurement approach of the class to which it originally belonged; for instruments measured at amortised cost, the cumulative revaluations/write-downs recognised as a result of changes in fair value of the hedged risk are recognised in the income statement under interest income and expense throughout the residual life of the hedged item, on the basis of the effective interest rate. If the hedged item is sold or repaid, the share of fair value not yet amortised is recognised immediately in income statement item "90. Fair value gains/losses on hedging derivatives";
- in the case of macro hedges, changes in the fair value of financial assets and liabilities subject to macro hedging of interest rate risk are recognised, based on the respective balance, under item "60. Fair value change of financial assets in macro fair value hedge portfolios" (positive) or under item "50. Fair value change of financial liabilities in macro fair value hedge portfolios" (negative), whose balancing entry in the income statement is represented by item "90. Fair value gains/losses on hedging derivatives", in line with the effects of the hedging derivative. The ineffectiveness of the hedge, represented by the difference between the change in the fair value of the hedging instruments and the change in the fair value of the monetary amount hedged, is in any case included in item "90. Fair value gains/losses on hedging derivatives". In the

event of interruption of the hedge, the cumulative revaluations/write-downs, recognised under item "60. Fair value change of financial assets in macro fair value hedge portfolios" or "50. Fair value change of financial liabilities in macro fair value hedge portfolios", are recognised in the income statement under interest income and expense over the residual life of the hedged portfolio, based on the effective interest rate;

- for cash flow hedges, the portion of changes in the fair value of the derivative that is determined to be an effective hedge is recognised in shareholders' equity (item "120. Valuation reserves"), while it is recognised in the income statement only when changes in cash flows to be offset arise in the hedged item. The portion of gains or losses of the hedging instrument that is considered ineffective is charged to the income statement (item "90. Fair value gains/losses on hedging derivatives"). Said portion is equal to any difference between the cumulative fair value of the hedging instrument and the cumulative fair value of the hedged instrument. In any event, the fluctuations in fair value of the hedged item and the related hedge must lie within the 80%-125% range. If the cash flow hedge is no longer considered effective, or the hedging relationship is terminated, the total amount of gains or losses on the hedging instrument, already recognised under item "120. Valuation reserves", is recognised in the income statement only when the hedging transaction will take place or when it is no longer deemed possible that the transaction will take place. In this last circumstance, the profits or losses are transferred from the shareholders' equity item to the income statement item "90. Fair value gains/losses on hedging derivatives";
- hedges of investments in foreign currency are accounted for using the same method as for cash flow hedges.

For debt securities classified in the "Financial assets measured at fair value through other comprehensive income" portfolio, designated as specific fair value hedges, the changes in value attributable to the hedged risk - which in absence of the same would be recognised as a balancing entry of a specific valuation reserve - are recorded in income statement item "90. Fair value gains/losses on hedging derivatives", offsetting against the result of the hedging instrument.
For equity instruments classified in the "Financial assets measured at fair value through other comprehensive income", given the decision made by the Group to apply the rules of IAS 39 to hedging instruments, they cannot be designated as fair value hedges (price or exchange rate risk), insofar as the valuation effects of the hedging derivative must be recognised in the income statement, while the valuation and realisation effects of the hedged equity instruments are recognised in shareholders' equity, without any exception for recycling to the income statement, unless they are dividends.

Derecognition criteria

Should the above tests fail to confirm the effectiveness of the hedging, both retrospectively and prospectively, hedge accounting, as described above, is discontinued. In this circumstance, the hedging derivative contract is restated under financial assets and liabilities held for trading.

In addition, the hedging relationship stops when:

- the derivative expires, is discharged or exercised;
- the hedged item is sold, expires or is repaid;
- it is no longer highly likely that the future hedged transaction will be carried out.

5 - Interests in associates and joint ventures

Classification criteria

This item includes interests in associates or companies subject to joint control, which are carried at equity.

Associates are companies which are not subsidiaries, on which the Group has a significant influence. The company is assumed to exercise a significant influence in all cases where it holds 20% or more of voting rights in the investee (including "potential" voting rights), and, irrespective of the shareholding percentage, whenever it has the power to participate in business and financial decisions of the investees, by virtue of specific legal relations, such as shareholders' agreements, the purpose of which is to ensure that the members of the agreement are represented in the management bodies and to safeguard a consistent management approach, without, however, controlling the same.

Companies subject to joint control are enterprises where the joint control is based on a contract or other agreement whereby it is necessary to obtain the unanimous consensus of all the parties sharing the control to make strategic financial and operating decisions. This takes place when the voting rights and control over the economic activity of the investee are shared jointly by Banco BPM and another party. Furthermore, an equity investment is qualified as under joint control when, even though voting rights are not shared jointly, the unanimous consent of all parties sharing control is required to take decisions regarding significant activities.

For more details, please refer to paragraph "7.6 Valuations and significant assumptions to establish the existence of joint control or significant influence" of assets in "Part B – Information on the consolidated balance sheet" of these Notes to the financial statements.

Recognition criteria

The initial recognition of the financial assets classified in this category takes place on the settlement date at cost, including any goodwill paid for at the time of acquisition, which, therefore, is not independently, separately recorded. More specifically, at the time of initial recognition of the interest, the purchase cost is allocated, for its share, to the identifiable net assets of the investee company to be recognised at fair value. Any surplus of the purchase cost, with respect to the interest in the fair value of the net assets acquired, is ideally attributed to the goodwill which, as illustrated above, is included in the book value of the interest. Otherwise, any badwill resulting from the surplus of the interest in the fair value of the net assets acquired with respect to the purchase cost is recognised as income in the income statement.

Income item measurement and recognition criteria

Interests in associates and joint ventures are measured with the equity method. This method envisages that the initial book value is subsequently increased or decreased to reflect the share of profit or loss of the investees attributable to the Group generated after the acquisition date, as a balancing entry to the consolidated income statement item "250. Gains (losses) of associates and joint ventures". Dividends received from investees are deducted from the book value of the investment.
Should it be necessary to carry out adjustments due to changes in shareholders' equity of the investee that have not been recognised in the investee's income statement (e.g. as a result of the designation at fair value of "Financial assets measured at fair value through other comprehensive income", as a result of the valuation of actuarial gains/losses on defined benefit plans), the share of the above changes attributable to the Group is recognised directly in the shareholders' equity item "120. Valuation reserves".

When applying the equity method, the most recent available financial statements of the associated company or company subject to joint control are used, suitably adjusted to take into account any significant events or transactions that have taken place between the last available financial statements of the investee company and the reporting date of the consolidated financial statements. If the investee company adopts accounting standards that are different to those of the Group, changes are made to the financial statements of the investee.
After applying the equity method, investments in associates or jointly controlled entities are tested for impairment when there is objective evidence of impairment that could have an impact on the investee's cash flows and consequently on the recoverability of the book value of the investment.
The process of recognising any impairment, therefore, involves checking for possible indicators that are considered to show objective evidence of impairment, such as:

- significant financial difficulties of the investee company (for example, significant negative changes in the book value of shareholders' equity, reduction or interruption of the distribution of dividends, achievement of operating results below a physiological threshold, compared to the objectives of the budget or the long-term plan or down compared to previous years or compared to the situation that existed on the acquisition date of the investment);
- breach of contract, for example a default or failure to make payment by the investee;
- the extension of allowances for economic or legal reasons relating to the financial difficulties of the investee, which otherwise would not have been taken into consideration;
- the announcement or notice of a financial restructuring plan or the existence of a high probability that the investee may announce restructuring operations or may be declared bankrupt;
- the disappearance of an active market relating to the investment held due to the financial difficulties of the investee;

- significant changes that adversely affect the investment in the technological, market, economic or legal environment in which the investee operates;
- a significant or prolonged decrease in fair value below its cost. The Group considers a decrease in fair value of more than 30% below the purchase cost to be a significant decrease. The Group considers a continuous decrease in fair value for an uninterrupted period of more than 24 months to be a prolonged decrease.

If there is evidence that the value of an investment may be impaired, the recoverable value of the investment is estimated, which is the higher of the fair value, net of costs to sell, and the value in use. The value in use is calculated by discounting the future cash flows that the investment could generate, including the final disposal value of the investment. An impairment loss is recognised in the income statement (under item "250. Gains (losses) of associates and joint ventures") if the recoverable value is lower than the book value, including goodwill. If the reasons for an impairment loss are no longer valid due to an event occurring after the impairment was recognised, write-backs are recognised in the income statement, up to the amount of the impairment previously recognised in the same item.

Derecognition criteria

Interests in associates and joint ventures are derecognised when there is a sale in which all of the associated risks and rewards have been substantially transferred.
The result of the sale is recognised in the income statement item "250. Gains (losses) of associates and joint ventures". If there is a situation resulting in the loss of significant influence or joint control, any remaining interest in associates and joint ventures is reclassified to the portfolios of financial assets set out in IFRS 9, normally that of "Financial assets measured at fair value through other comprehensive income", on the basis of the relative fair value. Derecognition from item "70. Interests in associates and joint ventures" may also take place if there are circumstances causing control to be obtained ("step acquisitions"). For more information please refer to paragraph 16 below entitled "Other information, Business combinations, goodwill and changes in interest holdings".

6- Property, plant and equipment

Classification criteria

Property, plant and equipment items include land, operating property, investment property, works of art, technical plants, furniture, fittings and equipment of any type that is planned to be used for a timeframe of more than one year. Specifically:

- assets held for use in the production or supply of goods and services or for administrative purposes are classified as "property, plant and equipment used in operations" and recognised in accordance with IAS 16;
- property held for rental to third parties or for capital appreciation through sale is classified as "property, plant and equipment held for investment" and follows the rules set out in IAS 40;
- property held to enhance the value of the investment through renovation or requalification for its subsequent sale is classified as inventories and follows the rules of IAS 2.

Also recognised under this item are Rights of Use (ROU) relating to property, plant and equipment acquired with lease contracts, as lessee, irrespective of the legal classification of the same, as well as the assets granted under operating leases (for lessors).
The item includes finally the improvement and incremental costs on third party assets; these are costs to renovate rented property, incurred to render them suitable for their intended use. More specifically, improvement costs that represent identifiable and separable property, plant and equipment items, are classified in the specific category to which they refer (e.g. technical plant, equipment). Otherwise, improvement costs that are not identifiable and separable from the property, such as walls, are booked as an increase in rights of use, recognised on the basis of the provisions of IFRS 16.

Recognition criteria

Property, plant and equipment items are initially carried at cost, which includes the purchase price and all accessory charges directly attributable to the acquisition of the asset and bringing it to working conditions.

Extraordinary maintenance costs which entail an increase in future economic benefits are included in the asset's book value, while other ordinary maintenance costs are charged to the income statement.

For property posted under property, plant and equipment held for investment purposes, following the closure of the original credit position (known as "datio in solutum" - transfer in lieu of payment) the initial recognition value is equal to the fair value, taken from a specific appraisal.

The difference between the initial recognition value of the property and the book value of the previous credit exposure, subject to derecognition, is recognised under item "130. Net credit impairment losses/recoveries" up to the value of the gross receivable existing at the recognition date. Taking account of the criterion of fair value measurement of investment property, as described below, in the situation where the fair value on initial recognition exceeds the value of the gross receivable, the excess value is recognised to the income statement under item "260. Fair value gains (losses) on property, plant and equipment and intangible assets".

Where, at the time of finalising the transaction, the competent corporate bodies have made the decision to sell the property within a short time, the book value of the property shall be equal to its "immediate sale value", also deriving from a specific appraisal, unless negotiations are underway that give rise to the assumption of a higher recoverable amount.

In any event, if, on the date of recognition of the property, concrete negotiations for sale are underway, demonstrated by commitments undertaken by the interested parties and resolved by the competent corporate bodies, the initial recognition value must take account of the exit price resolved, net of any costs to sell, where it is lower than the "fair value" deriving from the appraisal.

For property, plant and equipment represented by rights of use, the initial recognition value is equal to the sum of the lease liability (present value of the future instalments to be paid for the contractual term), the lease payments made before or at the commencement date of the lease, the initial direct costs and any costs estimated for dismantling or restoring the asset underlying the lease.

Income item measurement and recognition criteria

Subsequent to initial recognition, property, plant and equipment in ownership or acquired through rights of use are carried at cost, less any depreciation and impairment, excluding:

- properties used in operations and valuable works of art, for which the Group has adopted the option permitted by IAS 16, to measure them using the revaluation model;
- investment properties, for which the Group has adopted the option permitted by IAS 40, to measure them based on their fair value;
- property, plant and equipment that fall within the regulation of IAS 2, which are measured at the lower of the cost and net realisable value, which is the estimated sale price less estimated completion costs and other costs necessary to make the sale.

Property, plant and equipment used in operations: subsequent measurement

Depreciation

Property, plant and equipment used in operations, including operating property values at "restated value", are systematically depreciated throughout their estimated useful life, using the straight-line method, with the exception of:

- land, whether purchased separately or as part of the value of the buildings standing on it, as considered to have an unlimited life;
- works of art, considering that the useful life of a masterpiece cannot be estimated and its value normally is destined to increase with time.

The depreciation charge must be able to reflect the wear and tear on the assets over time as a result of their use, considering extraordinary maintenance costs which could result in an increase in the value of the assets.

Depreciation begins when the asset is available for use and ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognised. For operating properties, depreciation also ceases if they are no longer used for business activities, with consequent reclassification to the category of investment properties.
For property, plant and equipment measured at cost, depreciation does not cease when the asset becomes idle or is withdrawn from active use.

The depreciable value is represented by the cost of the asset - for assets measured at cost - or the revalued amount - for assets measured based on the revaluation method - net of the residual value at the end of the depreciation process, where deemed significant.
Periodic depreciation is recognised in the income statement under item "210. Depreciation and impairment losses on property, plant and equipment".

With regard to improvements to third party assets, represented by identifiable and separable property, plant and equipment, depreciation is determined according to the useful life of said assets, as illustrated above. Otherwise, for improvements that are not identifiable and separable from the leased property, the depreciation is calculated according to the shortest period between that in which the improvements and the additional expenses can be used and the residual duration of the lease contract, including the renewal period, if there is evidence in this regard.

Write-downs due to impairment

For assets measured at cost, at each annual or interim reporting date, if there is any indication that an asset may be impaired, the asset's book value is compared with its recoverable amount, that is, equal to the higher of the asset's fair value, net of costs to sell, and its value in use, understood as the present value of future cash flows originated by the asset. Any adjustments are recognised in the income statement under item "210. Depreciation and impairment losses on property, plant and equipment". Whenever the reasons for the impairment loss are no longer valid, recoveries are recognised in the same item, which must not exceed the asset's value had no impairment taken place in the past, net of accrued depreciation.

Owned property used in operations and valuable works of art: revaluation method

For owned real estate assets used in operations and valuable works of art, the Group has adopted the revaluation method as the criterion for measurement.
Based on said method the assets shall be recognised at a revalued amount, equal to their fair value at the revaluation date, net of depreciation and any cumulative impairment losses. Based on that method:

- if the book value of the asset increases following revaluation (i.e. there is a positive difference between the revalued amount and the book value of the asset prior to revaluation), the increase must be recognised under item 120 of liabilities in a specific "valuation reserve" (subject to recognition in the statement of other components of comprehensive income without reclassification to the income statement), unless this is a recovery of a write-down previously recorded to the income statement under item "260. Fair value gains (losses) on property, plant and equipment and intangible assets". In this latter case, the increase must be recognised as income to the income statement up to the amount of the previous write-downs, and only any remaining amount is included in a valuation reserve;
- if the book value of an asset has decreased following the revaluation (i.e. there is a negative difference between the revalued amount and the book value of the asset prior to revaluation), the decrease in value must be recorded as a balancing entry:
  - of the income statement as a cost in the absence of pre-existing valuation reserves on the asset ("item 260. Fair value gains (losses) on property, plant and equipment and intangible assets");
  - of shareholders' equity (item "120. Valuation reserves") up to the amount of the credit balance of the revaluation reserve for those assets, and the excess to the income statement, as the revaluation of negative valuation reserves is not permitted.

Investment property: fair value method

For investment property, falling within the scope of application of IAS 40, the Group adopts fair value measurement. Based on this method, following initial recognition, all investment property is measured at fair value. Consequently, the above-mentioned property is not depreciated nor impairment tested.

Based on the fair value method:

- fair value increases must be recognised in the income statement as income (item "260. Fair value gains (losses) on property, plant and equipment and intangible assets");
- fair value decreases must be recognised in the income statement as expenses ("item 260. Fair value gains (losses) on property, plant and equipment and intangible assets").

In the event of sale, the difference between the consideration for the sale and the book value must be recognised in the income statement, under item "280. Gains (losses) on disposal of investments".

For the methods of determining the fair value and the frequency of revaluation of real estate assets and valuable works of art, please refer to the criteria illustrated in the subsequent part "A.4 – Fair value disclosure".

Derecognition criteria

Property, plant and equipment are derecognised from the balance sheet at the time of disposal or when the asset is permanently withdrawn from use and no future economic benefits are expected from its disposal.

- Capital gains and losses deriving from the liquidation or disposal of property, plant and equipment are calculated as the difference between the net sale consideration and the book value of the asset and are recognised as a balancing entry to:
- the income statement: for assets used in operations measured at cost and investment property (item "280. Gains (losses) on disposal of investments");
- shareholders' equity (item "120. Valuation reserves"): for assets used in operations measured based on the revaluation method. The revaluations of real estate credited to the valuation reserves of shareholders' equity may be transferred to other shareholders' equity reserves (Other profit reserves), where the property is derecognised. Therefore, in the event of sale of the property, the valuation reserves are transferred to another item of shareholders' equity (from item "120. Valuation reserves" to item "150. Reserves" under "other reserves"), without however being able to pass through the income statement.

The rights of use acquired through leases, recognised on the basis of the requirements of IFRS 16, are eliminated from the balance sheet at the end of the lease term.

7- Intangible assets

Classification criteria

Intangible assets are non-monetary, identifiable and non-physical assets originating from legal or contractual rights, owned to be used on a long-term basis, which are likely to generate future economic benefits, and whose cost can be reliably measured.
This item includes:

- external costs for the development of software, also acquired through a permanent or fixed-term user license;
- starting from 1 January 2025, following the introduction of specific processes and procedures, the direct costs relating to the personnel of the Information Technology unit dedicated to in-house software development, determined on the basis of specific time sheets;
- intangible assets generated as part of business combinations and linked to the enhancement of customer relationships. As detailed in "Section 10 Intangible assets - Item 100" of "Part B – Information on the consolidated balance sheet", these assets are defined as "Client Relationships" if they concern relationships of assets under management/assets under custody or other assets not related to the provision of services and "value of business acquired" (VoBA) if related to the insurance portfolio not included in IFRS 17;
- intangible assets linked to the valuation of trademarks, also recognised in business combinations;
- goodwill, which is the positive difference between the price paid for a business combination and the fair value of the net identifiable assets purchased, as illustrated in greater detail in paragraph "16 – Other information, Business combinations, goodwill and changes in interest holdings".

Recognition criteria

Intangible assets are carried at cost, adjusted to account for accessory charges, only if it is likely that the future economic benefits attributable to the asset will be realised, and if the cost of the asset can be reliably determined. Otherwise, the cost of the intangible asset is recognised in the income statement during the year it was incurred.
The costs directly associated with in-house software development are intangible assets and are recognised as assets only if the company can prove:

- the intention and capacity (technical and financial) to develop and use the software;
- the usefulness of these assets in terms of future economic benefits.

Capitalised software development costs include only the expenses incurred that can be directly attributed to the development process and relate to the costs for materials and services used to develop the asset and the expenses of the personnel involved in the project. The Group policy envisages that the aforementioned expenses are attributed to the cost of IT personnel, based on the time actually dedicated to in-house software development. More specifically:

- the times are quantified on the basis of specific time sheets, completed on a monthly basis by IT personnel;
- the costs are those directly related to the IT personnel employed on the software development project (wages and salaries, social security contributions, employee severance pay).

The intangible assets generated as part of business combinations and linked to the valuation of relationships with customers are originally valued through the discounting of cash flows, which represent their profitability over the residual duration (contractual or estimated) of the relationships in place at the time of the business combination, through a rate representative of the time value of money and of specific risks of the asset.

Income item measurement and recognition criteria

After initial recognition, intangible assets with a finite useful life are recognised at cost, net of total amortisation and any impairment identified.
The cost of intangible assets with a finite useful life is amortised on a straight-line basis over the relative useful life.
The intangible assets represented by Client Relationships and by the VoBA, which represent the ability of relationships, on the date of the business combination, to generate income flows for their expected residual life, are amortised on the basis of the unwinding curve of the cited relationships, which is usually decreasing.
The amortisation process for intangible assets with a finite useful life starts when the asset is available for use, and ceases from the moment the asset is derecognised. Periodic amortisation of intangible assets with a finite useful life is recognised under item "220. Amortisation and impairment losses on intangible assets".

Intangible assets with an indefinite useful life, such as goodwill and trademarks, are recognised at cost, net of any impairment identified. No amortisation is carried out for these assets, only periodic assessments of the adequacy of the book value.

Specifically, goodwill must be tested any time there is evidence of impairment, and in any case at least once a year. To this end, the cash-generating unit to which the amount of the goodwill or trademark is allocated is identified. This unit represents the lowest level at which the asset is monitored for internal management purposes and should not be larger than the operating segment determined in compliance with IFRS 8.

The amount of any impairment is determined based on the difference between the book value of the asset and its recoverable amount, if lower. Said recoverable amount is equal to the higher of the fair value of the cash-generating unit, net of costs to sell, and its value in use. The value in use is the present value of future cash flows expected from cash-generating units to which goodwill and/or trademark was allocated. The resulting value adjustments are charged to the income statement, respectively, under item "270. Value adjustments to goodwill" and, for trademarks, under item "220. Amortisation and impairment losses on intangible assets". No subsequent recoveries can be recognised.

Derecognition criteria

Intangible assets are derecognised from the balance sheet at the time of disposal or when no future economic benefits are expected from it.

8 - Non-current assets and disposal groups held for sale

Classification criteria

They are classified under asset item "120. Non-current assets and disposal groups held for sale" and under liability item "70. Liabilities associated with assets classified as held for sale" - non-current assets and groups of assets/liabilities whose book value will presumably be recovered through sale rather than continuous use.
In order to be classified under the above-mentioned items, the assets or liabilities (or disposal group) must be immediately available for sale, and there must be active and concrete programmes which show that their disposal within one year with respect to the date of classification as assets held for sale is highly probable.

Income item measurement and recognition criteria

After they are classified in the above-mentioned category, these assets are measured at the lower of the book value and their fair value, net of costs to sell, with the exception of certain types of assets - such as all financial instruments falling within the scope of IFRS 9 - for which the standard IFRS 5 states that valuation criteria of the reference accounting standard must continue to be applied.
If the non-current assets held for sale can be amortised/depreciated, the amortisation/depreciation process ceases from the year the assets are classified under non-current assets held for sale.
Expenses and income attributable to assets and liabilities and disposal groups held for sale, if they are attributable to discontinued operations under the terms of IFRS 5, are recognised in the income statement, net of taxes, under item "320. Profit (loss) after tax from discontinued operations" while those relating to individual non-current assets held for sale are recorded under the most appropriate income statement item.
Discontinued operations shall mean a significant, autonomous unit or geographical area of business, including one that is part of a single coordinated disposal programme, rather than a subsidiary acquired exclusively with a view to its re-sale.

Derecognition criteria

Non-current assets and disposal groups held for sale are derecognised from the balance sheet upon disposal.

9 - Current and deferred taxation

These items include current and deferred tax assets, and current and deferred tax liabilities relating to income taxes.
Income taxes, calculated in compliance with current tax regulations, are accounted for based on the accrual principle, consistent with the recognition of the costs and revenues that generated the taxes in the financial statements. Therefore, this represents the tax charge, equal to the balance of current taxes and deferred tax assets and liabilities, relating to the income for the year. Income taxes are charged to the income statement (item "300. Taxation charge related to profit or loss from continuing operations") with the exception of those relating to items charged or credited directly to shareholders' equity, for example the valuations of financial instruments measured at fair value through other comprehensive income or of derivative contracts for cash flow hedges, for which the recognition of the relative taxes is made, for the sake of consistency, to shareholders' equity (namely in item "120. Valuation reserves").

In particular, current tax liabilities (assets) for the current and previous years reflect the amount of income taxes that are expected to be paid (recovered) to/from the tax authorities, based on a prudent estimate, applying the tax rates and tax regulations in force at the reporting date of the annual or interim financial statements. Current tax assets and liabilities are shown as a net balance in the balance sheet, in case the settlement is executed based on the net balance, owing to the existence of a legal right to offsetting.

Deferred tax assets and liabilities are calculated based on temporary differences arising between the tax values of the individual assets and liabilities and their book values, without any time limits. For these purposes, the temporary differences may be taxable or deductible, if in future years there will be respectively taxable or deductible amounts.
Deferred tax assets are recognised in the financial statements or interim reports when it is probable that they can be recovered, which is assessed based on the ability of the company concerned and of the Group, as a result of the "tax consolidation" scheme, to continue to generate positive taxable income in future financial years (on the outcome of the

"probability test"), also taking account of the tax provisions in force at all times, such as Law no. 214/2011, which permits the conversion of certain deferred tax assets that meet specific conditions, into credits.
Deferred tax liabilities are recognised in the financial statements or interim reports, with the sole exceptions of assets recognised in the financial statements at an amount higher than the value recognised for tax purposes and of reserves subject to tax on distribution, where it is reasonable to believe that no operations will be performed deliberately that would trigger taxation.
Recognised deferred tax assets and liabilities are systematically measured to account for any changes in regulations or tax rates, as well as for any changes in the subjective positions of the Group companies.

10- Provisions for risks and charges

Classification criteria

Provisions for risks and charges: commitments and guarantees given

The sub-item in question includes provisions for credit risk for commitments to disburse the funds and guarantees given, which are subject to impairment rules pursuant to IFRS 9, as is the case for "Financial assets at amortised cost" and "Financial assets measured at fair value through other comprehensive income". For more information on the impairment model, please see the information set forth in the following paragraph "16 – Other information, Methods for determining impairment losses on IFRS 9 financial instruments".
In addition, this sub-item also includes provisions for risks and charges established for other types of commitments and guarantees given that, because of their specific characteristics, do not fall within the scope of impairment pursuant to IFRS 9 (therefore they fall under the scope of IAS 37).

Provisions for risks and charges: post-employment benefits and similar obligations

Sub-item "100. Provisions for risks and charges: b) post-employment benefits and similar obligations" includes defined-benefit plans, namely pension funds, established on the basis of company agreements, backed by a capital repayment and/or return guarantee in favour of beneficiaries, as explained in the paragraph below "16 – Other information, Provisions for employee severance pay and other employee benefits". Benefits to be paid in the future are measured by an external actuary, using the "projected unit credit method", as required by IAS 19.
Actuarial gains and losses, defined as the difference between the book value of the liability and the present value of the commitments at the end of the period, originate from changes to actuarial assumptions and from adjustments based on past experience and are accounted for in full directly to shareholders' equity under item "120. Valuation reserves".

Provisions for risks and charges: other provisions

Sub-item "100. Provisions for risks and charges: c) other provisions" includes allocations recognised for estimated outlays for legal or implicit obligations deriving from past events. These outlays may be contractual in nature, such as allocations to the personnel incentive system and for early retirement incentives, indemnity required under contractual clauses when specific events take place, or for compensation and/or restitution, such as those against possible losses on lawsuits, including clawback actions, estimated outlays for customer complaints regarding securities brokerage and tax disputes.

Income item recognition and measurement criteria

Provisions for risks and charges consist of liabilities whose amount or expiry are uncertain, and are recognised in the financial statements only if:

- there is a current obligation (legal or implicit) as a result of a past event;
- it is likely that an outflow of resources embodying economic benefits will be required to settle the obligation;
- the amount of the probable future outflow can be reliably estimated.

The amount of the provision recognised represents the best estimate of the financial outlay required to meet the obligation existing at the reporting date and reflects the risks and uncertainties inherent in the facts and circumstances under examination. Whenever the time factor is significant, provisions are discounted using current market rates. The

provision and the effect of discounting are recognised in the income statement in item "200. Net provisions for risks and charges", as is the increase in provisions as a result of the passing of time.
The provisions allocated are re-examined at each reporting date of the financial statements and adjusted to reflect the best current estimate. When the outflow of resources embodying economic benefits to settle the obligation is unlikely, the allocation is reversed.
In addition, each provision must be used to pay for outlays for which the provision itself had been originally set aside.
If the outlay of the financial resources to meet the obligation is not considered likely, no provision needs to be recognised; in this case, adequate information must be provided in the notes on the possible risk of losing, unless the likelihood of using the resources is considered remote or the phenomenon is not relevant.

11 – Financial liabilities at amortised cost

Classification criteria

Item "10. Financial liabilities at amortised cost" include the sub-items "a) due to banks", "b) due to customers" and "c) debt securities in issue", and consist of various forms of interbank and customer loans and funding carried out through certificates of deposit and bonds outstanding, net of any repurchases.
These also include loans recorded by lessees as part of leases, as well as funding repurchase agreements and securities lent against collateral in cash, to which the lender has full access. Also included are operating payables connected with the provision of financial services as defined in the Consolidated Banking Law and in the Consolidated Finance Law.

Recognition criteria

These liabilities are initially recognised when the amounts collected are received or the debt securities are issued and are carried out on the basis of their fair value, which is generally equal to the amount received or the issue price, increased by any additional costs/income directly attributable to the individual funding or issue transaction and not paid back by the lending counterparty. Internal administrative costs are excluded.
Repurchase agreements with the obligation to repurchase are recognised as funding transactions for the spot amount paid.
For structured instruments, if the requirements envisaged by IFRS 9 for the separate recognition of embedded derivatives are met, the latter are separated from the host contract and recognised at fair value as assets or liabilities held for trading. The host contract is instead recorded at amortised cost.
Lease payables are recognised on the basis of the present value of future instalments to be paid for the duration of the contract discounted on the basis of the incremental borrowing rate. For further details, please refer to paragraph "16 – Other information, Leases" below.

Income item measurement and recognition criteria

Subsequent to initial recognition, the financial liabilities that emerged, net of any redemptions and/or repurchase, are measured at amortised cost, using the effective interest rate method. Short-term liabilities are an exception, if the time factor is immaterial. These are stated at their received value, and any incurred costs are charged to the income statement on a straight-line basis over the contractual life of the liability. Interest is shown in the income statement under item "20. Interest and similar expense".
Moreover, funding instruments under an effective hedge are measured based on the standards established for hedging transactions.
For structured instruments that incorporate an embedded derivative, in accordance with IFRS 9 and illustrated in the previous paragraph "1 - Financial assets at fair value through profit and loss: a) Financial assets held for trading", the embedded derivative is separated from the host contract. In that instance:

- the embedded derivative is classified as an asset or liability held for trading and is measured at fair value;
- the host contract is classified under financial liabilities at amortised cost.

Lease payables must be redetermined in the event of modification of the payments due (lease modification); the impact of the redetermination will be recorded as a balancing entry to the right-of-use asset.

Derecognition criteria

Financial liabilities are derecognised from the financial statements or interim reports when expired or cancelled. Derecognition also takes place in the event of repurchases of securities issued. The difference between the book value of liabilities and the purchase price paid is recorded in the income statement under item "100. Gains/losses on disposal or repurchase of: c) financial liabilities". The subsequent placement of own securities following their repurchase is accounted for as a new issue, recognised at the new placement price, with no effects on the income statement.

12- Financial liabilities held for trading

Classification criteria

The item in question includes:

- financial liabilities issued with the intention of repurchasing them in the short-term;
- financial liabilities that are part of a portfolio of financial instruments that are jointly managed and for which there is a proven strategy for short-term profit;
- derivative contracts with a negative fair value and not designated as hedging instruments, including those linked to assets or liabilities designated at fair value through profit and loss and embedded derivatives separated out from financial liabilities at amortised cost.

These also include liabilities arising from technical overdrafts generated by trading in securities and certain own certificate issues, managed within an overall portfolio of trading financial instruments.
For more information on certificates classified under this item, please refer to paragraph "16 – Other information, Financial liabilities designated at fair value".

Recognition criteria

Financial liabilities held for trading are initially recognised on the settlement date in case of cash liabilities and on the subscription date for derivative contracts.
Initial recognition is based on the fair value of liabilities, that generally corresponds to the collected amount, excluding transaction costs or income directly associated with the instruments, which are directly charged to the income statement.
Please refer to part "A.4 – Fair value disclosure" for details on how fair value is determined.

Income item measurement and recognition criteria

After initial recognition, the financial liabilities held for trading are measured at current fair value, with recognition of the result in the income statement.
Gains and losses from changes in fair value and/or from the sale of trading instruments are recognised in the income statement under item "80. Net trading income". For derivative instruments, if the fair value of a financial liability becomes positive, that item is recognised under item "20. Financial assets at fair value through profit and loss: a) financial assets held for trading".
Trading profits or losses and gains or losses as a result of the valuation of the trading book are recognised in the income statement under item "80. Net trading income", including that relating to derivative liabilities associated with the fair value option.

Derecognition criteria

Financial liabilities held for trading are derecognised when the contractual rights to the relative cash flows expire or when the financial liabilities are sold, with the substantial transfer of all risks and rewards arising from their ownership.

13 - Financial liabilities designated at fair value

Classification criteria

On initial recognition, financial liabilities are designated at fair value through profit and loss only if the following circumstances exist:

- this valuation eliminates or considerably reduces the inconsistency in valuation, that would otherwise be caused by measuring assets or liabilities or recognising the associated gains and losses on different bases (accounting mismatch);
- a group of financial assets, financial liabilities, or both is managed and its performance measured at fair value according to a documented risk management or investment strategy, documented internally by executives with strategic responsibilities;
- these are hybrid contracts containing one or more embedded derivatives, and the embedded derivative significantly changes the cash flows that would otherwise be expected from the contract.

The option to designate a liability at fair value is irrevocable, is made for the individual financial instrument and does not require the same application to all instruments with similar characteristics. However, it is not possible to designate at fair value only one part of a financial instrument attributable to a single risk component to which the instrument is subject.

The designation at fair value concerns certain bonds issued, issues of certificates not managed with the intent of trading, as well as insurance contracts issued classified as investments.

The insurance contracts issued by the Group's insurance companies, classified in the item in question, refer to products of a financial nature that do not present a significant insurance risk, and that do not envisage discretionary participation features, as they are not linked to segregated funds. In this case, the applicable regulations are those contained in IFRS 9, as they do not fall within the scope of application of IFRS 17.
More specifically, these are liabilities related to Class III insurance products (unit-linked and index-linked policies), whose performance is related to the value of market indices and investment fund units. The investments underlying these products are also measured at fair value, thus eliminating or significantly reducing possible "accounting asymmetries" that would otherwise result from the recognition of these assets and the related liabilities on the basis of different accounting criteria.

For more details on the scope of the instruments issued by Group banks, classified as liabilities under the fair value option and the method used to determine fair value and quantify its credit risk, please refer to paragraph "16 – Other information, Financial liabilities designated at fair value", and the subsequent part "A.4 – Fair value disclosure".

Recognition criteria

The financial liabilities in question are measured at fair value from initial recognition. Initial income and expenses are immediately charged to the income statement.

Income item measurement and recognition criteria

Subsequent to initial recognition, financial liabilities are measured at their current fair value. The change in fair value is recognised in the income statement under item "110. Net gains (losses) from other financial assets and liabilities measured at fair value through profit and loss: a) financial assets and liabilities designated at fair value", with the exception of effects consequent to the change in own credit risk, which are recognised in a specific valuation reserve (item "120. Valuation reserves"), unless this treatment creates or amplifies a mismatch in the profit (loss). An accounting mismatch is created or amplified when the recognition of the effects of own credit risk in an equity reserve is such so as to entail a more significant disharmony in the income statement than that which would arise from recognising the entire change in fair value of the liability in the income statement. In this last case, the entire change in fair value of the liability, including the effect of the change in own credit risk, must be recognised in the income statement.
The effects correlated with the change in own credit risk are presented in the statement of comprehensive income, net of the related taxes, under other comprehensive income without reclassification to the income statement.
The amount recognised in the specific shareholders' equity reserve (item "120. Valuation reserves") will never be reversed in the income statement, even if the liabilities are due or repurchased. In the event of the repurchase of the

liabilities, the cumulative gains or losses recognised in the specific valuation reserve, attributed to the change in own credit risk with respect to the issue date, are reclassified to another shareholders' equity item ("150. Reserves").

Derecognition criteria

Financial liabilities are derecognised from the financial statements or interim reports when expired or cancelled. For financial liabilities represented by securities issued, derecognition is carried out also in case of repurchase: the difference between the book value of the liability and the purchase price is recorded in income statement item "110. Net gains (losses) from other financial assets and liabilities measured at fair value through profit and loss: a) financial assets and liabilities designated at fair value", with the exception of profits/losses related to the change in own credit risk, which are recognised in a specific equity reserve, as previously illustrated. The subsequent placement of own securities following their repurchase is considered, for accounting purposes, as a new issue, recognised at the new placement price, with no effects on the income statement.

14 - Foreign currency transactions

Classification criteria

Foreign currency is a currency other than the functional currency of the entity; the latter represents the currency of the main economic environment in which the entity operates.
Assets and liabilities in foreign currency include those denominated explicitly in a foreign currency other than the euro as well as those which envisage financial indexing clauses linked to the exchange rate between the euro and a specific currency or a specific basket of currencies.

To determine the conversion procedures to be used, assets and liabilities in foreign currency are broken down between monetary and non-monetary items.

Monetary items consist of sums in cash and assets and liabilities expressing the right to receive or the obligation to pay fixed or determinable amounts in cash (receivables, debt securities, financial liabilities). Non-monetary items (such as equity instruments) are assets or liabilities that do not provide for the right to receive or the obligation to pay fixed or determinable amounts in cash.

Recognition criteria

Upon initial recognition, foreign currency transactions are recorded in the functional currency, and the exchange rate applied to the amount expressed in foreign currency is the one in effect at the date of the transaction.

Income item measurement and recognition criteria

At each annual or interim reporting date, items expressed in foreign currencies are measured as follows:

- monetary items are translated at the exchange rate in effect at the closing date;
- non-monetary items carried at their historical cost are translated at the exchange rate in effect at the transaction date;
- non-monetary items measured at fair value are translated at the exchange rate in effect at the closing date.

Exchange rate differences originated by the settlement of monetary items, or by the translation of monetary items at rates other than the initial ones, or by the conversion of the previous financial statements, are charged to the income statement at the time they arise.

When a gain or loss from a non-monetary item is carried at equity, the relevant exchange rate difference is also carried at equity. Conversely, when a gain or loss on a non-monetary element is recognised in the income statement, the associated exchange rate difference is also recognised in the income statement.

For information about the conversion of the financial statements of foreign subsidiaries that use a currency other than the reference currency of the Parent Company (euro), please refer to "Section 3 - Scope of consolidation and methods", contained in part A.1. above.

15 - Insurance assets and liabilities

Classification criteria

Insurance assets and liabilities that fall within the scope of application of IFRS 17 "Insurance Contracts" are classified in this category.

Classification as an insurance asset or liability depends on the net balance of the portfolio to which the contracts belong. Generally, insurance contracts have a negative balance (insurance liabilities), while reinsurance contracts have a positive balance (insurance assets).

In more detail, the following is included in asset item "80. Insurance assets":

- insurance contracts, including reinsurance contracts, issued and investment contracts with discretionary participation features issued defined and governed by IFRS 17, belonging to portfolios of insurance contracts issued which constitute, based on the sign of the closing balance, assets;
- reinsurance contracts defined and governed by IFRS 17, belonging to portfolios of reinsurance contracts that constitute, based on the sign of the closing balance, assets.

On the other hand, liability item "110. Insurance liabilities" includes:

- insurance contracts, including reinsurance contracts, issued and investment contracts with discretionary participation features issued defined and governed by IFRS 17, belonging to portfolios of insurance contracts issued which constitute, based on the sign of the closing balance, liabilities;
- reinsurance contracts defined and governed by IFRS 17, belonging to portfolios of reinsurance contracts that constitute, based on the sign of the closing balance, liabilities.

The insurance contracts represented in the above-cited items are defined as those contracts based on which the issuer accepts a "significant insurance risk" from the policyholder, agreeing to indemnify the same if the latter suffers damages as a result of a specific uncertain future event (the insured event).
The items in question also include liabilities recognised against investment products that envisage discretionary participation features.
In light of the above, the scope of the Group's contracts that are subject to the provisions of IFRS 17 is represented by individual contracts and/or groups of contracts linked to Segregated Funds, pure risk and pension contracts and certain types of Unit-Linked contract, whether stand-alone or multi-segment components, if certain qualitative and quantitative assessments are respected.

Otherwise, it should be noted that the financial products issued by the Group's insurance companies - which do not present a significant "insurance risk", and which do not envisage discretionary participation features - are recorded in the financial statements as financial liabilities, and are accounted for pursuant to IFRS 9. In greater detail, the Group considers most of the Unit-Linked contracts issued by the Group as investment contracts; for these products, the low significance of the insurance risk is due to the low incidence of demographic risk, also depending on the age of the subscribers.

Having determined the scope of contracts that fall under IFRS 17, to measure the insurance liabilities, the standard requires the setting of contract boundaries[1] within which the cash flows are to be considered. In other words, it is a question of defining whether a contractual option should be considered in the projected cash flows from the time the contract is executed or whether it is such as to generate a new group of contracts. To this end, in the valuation of the Group's insurance liabilities, the cash flow projections include all future premiums and options dependent on the policyholder's decisions, where there is no option to re-price them or to refuse the exercise of the option.

Recognition criteria

When the contract is signed with the insured entity, a liability is recognised, the amount of which is given by the algebraic sum of the value of all expected future contractual cash flows (Present Value Future Cash Flow - PVFCF), discounted on the basis of an appropriate discounting rate, of an adjustment to take into account non-financial risks

[1] The contract boundary is comprised of the substantive rights and obligations existing in the reference period in which the entity can compel the policyholder to pay the premiums or in which the entity has a substantive obligation to provide the policyholder with insurance services.

(Risk Adjustment) and of the Margin of the contractual services (Contractual Service Margin - CSM), representing the present value of future profits.

Upon initial recognition, insurance contracts must be aggregated into groups of contracts and the provisions relating to their recognition, measurement and presentation in the financial statements must be applied to the group of contracts, not contract by contract.
The level of aggregation is relevant for the purposes of identifying onerous contracts, with the consequence that losses attributable to the contracts must be recognised from the beginning ("onerous contract test").
The level of aggregation is determined on the basis of the following grouping hierarchy:

- portfolio: a group of contracts subject to similar risks and managed together as a single pool;
- cohorts: this is a segmentation of portfolios on the basis of the initial recognition date of the contract;
- profitability "buckets": these refer to a further division of each cohort, depending on the profitability expected at the time of initial recognition of the contract, according to the following three buckets:
  - onerous contract that is considered unprofitable, and therefore onerous, at the time of initial recognition;
  - contract considered profitable at the time of initial recognition that does not present a significant risk of becoming onerous in the future;
  - other cases, i.e. a profitable contract that presents a significant risk of becoming onerous in the future.

IFRS 17 requires an entity not to include contracts issued more than one year later in the same group. Therefore, each portfolio must be disaggregated into annual cohorts or cohorts that include periods of less than one year ("grouping by cohorts"), with the exception of contracts linked to segregated funds for which the text of IFRS 17, as endorsed by the European Commission[1], optionally provides for derogations to this requirement ("carve-out option") which the Group exercised.

The Levels of aggregation make it possible to define the granularity with which the profitability of a group of contracts is assessed, by grouping those that present similar risks, have the same profitability bucket and belong to the same generation (annual cohort) in the same portfolio.
Therefore, the Group has adopted the following choice of aggregation of groups of contracts in a single portfolio as follows:

- products for Segregated Funds;
- multi-segment products for each Segregated Fund if not valued separately[2];
- products related to Pension Funds;
- pure risk products.

Income item measurement and recognition criteria

For the valuation of insurance contracts, there are three types applicable to the different lines of business: the Building Block Approach (BBA), the Premium Allocation Approach (PAA) and the Variable Fee Approach (VFA).

The BBA is the standard method for the valuation of insurance contracts structured on a block approach whereby, at the time of execution of the contract, the insurance liability is equal to the algebraic sum of the value of the expected contractual cash flows discounted on the basis of an appropriate discount rate (Present Value of Future Cash Flow - PVFCF), the adjustment for non-financial risks related to the uncertainty in the realisation of cash flows (Risk Adjustment - RA) and the margin on the contractual services (Contractual Service Margin - CSM). This model is applicable to all insurance contracts with the exception of those with direct participation features for which the VFA model is applied or those measured on the basis of the PAA simplified methodology.
At the end of each reporting period, the book value of the group of insurance contracts is equal to the sum of the Liability for remaining coverage, which includes the cash flows related to the fulfilment of future services attributed to the group at that date and the margin on the group's contractual services at that date, and the Liability for incurred claims, which includes the cash flows related to the fulfilment of past services attributed to the group at that date.

[1] During the endorsement of accounting standard IFRS 17 with (EU) Regulation no. 2036/2021, the possibility, not permitted by the standard approved by the IASB, was introduced to exempt intergenerationally-mutualised and cash flow matched contracts from the annual cohort requirement. The Group has chosen to make use of this option, referred to as the "carve-out option".
[2] With regard to contracts belonging to multi-segment products or linked to one or more Segregated Funds, the Group has decided to disaggregate these types of contracts, only with regard to the concept of dissimilar risks and non-unitary management of the components, vice versa, to aggregate these types of contracts, only with regard to the concept of similar risks and unitary management and belonging to the same profitability bucket.

The subsequent measurement of liability requires an assessment of the aforementioned features, in order to reflect the changes between the initial estimates and those in effect at the reporting date. Specifically:

- changes in the present value of cash flows, deriving from changes in the discount rate used, result in the corresponding adjustment of the former with a balancing entry in the income statement or, if the so-called "OCI Option" (Other Comprehensive Income) is used, in the statement of comprehensive income;
- changes in the estimate of liabilities relating to future services determine an adjustment of the CSM, to be released to the income statement on the basis of the coverage unit;
- changes arising from the difference between the expected cash flows for the period, recognised in revenues for insurance services, and those actually incurred in the same period, recognised in the costs for insurance services, have an impact on the income statement for the year.

The PAA is a simplified optional methodology set out in the regulations for the valuation of the Liability for Remaining Coverage (LRC), for contracts with a temporary duration, i.e. coverage of 12 months or less, or, under certain conditions, also for contracts with a longer duration. With this approach, the Insurance Liability is systematically released to the income statement according to the contract duration.

The VFA is the mandatory measurement model established for insurance contracts with direct participation features, i.e. contracts that, on the basis of an underlying participation feature, provide a significant additional benefit when the insured event occurs (e.g., contracts linked to Segregated Funds). The model in question is structured in blocks, in line with the standard model: in this case, the CSM represents the fee for the financial management service provided by the company. Based on this model, any changes in the estimate of the CSM, which derive from the performance of the underlying financial assets and therefore affected by market variables, determine a change in the CSM itself, without having a direct impact on the income statement or the statement of comprehensive income, as is the case with the BAA model.

The main methods adopted by the Group for the valuation of insurance contracts are shown below:

- Variable Fee Approach, for all insurance contracts with direct participation features, subject to verification of eligibility criteria;
- Premium Allocation Approach for non-life products, usually with a term of 12 months or less;
- Building Block Approach for the remaining contracts.

Inputs, parameters and other elements underlying the valuation models

The insurance liability valuation models are based on a series of inputs and parameters, the most significant of which are the discount rate, the Risk Adjustment and the method for the release to the income statement of the Contractual Service Margin.
The valuation of the insurance liability is based on the discounting of expected future cash flows using a discount rate deemed adequate to reflect the time value of money and the financial risk, if the latter is not already incorporated in the cash flow estimates.
The discount rates must:

- reflect the time value of money, the characteristics of cash flows and the liquidity characteristics of insurance contracts;
- be consistent with the current observable market prices (if any) of the financial instruments whose cash flows have characteristics corresponding to those of insurance contracts, for example, in terms of maturities, currency and liquidity; and
- exclude the effect of factors which, although affecting observable market prices, do not affect future cash flows of insurance contracts.

In this regard, the approach used by the Group to define the discount rate is based on a bottom-up approach, according to which the discount curve is determined starting from a risk-free curve (liquid risk-free yield curve), to which a liquidity premium is added, based on the risk premium inherent in the securities portfolios of each insurance company, and therefore able to reflect the differences between the liquidity characteristics of the financial instruments that are the basis of the rates observed on the market and the liquidity characteristics of the insurance contracts subject to valuation.

Another aspect to be considered for the determination of the financial liability is the "Risk Adjustment" (RA), i.e. the non-financial adjustment that represents, in substance, the remuneration that the entity requires to assume the risk

arising from the uncertainty about the amount and timing of cash flows. The risks covered by the adjustment in question are insurance risk and other non-financial risks, such as lapse risk or expense risk.
Considering that IFRS 17 does not define a specific calculation method, for the Group, the estimate of the Risk Adjustment is made mainly using a Value At Risk (VAR) approach, which estimates the uncertainty of the risks on the basis of the 75° percentile of the distribution of each risk considered.

CSM release pattern

The Contractual Service Margin represents the expected profit from the insurance contracts in the portfolio and is estimated as the difference between the cash flows due to the entity (premiums) and the total contractual liabilities assumed, including the risk adjustment. The aforementioned margins will be recognised in the income statement throughout the entire period in which the insurance coverage is provided; no profit is therefore recorded at the date of initial recognition of the contracts as they relate to insurance services that will be provided in the future. The release of the CSM is based on the definition of the coverage units, which are determined by identifying for each contract the quantity of service provided to the policyholder and the expected duration of the group of contracts.

If the CSM assumes negative values, at the time of the initial recognition or even subsequently in the event of adverse changes in the expected profitability, the implicit loss arising from the insurance contract must be recognised in full in the income statement.

In the methodology implemented by Group companies, in order to determine the CSM Release rate for the period for each Unit of Account, the Companies determine a Release Ratio.

The CSM is calculated in the first instance at the level of the individual insurance company and, subsequently, within the Group through appropriate adjustments during consolidation. This choice is due to the fact that within the Group there are entities issuing insurance contracts (the insurance companies) and entities placing them (the Parent Company), which charge placement commissions for the service. As part of the consolidation process, during the elimination of intra-group fees charged to insurance companies, an adjustment is made to consider the costs actually incurred by the Parent Company for the distribution of policies. This transaction may therefore entail the recognition of a different consolidated CSM from the one that would be calculated in the financial statements of the individual companies, to the extent that the costs incurred by the Group towards third parties differ from the placement fees paid to the banking distribution network.

To this end, the actual costs incurred by the Group are estimated on the basis of the "Cost/income ratio", determined according to operational metrics, based on the historical observation of the actual distribution costs incurred by the Group's networks with respect to the fees paid to the Group's insurance companies, broken down by homogeneous categories of policies and distribution models. The aforementioned operating drivers are also considered in order to identify costs represented by personnel expenses, other administrative expenses, net value adjustments on property, plant and equipment, to be reclassified to the consolidated financial statement item relating to the result of insurance operations.
Income components

In the income statement, the components that contribute to the insurance business profitability are:

- the insurance margin shown under item "160. Profit (loss) on insurance services", equal to the difference between:
  - insurance revenues relating to contracts issued, which reflect the portion of the consideration received from the policyholder that the insurance company believes it is required to recognise in the income statement for services provided during the year. In other words, these are the expenses that are expected to be incurred during the year, the evolution of the liability for the explicit risk adjustment, as well as the allocation to the financial year of a share of the CSM in relation to the services provided;
  - the related costs mainly represented by the amount of expenses for insurance services actually incurred in the current year such as claims and other directly attributable expenses, losses for onerous contracts, commissions and other acquisition costs, operating expenses of the investments underlying the insurance contracts to which the Variable Fee Approach valuation method is applied;
  - costs and revenues relating to reinsurance;
- the margin related to the financial components is instead shown under item "170. Balance of revenues and costs of a financial nature relating to insurance activities". In particular, these are interest accrued during the

year due to the time value of money, the effects related to changes in the time value of money and the financial risks of insurance contracts, changes in the fair value of the underlying assets of issued insurance contracts valued using the VFA approach, other than those recognised in the statement of comprehensive income as a result of the OCI option.

With regard to the policy choice relating to the disaggregation of insurance revenues and financial costs between the income statement and the statement of comprehensive income, in order to reduce potential accounting mismatches resulting from the different valuation models established by IFRS 17 for insurance contracts and by IFRS 9 for the investments underlying the above-mentioned contracts and the relative income statement volatility, the Group has decided to use the OCI option for all insurance contract portfolios.

Financial products

Financial products that do not present a significant insurance risk and do not include discretionary participation features (therefore not representing policies linked to segregated funds) are recognised on the basis of IFRS 9 and classified in the portfolio of "Financial liabilities designated at fair value", based on the "Fair Value Option". These products are essentially attributable to unit-linked policies.
For the products in question, the income statement does not reflect the premiums, but the revenue (fee and commission income) and cost (fee and commission expense) components on the basis of the rules established by IFRS 9 and IFRS 15. In particular, the revenues and costs relating to the products in question, attributable to the activities carried out in the origination phase or in the investment management phase, are recognised in the income statement according to the timing of fulfilment of the obligations, as illustrated in the following paragraph "16 – Other information, Dividends and revenue and cost recognition". The income statement also includes costs and revenues resulting from changes in the fair value of liabilities related to the products in question.
Note that the deferred fee and commission expense for investment management services relating to financial contracts issued, is classified under item "130. Other assets", while deferred fee and commission income representing the fees for the acquisition of policies is recognised under item "80. Other liabilities".

Modification and derecognition criteria

An insurance contract must be derecognised when, and only when, it is extinguished, i.e. when the obligation specified in the insurance contract expires or is discharged or cancelled.

In addition, IFRS 17 provides for the derecognition of the original contract and the simultaneous recognition of the new contract in the event of a contractual modification (agreed between the parties or due to regulatory changes) that reflects at least one of the following conditions:

- if the modification had been included at initial recognition, it would have entailed:
  - the exclusion of the contract from the scope of application of IFRS 17;
  - the separation of different components of the original contract resulting in a different contract,
  - a substantially different "contract boundary";
  - the assignment to a separate group of contracts;
- the original contract reflects the definition of an insurance contract with direct participation features, but the amended one no longer does or vice versa;
- the original contract is valued with the "premium allocation approach", but the modified contract no longer has the characteristics to be valued with this model or vice versa.

On the contrary, the contractual modifications that do not fall into the listed cases must be treated as a change in the assumptions to value the expected contractual cash flows and consequently amend the Risk Adjustment and the Contractual Service Margin previously calculated.

16- Other information

a) Contents of other financial statement items

Cash and cash equivalents

This item includes legal tender, including foreign banknotes and coins, current accounts and demand deposits with Central Banks, with the exception of the minimum reserve, as well as demand loans to banks. The latter definition includes the available funds that can be withdrawn at any time without notice or with a notice of 24 hours or one working day.
The item is recognised at face value. The face value of foreign currencies is translated into Euro at the closing exchange rate at the period-end date.

Other assets

This item includes assets not attributable to the other balance sheet asset items. For example, this item may contain:

- gold, silver and precious metals;
- accrued income other than that capitalised on the related financial assets, including those deriving from contracts with customers pursuant to the IFRS 15 standard;
- receivables associated with providing non-financial goods or services;
- the tax credits associated with the "Cura Italia" [Heal Italy] and "Rilancio" [Relaunch] Decree Laws;
- payable tax items other than those recognised in item "110. Tax assets".

These may also include any remainders (of the "debtor's balance") of items in transit or suspended not attributed to the specific accounts, because they are of immaterial amounts.

Other liabilities

This item records liabilities not attributable to the other balance sheet liability items.
For example, this item contains:

- payment agreements that under IFRS 2 must be classified as payables;
- payables associated with the payment of non-financial goods or services received;
- accrued liabilities other than those to be capitalised on the related financial liabilities, including those deriving from contracts with customers pursuant to the IFRS 15 standard;
- sundry receivable tax items other than those recognised in item "60. Tax liabilities" connected, for example, to withholding agent activities.

Provisions for employee severance pay and other employee benefits

Pursuant to IAS 19, employee benefits include all types of remuneration envisaged in exchange for the work performed by employees or by virtue of the termination of the employment relationship. Specifically, these are divided into:

- short-term benefits (other than those for termination of the employment relationship) which are expected to be settled within 12 months from the end of the financial year in which the employees rendered their services;
- post-employment benefits such as, for example, employee severance pay and pension funds;
- benefits for the termination of employment due to employees following the company's decision to end the employment prior to the date of retirement;
- long-term benefits (other than those for termination of the employment relationship) which are expected to be settled over a time frame of more than 12 months from the end of the financial year in which the employees rendered their services.

Types of post-employment benefits

The benefits in question include Provisions for employee severance pay and Pension funds, and are classified into two categories, "defined benefit plans" and "defined contribution plans" on the basis of the characteristics of the plans.
More specifically, in defined contribution plans, the cost is represented by contributions accrued during the year, since the company only has the obligation to pay the contributions defined by contract to a fund, and has therefore no legal

or implicit obligation to pay other amounts in addition to said contributions in the event that the fund does not have sufficient assets to pay all the benefits to employees.

In defined benefit plans, the actuarial and investment risk, namely the risk that contributions are insufficient or that the assets in which contributions are invested do not generate a sufficient return, is borne by the company.

With regard to Provisions for employee severance pay, following the supplementary pension reform, under Italian Legislative Decree no. 252 of 5 December 2005, new regulations were introduced for provisions for employee severance pay accrued beginning from 1 January 2007, recognised for accounting purposes. In particular, for companies which had at least 50 employees in 2006, from an accounting perspective, the portion of provisions for employee severance pay accrued from 1 January 2007 is considered a "defined contribution plan", both if the employee opts for a supplementary pension fund, and if it is paid into the INPS Treasury fund; the charge is, in fact, limited to the benefits established under the Italian Civil Code, without applying any actuarial methodology. Otherwise, the provisions for employee severance pay accrued up to 31 December 2006 will continue to be accounted for as a "defined benefit plan".

The costs relating to employee severance pay are recognised in the income statement under item "190. Administrative expenses: a) Personnel expenses" and include:

- for the part of the defined benefit plan, the interest accrued during the year (interest cost);
- for the portion of the defined contribution plan, the portions accrued during the year and paid to the Supplementary Pension Fund or the INPS Treasury Fund.

Valuation of post-employment benefits represented by defined benefit plans

For defined benefit plans, the liability is calculated by an external actuary using the "Projected Unit Credit Method". On the basis of the cited method, all future disbursements have to be estimated on the basis of demographic and financial assumptions, and are then discounted to take into account the time that will pass before the actual payment, and to be re-proportioned on the basis of the ratio of the years of service accrued and the theoretical seniority estimated at the time the benefit is disbursed.

For discounting purposes, the rate used is determined with reference to the market yield of bonds of leading companies, taking into account the average residual duration of the liability, weighted on the basis of the percentage of the amount paid and advanced, for each maturity, with respect to the total to be paid and advanced until the final extinction of the entire obligation. For further details, please refer to "Section 9 – Provisions for employee severance pay –Item 90" of "Part B – Information on the consolidated balance sheet".
The actuarial value of the liability calculated in this way must then be adjusted by the fair value of any assets underlying the plan (net liabilities/assets).

The actuarial gains and losses that originate from changes in the previous actuarial assumptions, as a result of the actual experience or as a result of changes to the actuarial assumptions themselves, lead to the re-measurement of the net liability and are recognised as a balancing entry to a shareholders' equity reserve (item "120. Valuation reserves"). Said gains and losses are recognised in the "Consolidated statement of comprehensive income".
The change in the liability resulting from an amendment or a reduction in the plan is recognised in the income statement as a gain or loss. In detail, an amendment is made when a new plan is introduced, rather than if an existing plan is withdrawn or amended. On the other hand, there is a reduction when there is a significant decrease in the number of employees included in the plan, such as in the case of plans for reduction of redundant personnel (access to the Solidarity Fund).

Valuation of long-term benefits

The "Projected Unit Credit Method" described above, is also used to measure long-term benefits, such as "seniority bonuses" awarded to employees, which are recognised under item "80. Other liabilities" based on the valuation at the reporting date of the commitments undertaken. Unlike that described for "defined benefit plans", actuarial gains and losses relating to the measurement of long-term benefits are recognised immediately in the income statement.

Valuation reserves

This item includes valuation reserves associated with equity instruments designated at fair value through other comprehensive income, financial assets (other than equity instruments) measured at fair value through other comprehensive income, foreign investment hedges, cash flow hedges and exchange rate differences, property, plant and equipment, the share of valuation reserves related to interests in associates and joint ventures carried at equity, actuarial gains (losses) on defined benefit plans and profit/loss connected to the change in own credit risk relating to fair value option liabilities.

Equity instruments

Equity instruments are instruments representing a residual interest in the assets of the Group, net of its liabilities. The classification of an instrument that can be classified as an equity instrument requires that there be no contractual obligations to make payments in the form of reimbursement of principal, interest or other types of returns.
In particular, the category includes Additional Tier 1 instruments ("AT1") which, in accordance with the provisions of Regulation (EU) no. 575/2013 (CRR), provide for:

- an unlimited duration and the absence of redemption incentives;
- the full discretion of the issuer in the payment of coupons or in the redemption, including early, of the capital. The related call-up/redemption may take place only on the initiative of the issuer, once at least five years have elapsed from the date of issue, also by exercising the call option associated with the instrument.

In addition, AT1 instruments maintain the full discretion of the issuer to restore the nominal value (write-up) subsequent to the trigger event that determined the reduction (write-down).

Those instruments, different from ordinary shares or savings shares, are classified under item "140. Equity instruments" for an amount equal to the price collected for their issue, less the transaction costs that are directly attributable to the transaction, after taxes.
Any coupons paid, after taxes, are posted as a reduction of item "150. Reserves", if and for the amount at which they were paid.

If such instruments are extinguished or repurchased, the difference between the price paid and the book value of such equity instruments is recognised in shareholders' equity under item "150. Reserves".

Share Capital, Own shares and Advances on dividends

Item "170. Share capital" includes shares issued by the bank net of any capital already subscribed but not yet paid up at the annual or interim reporting date. This item includes any own shares held by Group companies. The latter are recognised in the financial statements in their own item as a negative component of shareholders' equity.
The original cost of repurchased own shares and the gains or losses originated by their subsequent sale are recognised as changes to shareholders' equity.
Transaction costs relating to operations on share capital, such as share capital increases, are recorded as a decrease in shareholders' equity, net of any related tax benefits.
Dividends on ordinary shares are recognised as a reduction in shareholders' equity in the year in which the Shareholders' Meeting approves their distribution.
The advances on dividends approved during the year by the Board of Directors of Banco BPM, in compliance with the regulations set forth in Art. 2433-bis of the Italian Civil Code, are recognised with a negative sign in the Balance Sheet liability item "155. Advances on dividends (-)". This item will be valued until the date of approval of the allocation of the profit for the year by the Shareholders' Meeting.

Non-controlling interests

This item shows the portion of consolidated shareholders' equity attributable to non-controlling interests, calculated based on "equity ratios". The amount is calculated net of any own shares repurchased by consolidated companies.

b) Illustration of other significant accounting treatments

Dividends and revenue and cost recognition

Revenue from contracts with customers (IFRS 15)

Revenue is the gross inflow of economic benefits that flow to the entity as payment for its obligation to transfer to the customer a wide range of goods and services that are part of ordinary activities.
Pursuant to IFRS 15, the entity must recognise revenues on the basis of the fee that it expects to receive for the assets or the services provided in the ordinary course of business. In detail, the recognition of revenues must take place on the basis of the following five steps:

- identify the contract, defined as an agreement with commercial substance between two or more parties able to generate rights and obligations;
- identify the performance obligations in the contract;
- determine the transaction price, namely the amount to which an entity expects to be entitled in exchange for the transfer of goods and services;
- allocate the transaction price to each performance obligation on the basis of the stand-alone selling price;
- recognise the revenues allocated to the single performance obligation when the same is satisfied, namely when the customer obtains control of the goods or the services. This recognition takes into account the fact that some services may be rendered at a specific point in time or over a period of time.

Revenues from contractual obligations with customers are recognised in profit or loss when it is probable that the entity will receive the payment to which it is entitled in exchange for the goods or services transferred to the customer. This payment must be allocated to the single obligations covered by the contract and must be recognised as revenue in the income statement based on the timing of fulfilment of the obligation. Specifically, revenue may be recognised in the income statement:

- at a point in time, when the entity settles its performance obligation by transferring the promised good or service to the customer (for example placement fees, brokerage fees, trading fees, subscription fees etc.); or
- over time, as the entity settles its performance obligation by transferring the promised good or service to the customer (e.g., asset management fees, fees on custody services).

The performance obligation is considered fulfilled when the customer acquires control of the transferred good or service.
The consideration promised in the contract with the customer may include fixed amounts, variable amounts or both.
Specifically, the consideration for the contract may vary as a result of redemptions, discounts, refunds, incentives, performance bonuses or similar items. The variability of the consideration may also depend on whether or not a future event occurs. In the presence of variable consideration, the revenue is recorded in the income statement when it is possible to estimate the revenue reliably and only if it is highly probable that this amount will not subsequently have to be reversed in the income statement, in whole or in a significant part. Therefore, the Group does not recognise performance fees on asset management or revenues related to contingent events that are beyond its control (e.g. rappel), as long as the uncertainties related to the recognition of the aforementioned revenues will not be resolved.

If the entity receives a payment from the customer that it expects to refund to the customer, in whole or in part, against the revenue recognised in the income statement, a liability should be recognised, estimated on the basis of expected future refunds (known as a "refund liability"). The estimate of this liability is updated at each annual or interim reporting date and is carried out based on the portion of the amount that the entity expects not to be entitled to.

It should be noted that the Group's fees generally come from contracts in which the performance obligation is short-term. Therefore, the Group's contracts do not have a significant financial component, nor do they envisage the recognition of significant receivables or assets for advance payments. Lastly, due to its short duration, there are no costs directly related to the contract to be recognised as an asset, pursuant to IFRS 15.

Costs

Costs associated with obtaining and fulfilling contracts with customers are recognised in the income statement in the periods in which the corresponding revenues are accounted for. Costs that are not directly associated with revenues are immediately charged to the income statement.

Revenues and costs related to financial instruments

With reference to income and charges relating to financial assets/liabilities, it should be noted that:

- interest is recognised *pro-rata temporis* on the basis of the contractual interest rate or the effective interest rate if the amortised cost method is used. In the latter case, any marginal costs and incomes, considered an integral part of the return of the financial instrument, are calculated in the effective interest rate and recognised as interest. Negative income components accrued on financial assets are recognised under item "20. Interest and similar expense"; the positive economic components accrued on financial liabilities are recognised under item "10. Interest and similar income". The item interest income (or interest expense) also includes the positive (or negative) spreads or margins accrued until the reporting date, relating to financial derivative contracts:
  - hedging financial assets and liabilities that generate interest;
  - classified in the balance sheet in the trading book, but operationally connected with financial assets and/or liabilities designated at fair value ("Fair value option") that generate interest;
  - operationally connected with assets and liabilities classified in the trading book and which envisage the settlement of spreads or margins at multiple maturities;
- default interest, if provided for by contract, is recorded in the income statement only when actually collected;
- dividends are recognised in the income statement when the legal right to collect them ensues, and, therefore, when their distribution is resolved and the right to receive the relative payment matures;
- fees and commissions for revenues from services are recognised, on the basis of existing contractual agreements, in the period in which the services are provided. Fees and commissions considered in the amortised cost for the purposes of determining the effective interest rate are recognised under interest;
- profits and losses from initial recognition of the fair value of financial instruments are recognised in the income statement at the time of recognition of the transaction, based on the difference between the price paid or collected and the fair value of the instrument, only when the fair value can be determined by referring to current observable market transactions or using valuation techniques the inputs of which are observable market parameters. Otherwise, these profits and losses are distributed over time, taking the nature and the term of the instrument into account;
- gains and losses deriving from the sale of financial instruments are recognised in the income statement when the sale is completed, with the relative transfer of the risks and rewards, based on the difference between the amount received and the book value of the instruments.

Share-based payments

Share-based payments are payments made to employees, as a consideration for work performed, settled with equity-linked instruments, which may, for example, consist of the assignment of:

- stock options;
- rights to receive shares when specific targets are reached.

For accounting purposes, in accordance with IFRS 2, payments based on own shares are configured as equity-settled plans, to be recorded on the basis of the fair value of the services received.
Considering how difficult it is to directly estimate the fair value of work received in exchange for the assignment of shares, it is possible to indirectly measure the value of services received, by referring to the fair value of the equity-linked instruments at their assignment date.

Employee incentive plans based on own shares are therefore recognised in the income statement (item "190. Administrative expenses: a) Personnel expenses") as a balancing entry to a corresponding increase in shareholders' equity (item "150. Reserves"), on the basis of the fair value of the financial instruments assigned at the assignment date and on the basis of the accrual basis of the service provided.

In detail, when assigned shares cannot be immediately "used" by the employee but can be used when the employee has completed a given term of service, the company shall pay the cost as a consideration for the service provided throughout the vesting period.

For subsidiaries, incentive plans based on the Parent Company's shares, and not on own shares, are cash settled plans. In accordance with IFRS 2, in the respective company financial statements, the cost pertaining to the period is therefore recorded among personnel expenses, as a balancing entry to an increase in the liability item "100. Provisions for risks and charges". In the context of the consolidated financial statements, these plans, as they are settled through

shares of the Parent Company, are instead represented as equity-settled plans on the basis of the treatment described above.

Repurchase agreements, securities lending and forward agreements

Repurchase or forward agreements not held for trading, whereby the Group sells securities to third parties with the obligation to repurchase them upon maturity of the transactions at a predetermined price are recognised in payables due to banks or to customers, depending on the counterparty. Likewise, repurchase or forward agreements not held for trading, whereby the Group acquires securities from third parties with the obligation to resell them upon maturity of the transactions at a predetermined price are recognised in loans to banks or to customers (accounting categories of "Financial assets at amortised cost"), depending on the counterparty. The difference between the spot and forward price of the above-mentioned transactions is recognised as interest (expense or income depending on the case) on an accrual basis throughout the life of the transaction. Securities lending transactions in which the guarantee is represented by cash which is fully available to the lender are recognised in the financial statements like the above-mentioned repurchase agreements.

In the case of securities lending transactions with a guarantee consisting of other securities, or with no guarantee, the lender and the borrower continue to recognise the security subject to the loan and any security provided as a guarantee, respectively, in the balance sheet assets. The remuneration of this transaction is recognised by the lender in item "40. Fee and commission income" and by the borrower in item "50. Fee and commission expense".

Repurchase and reverse repurchase agreements, albeit held to maturity, can be classified under assets and liabilities held for trading if managed on the basis of their fair value, through the creation or elimination of exposures along the interest rate curve, i.e. entering into a series of transactions able to offset existing transactions. The aforementioned dynamic management would make it possible to achieve the same results that would have been achieved by buying and selling repurchase and reverse repurchase agreements, with the aim of achieving a short-term profit.

Offsetting financial instruments

In accordance with IAS 32, paragraph 42, financial assets and financial liabilities may be offset and the net balance may be reported in the financial statements if the entity:

- has a legally enforceable right to make said offsets, currently exercisable in all circumstances, where they refer to regular business operations or to situations of default, insolvency or bankruptcy of the parties;
- intends either to settle the transactions on a net basis, or to settle the same on a gross basis, the substantial effects of which are equivalent to a settlement on a net basis.

For derivative instruments covered by netting arrangements, which meet the requirements illustrated above, Circular no. 262 envisages that all trading derivatives and all hedging derivatives may be offset. If the imbalance of trading derivatives is the opposite sign of that of the imbalance of all hedging derivatives, said imbalances are to be reported on a net basis: usually, the net balance is allocated to the trading book rather than as hedging derivatives, depending on the prevailing absolute value of the imbalance of trading derivatives compared to that of hedging derivatives.

In accordance with the requirements of accounting standard IFRS 7, further information is provided in the tables contained in "Part B - Information on the consolidated balance sheet, Other information" in these Notes to the financial statements. In particular, these tables show:

- the book values of assets and liabilities that meet the requirements set out by IAS 32, paragraph 42, before and after netting in the accounts;
- exposures subject to master netting arrangements that did not give rise to netting, but could activate it as a result of specific circumstances;
- the collateral guarantees connected thereto.

Traditional securitisations - derecognition from financial statements of financial assets sold

In securitisation transactions put in place by the Group, the transfer of financial assets to an SPE (special purpose entity), even if with recourse, entails the derecognition of these assets from the financial statements, only if there is a substantial transfer of the risks and rewards. In the event that the substantial transfer of risks and rewards cannot be verified, the assets sold are derecognised if the Group relinquishes all control over them. In the event of such

circumstances, the difference between the book value of the assets sold and the amount received, including the new assets acquired, is recognised as a gain or loss in the income statement.
Otherwise, there is no derecognition from the financial statements if the Group has maintained the risks and rewards associated with the securitised portfolio, even though it has been sold without recourse, for example via the comprehensive subscription of a tranche of junior securities or securities that bear the risk of the initial losses or through the assumption of similar exposures. Consequently, the transferred receivables must continue to be recognised in the separate financial statements of the originator bank as "Assets sold and not derecognised", while the consideration collected for the transfer is recognised as a balancing entry to the payable owed to the SPE, net of the securities subscribed by the bank in question. In the consolidated financial statements, the main impact of the consolidation of the SPE and of the related assets of the securitisation, if the requirements of control established by IFRS 10 are fulfilled, is that the securities issued by the SPE and subscribed by entities not belonging to the Group are recorded in the consolidated balance sheet.
For further details, see the information reported in these Notes to the financial statements in "Part E - Information on risks and related hedging policies, 1.1 Credit risk, C. Securitisation transactions".

Synthetic securitisations

In synthetic securitisation transactions, through the contracting of collateral arrangements, the Group purchases protection from the credit risk underlying a portfolio of loans, of which it retains full ownership.
Therefore, synthetic securitisation transactions aim to free up regulatory and economic capital by reducing the level of credit risk of the portfolio underlying the transaction (Significant Risk Transfer - SRT), which is transferred to an external counterparty without entailing the derecognition of the assets.

The SRT must be constantly monitored also during the course of the transaction, in order to verify that the criteria envisaged by the regulations which provide that the Originator retains a portion of the net economic interest (Retention) of at least 5% of the nominal value of the securitised portfolio are respected.
The transactions are structured in different tranches (Junior, Mezzanine and Senior) according to the risk level of the portfolio.

With regard to the accounting treatment, synthetic securitisation transactions stipulated by the Group are considered financial guarantees received, insofar as the Group exclusively provides the purchaser with protection against credit risk.
The premium paid to the investor for credit risk protection is recorded in income statement item "50. Fee and commission expense", throughout the duration of the guarantee. Any enforcement of the financial guarantee received by the investor, which occurs if the conditions established in the contract materialise (so-called "credit event") and referring to the securitised loans, contributes to the overall determination of income statement item "130. Net credit impairment losses/recoveries".
For further details, see the information reported in these Notes to the financial statements in "Part E - Information on risks and related hedging policies, 1.1 Credit risk, C. Securitisation transactions".

Leases

IFRS 16 defines a lease as a contract, or part of a contract, on the basis of which the lessor grants to the lessee the right to use (ROU, Right Of Use) an identified asset for a certain period of time in exchange for a certain consideration. The key elements for defining whether a contract, or part of it, comes under the definition of a lease are the fact that the asset is identified, and that the lessee has the right to control the use of the same and to receive substantially all its economic benefits.

Accounting in the lessee's financial statements

If the Group acts in the capacity of lessee, the IFRS 16 accounting model provides for recognition in the balance sheet of a liability on the basis of the present value of the future instalments to be paid for the contractual term as a balancing entry to the recognition, among the assets, of the right of use of the asset covered by the lease contract.

In detail, the date of initial recognition of the asset and the liability in the company's balance sheet corresponds to the start date of the contract, that is the date on which the asset is made available to the lessee.
At this date the lessee recognises:

- under item "90. Property, plant and equipment", the right-of-use asset, determined by the sum of the following amounts:
  - present value of the future payments (amount of the liability recognised);
  - initial direct costs, understood as incremental costs for obtaining the lease that would not otherwise have been incurred (for example brokerage commissions for agents and success fees);
  - lease payments paid on or before the commencement of the lease (for example, a maxi-instalment);
  - estimate of any costs for removal and reinstatement, recognised in accordance with IAS 37;
  - net of any lease incentives received from the lessor;
- under item "10. Financial liabilities at amortised cost", the financial liability, equal to the present value of the payments due for the lease. The discount rate used is equal to the incremental borrowing rate as at the date on which the contract is signed, which coincides with that used for management purposes (Internal Transfer Rate - "ITR" - of the funding). This rate, which expresses the average cost of both secured and unsecured funding of the Group projected in the time bracket in which the due date of the contract falls, takes into account the credit rating of the lessee, the lease term, as well as the economic environment in which the transaction takes place, in line with the requirements of IFRS 16.

In identifying a lease contract, unless provided for otherwise, Banco BPM Group avails itself of the option granted by IFRS 16 not to consider:

- short-term leases, i.e. those with a maturity of less than or equal to 12 months; this choice must be made by classes of underlying assets;
- leases of low value assets, i.e. with a value when new of less than 5,000 euro. For this category (which includes, among other things, PCs, monitors and telephones), the option of exemption from IFRS 16 can also be carried out contract by contract.

The costs of the fees relating to these types of assets are charged directly to the income statement under item "190. Administrative expenses: b) Other administrative expenses" at the time of accrual.

In addition, the Group has opted not to apply IFRS 16 to leases of intangible assets.

With reference to the lease term, in addition to the period that cannot be cancelled, during which the Group cannot avoid paying charges, extension options were considered if their exercise by the Group was held to be reasonably certain, considering all facts and circumstances. More specifically, with reference to contracts envisaging the faculty of the lessee to renew the lease at the end of the first period, the Group considers the initial term of the rental contract (for example 12 years for 6 + 6 year rental contracts) and, once this term has ended, the following first renewal period (for example the next 6 years), where there is no reasonable evidence that may lead to another renewal period or, vice versa, the end of the contract. In addition, it is assumed that the lease contract is renewed in the subsequent period if in the 12 months before expiry of the first period or of the subsequent renewal the lessee has not given notice to the lessor.
After recognition:

- the right-of-use asset must be measured at cost on the basis of IAS 16 and subject to depreciation and any impairment, in accordance with IAS 36, for the term of the contract or the useful life of the asset. These income components are recognised under item "210. Depreciation and impairment losses on property, plant and equipment";
- the liability is measured at amortised cost, or it is increased following the accrual of the interest payable, calculated at the incremental borrowing rate on the date of stipulation, as indicated above, and gradually reduced as a result of payment of the instalments (principal and interest portions).

In the event of changes in the payments due for the lease, the liability must be redetermined, on the basis of adjusted instalments and of the incremental borrowing rate on the date of the adjustment, as a balancing entry to the right-of-use asset. The change may result in the recognition of a separate lease (if the subject of the contract in force increases) or a change to the existing contract (lease modification). In the event of a lease modification, the change in the lease payable on the date of effectiveness of the modification, recognised as a balancing entry to the right of use, with the exception of the gains and losses resulting from the (partial or total) derecognition of the lease, which are included in the income statement, under the same item in which the depreciation is recognised.

Accounting in the lessor's financial statements

If the Group acts in the capacity of lessor, the IFRS 16 accounting model envisages that it must be stated whether the assets have been granted under a finance lease or under an operating lease, according to the different accounting treatment applicable to the two types.

More specifically, a lease is classified as finance lease if it transfers substantially all the risks and rewards to the lessee. Finance leases, in practice, are loan contracts with which the lease company purchases an asset, on behalf of the lessee, granting it the right of use.

The accounting in the lessor's financial statements is done with the financial method, through recognition of a loan of an amount equal to the principal of the instalments to be received (plus "up-front" external transaction costs not recovered and minus "up-front" transaction revenues that contribute to the remuneration of the receivable), as if it were a loan operation.
Subsequently, the receivable is measured at amortised cost, equal to the initial recognition value decreased by repayments of principal, decreased/increased by the amortisation - calculated according to the effective interest rate method - of the difference between the amount disbursed and the amount repayable at maturity, typically comparable to the costs/income directly associated with the individual receivable. The receivables are subject to impairment rules. For more details of the rules on accounting for receivables measured at amortised cost please see the contents of paragraph "3 - Financial assets at amortised cost" above.

For operating lease transactions, in the financial statements of the lessor, the owned assets granted under the lease continue to be recognised and the lease payments are recognised in the income statement as revenues. At Group level, the case regards owned properties rented; in this event, said properties continue to be recognised under "Property, plant and equipment held for investment purposes", based on the relative valuation criterion (fair value). In the income statement, income generated by the rental of the above-mentioned assets is included in item "230. Other operating expenses/income".

Off-balance sheet credit exposures - guarantees given and commitments

General off-balance sheet credit exposures are represented by the guarantees issued and by the irrevocable commitments to disburse funds at predetermined terms and conditions entailing the assumption of a credit risk and fall within the scope of the impairment provisions of IFRS 9.

The initial recognition value of guarantees given equals the fair value, which normally corresponds to the amount received on issuing the guarantee.
Subsequently, the guarantees given are measured at the higher of the amount recognised on initial recognition, net of any amortisation charge, and the amount estimated to fulfil the obligation.
To calculate expected losses, the same allocation methods in the three stages of credit risk described in IFRS 9 and already described in paragraphs "3 – Financial assets at amortised cost" and "2 – Financial assets measured at fair value through other comprehensive income", as well as in paragraph "16 – Other information, Methods for determining impairment losses on IFRS 9 financial instruments", are used.

As indicated in paragraph "10 – Provisions for risks and charges", the provisions relating to the write-down of guarantees given and commitments to disburse funds are recognised under balance sheet item "100. Provisions for risks and charges: a) commitments and guarantees given". In accordance with the provisions contained in Circular no. 262 of the Bank of Italy, the balancing entry is the income statement item "200. Net provisions for risks and charges: a) commitments and guarantees given".

Business combinations, goodwill and changes in interest holdings

A business combination represents the transfer of control of an enterprise (or an integrated group of assets and goods, conducted and managed consistently). To this end, control, as illustrated in "Section 3 – Scope of consolidation and methods" of "A.1 – General part" above, is considered transferred when the investor is exposed to variable returns, or holds rights to said returns, resulting from its relationship with the investee company and, at the same time, is able to influence returns by exercising its decision-making power over said entity.

A combination may give rise to an investment relationship between the acquiring Parent Company and the subsidiary acquired. In such circumstances, the acquirer applies standard IFRS 3 "Business combinations" in the consolidated financial statements while in the separate financial statements the shareholding acquired as an interest in the subsidiary is recorded, applying accounting standard IAS 27 "Separate Financial Statements".
A business combination may also envisage the purchase of the net assets of another entity, including any eventual goodwill, or the acquisition of the capital of another entity (mergers, conferrals, business segment acquisitions). A combination of this type does not translate into an investment relationship similar to that between the parent and subsidiary company and therefore in these cases accounting standard IFRS 3 applies also in the separate financial statements of the acquirer.
Business combinations are recognised using the purchase method, which requires: (i) the identification of the acquirer; (ii) the determination of the acquisition date; (iii) the calculation of the cost of the business combination; (iv) the allocation of the purchase price ("Purchase Price Allocation").

Identification of the acquirer

For all business combinations, IFRS 3 requires the identification of an acquirer, identified as the party that obtains control over another entity, meaning the power to establish the financial and operational policies of that entity in order to obtain benefits from its business activities. For business combinations that result in the exchange of shareholdings, the identification of the acquirer must consider factors such as: (i) the number of new ordinary shares with voting rights issued with respect to the total number of ordinary shares with voting rights which will constitute the share capital of the company existing after the combination; (ii) the fair value of the entities that participate in the combination; (iii) the composition of the new corporate bodies; (iv) the entity that issues the new shares.

Determination of the acquisition date

The acquisition must be recognised on the date on which the acquirer effectively obtains control of the business and/or of the assets acquired. When the acquisition is made by means of a single exchange transaction, the date of exchange coincides with the acquisition date, unless the parties agree to a transfer of control before the date of exchange.

Calculation of the cost of the business combination

The price transferred in a business combination equates to the fair value, as of the acquisition date, of the assets transferred, the liabilities incurred and the equity instruments issued by the acquirer in exchange for obtaining control over the entity acquired.
The price which the acquirer transfers in exchange for the entity acquired includes any asset or liability emerging from an agreement on the potential price, to be recorded as of the acquisition date on the basis of the fair value. Changes to the transferred price are possible if they derive from additional information on events or circumstances which existed as of the acquisition date and are recognisable within the business combination measuring period (or rather within twelve months of the date of acquisition, as will be specified further on). Any other change which derives from events or circumstances subsequent to the acquisition, such as for example that acknowledged to the seller linked to achievement of specific income-related performances, must be recognised in the income statement.
The costs relating to the acquisition, which include brokerage commission, advisory, legal, accounting and professional costs, general administrative expenses, are recorded in the income statement at the time they are incurred, with the exception of the costs for issuing shares and debt securities which are recorded on the basis of the matters laid down by IAS 32 and IFRS 9.

Purchase Price Allocation (PPA)

On the basis of the acquisition method, at the acquisition date, the acquirer must allocate the cost of the business combination (the "Purchase Price Allocation" or PPA) to the identifiable assets acquired and the liabilities assumed measured at the relative fair values at that date, also recognising the value of the non-controlling interests of the acquired entity. Exceptions to the application of this principle include the recognition:

- of income taxes;
- of liabilities relating to employee benefits;
- of assets deriving from indemnities;
- of rights reacquired;

- of transactions with share-based payments;
- of assets held for sale

to which the respective reference principles shall apply.

Therefore, it is necessary to draw up a balance sheet of the acquired company at the acquisition date, calculating at fair value the identifiable assets acquired (including any intangible assets not previously recognised by the acquired entity) and the identifiable liabilities assumed (including contingent).
With regard to each business combination, the non-controlling interests can be recorded at fair value or in proportion to the portion held in the identifiable net assets of the company acquired.

In addition, if control is achieved by means of subsequent acquisitions (business combinations carried out in several phases, known as step acquisitions), the shareholding previously held is measured at fair value as of the acquisition date and the difference with respect to the previous book value must be recorded in the income statement on in the other income components of the statement of comprehensive income, as appropriate. More specifically, any change in the value of the shareholding already held recognised as a balancing entry to the valuation reserves must be recognised in the statement of comprehensive income or in the income statement, on the basis of the same treatment that would have been applied in the event of the direct sale of the investment.
At the acquisition date, the acquirer therefore must determine the difference between:

- the sum of:
  - the cost of the business combination;
  - the amount of any non-controlling interests as described above;
  - the fair value of any interest holdings previously held by the acquirer; and
- the fair value of the net identifiable assets acquired, including contingent liabilities.

Any positive difference must be recognised as goodwill; otherwise, the emergence of a negative difference entails recognition in the income statement of the entity resulting from the business combination as profit deriving from a bargain purchase (negative goodwill or badwill), after making a new measurement to ascertain the proper process for identifying all assets acquired and liabilities assumed.

Identification of the fair value of the assets and liabilities may provisionally take place before the end of the year in which the business combination takes place and must be finalised definitively within a maximum period of twelve months as from the acquisition date (measuring period).

Once control has been obtained and the acquisition method previously described applied, any further increase or decrease in the shareholding in a subsidiary company which continues to be controlling is recorded as a transaction between shareholders. Therefore, the book value of group shareholders' equity and non-controlling interests must be adjusted to reflect the changes in the holding in the subsidiary. Any difference between the value for which the non-controlling interests are adjusted and the fair value of the price received or paid must be recorded directly in the group shareholders' equity.
In the presence of an event that results in a loss of control, the effect to be recognised in the income statement is equal to the difference between (i) the sum of the fair value of the price received and of the fair value of the residual shareholding held and (ii) the prior book value of the assets (including goodwill), of the liabilities of the subsidiary, and any non-controlling interests. The amounts previously recognised in the statement of comprehensive income (such as the valuation reserves of financial assets measured at fair value through other comprehensive income) must be recorded in the same way as required in the event that the parent company has directly disposed of the assets and the related liabilities (by means of reclassification in the income statement or shareholders' equity).
The fair value of any shareholding held in the former controlling interest must be considered equal to the fair value at the time of initial recognition of a financial asset on the basis of IFRS 9 or, if appropriate, equal to the cost at the time of initial recognition in an associated company or a jointly-controlled entity.

Business Combinations Under Common Control

Transactions achieved for reorganisation purposes, between two or more businesses or corporate assets forming part of the Group, are not considered to be business combinations. These transactions (business combinations under common control) are excluded from the scope of application of IFRS 3 and, in the absence of a reference standard, are accounted for with reference to Assirevi's preliminary interpretative documents/guidelines, or in continuity of the

values of the entity acquired in the financial statements of the acquirer, if they do not have a significant influence on future cash flows. In particular, the values adopted are those resulting from the Group's consolidated financial statements at the date of transfer of the assets. This is in compliance with the matters established by IAS 8 paragraph 10, which requires, in the absence of a specific standard, the use of one's own judgement when applying an accounting standard for the purpose of providing relevant, reliable, prudent disclosure which reflects the economic essence of the transaction.

Methods for determining impairment losses on IFRS 9 Financial Instruments

At each annual or interim reporting date, loans and debt securities classified under "Financial assets at amortised cost" and "Financial assets measured at fair value through other comprehensive income" - as well as off-balance sheet exposures represented by commitments to disburse funds and the guarantees given - must be subject to impairment in order to estimate expected losses in value due to credit risk ("ECL - Expected Credit Losses").

General features of the impairment model

According to the Expected Credit Losses calculation model, losses must be recorded not only with reference to objective evidence of impairment losses that had already occurred at the valuation date, but also on the basis of expectations of future impairment that has not yet occurred.
In particular, the ECL model states that the aforementioned instruments must be classified into three distinct stages, according to their absolute or relative credit quality or compared to the initial disbursement, to which different criteria correspond for measuring the expected losses. Specifically:

- Stage 1 includes both originated and acquired performing financial assets that display no significant deterioration in credit risk (SICR - Significant Increase in Credit Risk) with respect to the initial recognition date;
- Stage 2 includes performing financial assets with significant deterioration in credit risk (SICR) on the valuation date compared to the initial recognition, albeit not impaired;
- Stage 3 includes all exposures for which one or more events capable of negatively impacting cash flows are found (evidence of impairment), namely exposures that are considered non-performing.

For Stage 1 exposures, the expected credit loss is accounted for, on the date of initial recognition and on each subsequent reporting date, for up to one year; for Stage 2 and 3 exposures, expected credit losses are recognised over the entire residual lifetime of the instrument.
An exception to the foregoing is represented by financial assets that are considered non-performing from the time of their acquisition or origin (POCI - Purchased or Originated Credit Impaired). Please refer to the paragraph "Acquired or originated impaired financial assets" for more information on this.

For Banco BPM Group, the scope of the exposures classified in Stage 3 corresponds to that of non-performing loans, identified in accordance with the definitions established by the supervisory provisions in force (Bank of Italy Circular no. 272 "Matrix of accounts") and referred to by Bank of Italy Circular no. 262 "Bank financial statements: layouts and rules for preparation", insofar as retained consistent with IAS/IFRS standards in terms of objective evidence of impairment. Specifically, the circulars identify the following categories of non-performing assets:

- Bad Loans: these represent the set of on and off-balance sheet exposures with respect to a party in a state of insolvency (even if not ascertained in court) or in substantially equivalent situations, irrespective of any loss forecasts developed by the Bank;
- Unlikely to Pay: these represent on and off-balance sheet exposures for which the conditions are not met for the classification of the debtor under bad loans and for which it is deemed unlikely that the debtor will meet its credit obligations (for principal and/or interest) in full without recourse to actions such as the enforcement of guarantees. This assessment is carried out irrespective of the presence of any amounts (or instalments) past due and unpaid. Classification as unlikely to pay is not necessarily linked to the explicit presence of anomalies, such as non-repayment, but it is linked to the existence of elements indicative of a situation of risk of default by the debtor (for example, a crisis in the industrial sector in which the debtor operates);
- Non-performing past due and/or overdue exposures: on-balance sheet exposures, other than those classified as bad or unlikely to pay loans which, at the reference date, have a past due and/or overdue position for more than 90 days, in accordance with the thresholds of significance provided for by law. For Banco BPM Group, non-performing past due and/or overdue exposures are determined by making reference to the position of the individual debtor.

In addition, in line with EBA standards, Bank of Italy regulations have introduced the definition of "forborne exposures". In particular, these are exposures benefiting from forbearance measures, which consist of concessions, in terms of changes to and/or the refinancing of an existing loan, granted only to debtors in financial difficulty, or to prevent the financial difficulty of the same, which could have a negative effect on his ability to fulfil his original contractual obligations. They are not granted to a debtor with the same risk profile but who is not in financial difficulty. These forbearance measures must be identified in terms of individual credit lines and may regard the exposures of debtors classified both as performing and non-performing.
For exposures with forbearance measures classified as unlikely to pay, the return to performing exposures, and in particular in Stage 2 exposures, can occur only after one year has elapsed since it was granted (the probation period) and all the other conditions laid out in paragraph 157 of the EBA's ITS are met.
In any event, renegotiated exposures must not be considered forborne when the debtor is not in a situation of financial difficulty: these are renegotiations granted for commercial reasons.

Impairment losses on performing financial instruments

Regarding performing financial assets, i.e. those assets not considered impaired, as defined above, it is necessary to assess, at each reporting date and at the individual relationship level, the existence of a significant increase in credit risk (SICR – "Significant Increase in Credit Risk") by comparing the credit risk associated with the financial instrument at the time of valuation and at the time of initial disbursement or acquisition. This comparison is made on the basis of quantitative and qualitative criteria. More specifically, in order to identify the existence of a significant deterioration in credit quality and the subsequent transfer of the financial instrument from Stage 1 to Stage 2, Banco BPM Group has identified the following criteria (Stage Assignment):

- relative quantitative criteria, based on statistical observations or on changes in the PD beyond a specific threshold considered as a backstop indicator, retained an indication of a significant increase of credit risk over time;
- absolute qualitative criteria, represented by the identification of trigger events or by the surpassing of absolute thresholds as part of the credit monitoring process;
- backstop indicators, namely credit delinquency factors, the emergence of which leads to the assumption that there has been a significant increase of credit risk, unless there is evidence to the contrary.

If these criteria are met, the financial asset is included in Stage 2 and the consequent measurement, even in the absence of an established impairment loss, involves the recognition of value adjustments equal to the expected losses over the entire residual life of the financial instrument, in line with the provisions of international accounting standards. These adjustments are subject to review at each subsequent reporting date, both to periodically verify their consistency with the constantly updated loss estimates and to take into account - in the event that the indicators of a "significantly increased" credit risk no longer exist - the changed forecast horizon used to calculate the expected loss.
Otherwise, where the above-mentioned indicators are not disclosed, the financial asset is included in Stage 1 and the consequent valuation involves the recognition of expected losses, for the specific financial instrument, over the course of the following twelve months.
These adjustments are subject to review at each subsequent reporting date, both to periodically verify their consistency with the constantly updated loss estimates and to take into account - in the event that the indicators of a "significantly increased" credit risk should emerge - the changed forecast horizon used to calculate the expected loss.

Once the allocation to the various stages of credit risk has been defined, the expected credit losses (ECL) are determined by assigning the following risk parameters to each individual transaction or tranche:

- PD (Probability of Default): represents the probability that a performing exposure can move to impaired status over the course of one year. This factor is quantified using internal exposure rating models or on the basis of average segment/portfolio data;
- LGD (Loss Given Default): the percentage of loss in the event of default, quantified on the basis of historical experience of recoveries discounted on the basis of impaired accounts;
- EAD (Exposure at Default): the exposure at the moment of default.

Value adjustments for expected losses are then quantified as a product of PD, LGD and EAD.
The models used to estimate these parameters employ the same parameters used for regulatory purposes, making specific adjustments to account for the different requirements and purposes between accounting and prudential regulations.

For more details on the model for determining expected losses on performing exposures, with specific reference to the criteria of stage assignment, to the calculation methods for risk parameters, to the forecast macroeconomic scenarios and to the related probabilities of occurrence, refer to that illustrated in paragraph "2.3 Measurement methods for expected losses" contained in Part E of these Notes to the financial statements, in the section on credit risk.

Impairment losses on non-performing financial instruments

As illustrated above, for non-performing financial assets, to which a 100% probability of default is associated, the amount of adjustments for expected losses relating to each loan is equal to the difference between its book value in the annual or interim financial statements at the time of valuation (amortised cost) and the present value of expected future cash flows, calculated by using the original effective interest rate or a reasonable approximation if the original rate is not directly available. Cash flows are estimated on the basis of expected recovery over the entire lifetime of the asset, after taking into account the estimated realisable value of any guarantees.
To estimate the expected cash flows collected and the related time frames, the receivables in question undergo an analytical evaluation process.
In more detail, the recovery value is determined using a going concern approach rather than a gone concern approach, selected according to the non-performing status and the type of exposure.
The going concern approach is implemented if it is considered that the debtor's operating activity may continue to generate, in the foreseeable future, cash flows to be used for the payment of financial debts to all creditors, based on expected repayment schedules. The approach in question establishes, as a source of repayment, the profitability available deriving from the customer's operating activity or from other financial sources, as well as the estimated amount deriving from the enforcement of any collateral or personal guarantees (for the portion not covered by the available profitability). The available profitability assessment must be carried out prudentially using different analyses, depending on the type of customer and the data acquired by it.

The gone concern approach is used when the customer's operating activity is found or is expected to cease and the main source of repayment is the amount deriving from the enforcement of collateral (pledge or mortgage), as is the case for all exposures classified as non-performing. In addition, possible repayment flows from seizable assets owned by the debtor or any guarantor must be evaluated.

For some similar categories of non-performing loans, as better defined below, the assessment processes establish that the loss forecasts are based on a "lump-sum" calculation method, to be applied analytically to each individual position. As at 31 December 2025, in line with 31 December 2024, the scope of exposures subject to a lump-sum valuation process is represented by bad loans, unlikely to pay and non-performing past due, which have a gross exposure lower than or equal to a materiality threshold established at 1 million (hereinafter also "below-threshold" scope).
For the aforementioned scope, the "lump-sum" model for estimating losses ("automated gone" model) had highlighted some weaknesses that had required the activation, starting from the 2024 financial year, of a post-model adjustment, defined in the laboratory, in order to replicate the results of the ELBE (Expected Loss Best Estimate) regulatory model duly adapted to IFRS 9 requirements, on the basis of an appropriate scaling factor, pending full development of the methodology.
During the first half of 2025, a specific project was therefore launched to strengthen the overall reference framework for calculating the ELBE accounting loss, also in order to comprehensively address the observations made by the Supervisory Authority and the internal control functions compared to the previous "automated gone" model.
Starting from 30 June 2025, a new lump-sum calculation model was therefore defined, entitled "accounting ELBE", the main characteristics of which are summarised below:

- it introduces into the estimate the use of the "single span", i.e. the loss rate is quantified from entry to default until the closure of the cycle;
- it specialises the losses (LGD ELBE) based on the reference vintage of the case to be assessed;
- it integrates the effects of current conditions (point in time), taking as a reference the last five historical years of default closures;
- it factors in forward-looking effects, by applying satellite LGD default models, assuming the same reference macroeconomic scenarios for the quantification of expected losses on performing exposures;
- it considers effects related to the potential losses of the disposals;
- it takes into account the recovery times, by discounting the flows deemed recoverable.

In the new accounting ELBE measurement framework, the effect of the disposals is quantified considering both the "ELBE work out" value, determined by assuming the recovery through internal activities, and the "ELBE disposals" value, calculated by assuming the recovery of the scope of disposals alone.
In greater detail, the aforementioned values are weighted according to the probability that the impaired position is subject to a sale transaction ("Probability Of Disposal" or PoD).
As at 31 December 2025, the aforementioned PoD parameter is quantified by combining the historical probability of disposal, estimated on the basis of the disposal rate observed over the last three years, with the forward-looking probability, based on the forecasts of the three-year disposal plan approved by the Board of Directors.
This model represents an evolution of the methodology used until 31 December 2024, based exclusively on a multi-scenario approach derived from future disposal targets.
Based on the above, compared to the methodology used until 2024, the new accounting ELBE model is able to anticipate the effect of disposals, based on historical observations, even if the Group's plans do not envisage any disposals in the short-term or the target of the disposals envisaged in the plan should be exhausted.
In line with the methodology choice of "below-threshold" receivables to incorporate the effect of historical disposals, thus marking an evolution of the previous multi-scenario model based solely on the forecasts of the plan, starting from June 2025 a similar framework was also introduced for above-threshold loans, i.e. for non-performing loans with an exposure of more than 1 million but less than 3 million.
For non-performing exposures of more than 3 million, no correction factor is envisaged for the disposals, as these positions will not be reasonably included in the portfolios of mass disposals, but will be managed through internal workouts or single-name disposals.

From a prudential perspective, for all non-performing exposures, in the event of identification of a portfolio likely to be assigned — "planned sales" cluster — the value of the forward-looking probability of disposal, to balance with the historical one, is set at 85%.
Lastly, it is important to specify that the methodology illustrated above is not applicable to any loans which, at the date of preparation of the financial statements, are already identified in detail as held for sale, which satisfy the conditions set out by IFRS 5 to be classified in the portfolio of assets held for sale. Those loans are measured considering only the disposal scenario, assigned a probability of 100% and using as reference the sale prices or information contained in the agreements finalised with the counterparties (binding offers).

Acquired or originated impaired financial assets

If, at the time of initial recognition, a credit exposure classified under items "30. Financial assets measured at fair value through other comprehensive income" or "40. Financial assets at amortised cost" is classified as non-performing, the same is classified as "POCI - Purchased or Originated Credit Impaired".
An asset is deemed non-performing at the time of initial recognition when the credit risk is extremely high and, in the case of acquisition, the price has been paid with significant discounts compared to the residual contractual debt. These assets are initially classified as Stage 3, but may be reclassified as Stage 2, therefore an expected credit loss will be recognised with the impairment model based on the lifetime ECL. It should be noted that, regardless of the stage in which they are recorded, these financial assets are represented separately with respect to the three stages of credit risk.
Regarding the criteria for initial recognition, measurement and derecognition, please refer to the information given for the asset items under which they can be classified, except as specified below, concerning the methods adopted to measure the amortised cost and impairment.
Specifically, the amortised cost and, consequently, interest income are calculated considering the credit-adjusted effective interest rate. With regard to calculating the credit-adjusted effective interest rate, the credit adjustment consists of considering the estimate of future cash flows, including the credit losses expected over the entire residual lifetime of the asset.
Additionally, the assets in question also entail special treatment with regard to the impairment process, as they are always subject to the calculation of the loss expected over the lifetime of the financial instrument. Therefore, subsequent to initial recognition, the loss or gain deriving from any change in the losses expected throughout the entire lifetime of the credit, compared to initial losses must be recorded in the income statement. Thus, it is not possible for the expected credit losses to be calculated on the basis of one year.

For Banco BPM Group, the only case attributable to the POCI is that arising from business combinations; beyond said circumstance, Banco BPM Group has not purchased or originated any exposure considered non-performing.

With reference to the non-performing loans acquired as part of the business combination with the former Banca Popolare di Milano Group, it should be noted that compliance with the accounting treatment described above was achieved substantially through the recognition in interest income, *pro-rata temporis*, of the reversal effect of the lower values attributed to the non-performing loans at the time of Purchase Price Allocation. This approach is considered a reasonable approximation of the credit-adjusted effective interest rate, since the contractual interest rate is, in fact, supplemented by the higher yield deriving from the lower value attributed to the acquired receivables.

Renegotiations

If a financial asset is renegotiated (i.e. when the original contractual conditions are amended by the parties), it must be verified whether the financial asset should continue to be recorded in the financial statements, or if this is not the case, the original financial asset should be derecognised and a new financial instrument recognised.
To this end, it must be assessed whether the changes to the contractual terms of the renegotiation are substantial or not.
If the changes are substantial, the entity must derecognise the financial instrument that is subject to change and proceed to recognise a new financial asset on the basis of the new contractual provisions, either where the renegotiation is formalised through the signing of a new contract or where the renegotiation entails amendment to an existing contract.
In particular, substantial renegotiations are those which:

- introduce specific objective elements which affect the characteristics and/or cash flows of the financial instrument (such as a change in the currency of denomination, a change in the counterparty not belonging to the same group as the original debtor, the introduction of indexing to equity or commodity parameters, the introduction of the option to convert the receivable into equity instruments/participating financial instruments/other non-financial assets, the provision of "pay if you can" clauses, which allow the debtor the utmost freedom in repaying the loan in terms of timing and amount) considering the significant impact expected on the original cash flows; or
- are carried out for customers that are not in financial difficulty, with the objective of adjusting the cost of the contract to the current market conditions.

In the latter case, it must be specified that if the Group does not grant a renegotiation of the contractual conditions, the customer would be able to obtain financing from another intermediary with the consequent loss for the Group of the revenue flows envisaged by the renegotiated contract. In other words, in the event of a commercial renegotiation, no loss should be recognised in the Group's income statement as a result of the realignment to the best current market conditions for its customers.
Otherwise, i.e. in the presence of non-substantial changes, the renegotiated exposures will not be derecognised. Non-substantial renegotiations include modifications granted to counterparties in financial difficulty (granting of forbearance measures) relating to the Group's attempt to maximise the recovery of the original exposure, the risks and rewards of which, however, continue to be retained by the Group. This does not apply to modifications that introduce substantial objective elements into the contract that could result in the derecognition of the financial asset, as described above.
With regard to financial assets at amortised cost, in the event of non-substantial renegotiations relating to financial difficulties of the debtor, the gross value is restated by calculating the present value of the cash flows resulting from the renegotiation, based on the original rate of exposure existing before the renegotiation. The difference between this gross value, as determined above, and the greatest gross book value prior to the change is recognised in the income statement, under item "140. Gains (losses) from contractual modification without derecognition" (modification accounting). For non-performing exposures, any renegotiation measures represented by write-offs of the gross exposure are recognised in the income statement item "130. Net credit impairment losses/recoveries".

Financial liabilities designated at fair value

For Banco BPM Group, financial liabilities designated at fair value relate to certain bond and certificate issues, as illustrated in more detail below, with specific reference to the requirements stated by IFRS 9 for classification in the portfolio of liabilities in question.

Bond issues

To obtain funding, the Parent Company issues different types of bonds, both at a fixed rate and structured types (index-linked to share components, to exchange rates, to interest rate structures, inflation rates or similar indices).

For the aforementioned loans, the use of the fair value option is justified by the fact that they are hybrid instruments containing embedded derivatives, able to significantly change the cash flows of the host instrument (such as, for example, equity-linked issues) or to eliminate or reduce the accounting mismatch that would be created between the valuation of the loans in question and the relative operational hedging derivatives.
In this regard, it should be noted that the risks resulting from the above-mentioned issues may be hedged, as part of overall market risk management, by means of entering into derivative contracts.
From an accounting perspective, some of these contracts are designated as hedges according to the rules of Hedge Accounting, and in particular of the "fair value hedge", as illustrated in paragraph "4 - Hedging transactions".
Conversely, for other contracts, whose hedging is not qualified according to hedge accounting rules, asymmetric accounting would be created, between the financial liability and the hedging transaction, resulting from the different measurement criteria applied to the bond issue - measured at amortised cost - and to the operational hedge derivative instrument - measured at fair value. The Group overcomes this asymmetry by designating bond issues subject to operational hedging at fair value. In addition to simplifying the administrative and accounting management of hedges, with specific reference to structured issues, the adoption of the Fair Value Option instead of Hedge Accounting is closely linked to the actual methods the Group uses to carry out its hedging policies, by managing its market exposure globally and not through a discrete relation with the bond issued.
Unlike Hedge Accounting, whose accounting rules require that only fair value changes attributable to the hedged risk be recognised on hedged instruments, the Fair Value Option requires the recognition of all fair value changes, irrespective of the hedged risk factor.

With regard to recognition criteria for the balance sheet and income statement components of the bond issues and of the related operational hedging derivatives, note that:

- derivatives related to financial liabilities measured at fair value are classified under asset item "20. Financial assets at fair value through profit and loss: a) Financial assets held for trading" or under liability item "20. Financial liabilities held for trading". The related economic, valuation and realisation effects are recognised in income statement item "80. Net trading income";
- the spreads and margins accrued on derivatives up to the valuation date are shown, based on the balance, under item "10. Interest and similar income" or under item "20. Interest and similar expense", in line with the amounts recorded on the bonds subject to operational hedging;
- the profits and losses resulting from the disposal or valuation of bonds issued under the Fair Value Option are recognised under the income statement item "110. Net gains (losses) from other financial assets and liabilities measured at fair value through profit and loss: a) financial assets and liabilities designated at fair value", with the exception of valuation and realisation effects correlated with the change in own credit risk, which are recognised as a balancing entry to a specific equity reserve (item "120. Valuation reserves"), as described in more detail in paragraph "13 - Financial liabilities designated at fair value".

Issues of certificates

Certificates are securitised derivative instruments traded on multilateral trading systems, which replicate, with or without leverage, the performance of the underlying asset(s). These products may include protection for the amount subscribed by the customer or a portion of the same, unconditional with respect to the trend in the financial parameters to which they are indexed. From a substantial perspective, certificates can be defined as combinations of strategies of derivative instruments or of underlying financial assets and derivatives, thanks to which financial instruments can be generated, which have their own characteristics, substantially different to those of the assets they originated from. More specifically, certificates can be classified as the following two types of instrument:

- "certificates with unconditional capital protection": these are products that envisage an unconditional guarantee exceeding 50% of the capital initially invested. For accounting purposes, these instruments are considered "structured securities", given the predominance of the guaranteed component with respect to the variable one, determined by the performance of the certificate's underlying asset. Based on the way in which the products in question are managed, the eligible accounting portfolios are those of "Financial liabilities designated at fair value", or "Financial liabilities held for trading" if actively managed as part of an overall trading portfolio held to make a short-term profit, as illustrated below;
- "other certificates": these are products without any protection, with conditional protection, or with unconditional protection equal to or less than 50% of the initial capital. For these products, the value depends exclusively or prevalently on the performance of the parameter to which they are indexed. For this reason, they are classified as "derivative financial instruments", and in particular among the options issued. For these instruments, the only eligible accounting portfolio is that of "Financial liabilities held for trading".

In light of the above, certificates classified in the accounting portfolio of "Financial liabilities designated at fair value" are those with unconditional capital protection, issued by the Parent Company from June 2020, mainly for funding purposes. The above classification is due to the presence of embedded derivatives which, in the absence of the fair value option, should be separated from the host instrument, as able to significantly alter the contractual cash flows. In this case, the fair value measurement of the entire contract, namely of the entire certificate, would be less onerous than the separate valuation of the host instrument and of the related embedded derivatives.
In addition, said classification would enable a "natural hedge" to be pursued with respect to operational hedging derivatives which are stipulated according to a "mass" approach, with the aim of hedging the entire exposure.
With regard to recognition criteria for balance sheet and income statement components of certificates, recognised under item "30. Financial liabilities designated at fair value" and related management hedging instruments, it should be noted that:

- the entire margin resulting from the issues in question is included in item "110. Net gains (losses) from other financial assets and liabilities measured at fair value through profit and loss: a) financial assets and liabilities designated at fair value". Said item also includes the valuation effects related to the fair value measurement - consequent to the change in the market parameters to which the certificate is indexed, with the exception of changes in own credit risk - as well as the spreads paid to customers, periodically or at maturity. The effects resulting from changes in own credit risk are recognised as a balancing entry of a specific equity reserve (item "120. Valuation reserves"), as described in more detail in paragraph "13 - Financial liabilities designated at fair value";
- derivatives related to financial liabilities measured at fair value are classified under asset item "20. Financial assets at fair value through profit and loss: a) Financial assets held for trading" or under liability item "20. Financial liabilities held for trading". The valuation losses and gains, as well as the effects realised including any spreads collected and paid are recognised in income statement item "80. Net trading income".

Certificates with unconditional capital protection classified in the accounting portfolio of financial liabilities held for trading, refer to the issues carried out until June 2020 by the subsidiary Banca Akros as part of its Investment Banking activities. This classification was also maintained following the demerger of the Global Market business unit of Banca Akros to the benefit of the Parent Company, which took place on 1 January 2024, also taking into account that IFRS 9 does not allow for any reclassification of financial liabilities.

Fair value and procedure to calculate the effects relating to its own credit risk

For the bond and certificate issues in question, fair value is measured first by referring to prices observable in markets considered active, such as regulated markets, electronic trading networks (e.g. Bloomberg) or organised trading systems or equivalent.
Lacking prices observable in active markets, the measurement is based on the prices of recent transactions on the same instrument in non-active markets rather than on valuation techniques based on a cash flow discounting model, which must consider all factors considered significant by market participants in determining a hypothetical trade.
In particular, to determine credit risk, the spreads implicit in the comparable issues of the same issuer obtained on active markets are used rather than the curve of the credit default swaps in the name of Banco BPM with an equal degree of subordination as the security subject to the assessment.
For further details on how fair value is determined, please refer to that described in detail in the specific section in part "A.4 – Fair value disclosure".
The impact resulting from the change in own credit risk, between the issue date and the valuation date, is quantified by calculating the difference between the fair value obtained, considering all risk factors to which the issue is exposed, including credit risk, and the fair value obtained considering the same factors, with the exclusion of the change in credit risk arising during the period. For an illustration of the cumulative effects relating to a change in the credit risk of the Group of the issues in question, please refer to the content of "Section 3 - Financial liabilities designated at fair value - Item 30" in "Part B – Information on the consolidated balance sheet" of these Notes to the financial statements.
The same methodology was applied to determine the effects resulting from a change in own credit risk for certificates classified in the accounting portfolio of "Financial liabilities held for trading"; for quantitative information relating to the above-cited effects, please refer to the content of "Section 2 - Financial liabilities held for trading - Item 20" in "Part B – Information on the consolidated balance sheet" of these Notes to the financial statements.

A.3 - DISCLOSURE ON TRANSFERS BETWEEN PORTFOLIOS OF FINANCIAL ASSETS

At the reporting date, there were no transfers between portfolios of financial assets that required the disclosure set out by IFRS 7.
In this regard, it should be noted that, during the 2025 financial year, as in the previous ones, there was no change in Banco BPM Group's business model, i.e. the way in which the Group manages financial instruments.

A.4 - FAIR VALUE DISCLOSURE

QUALITATIVE INFORMATION

Fair value is defined as the price that would be received for the sale of an asset or paid to transfer a liability in an orderly transaction between market participants, at the current conditions on the measurement date in the main market or in the most advantageous market (exit price). Underlying the fair value measurement is the assumption that the entity is a going concern, namely that it is in a fully operational situation and that it does not intend to liquidate or significantly reduce its operations or undertake transactions at unfavourable conditions. Fair value is not therefore the amount that the entity would receive or pay in the event of forced transactions or sales below cost.

Fair value is a market valuation approach not specifically referring to estimates concerning possible future cash flows developed by the individual entity; indeed, fair value must be determined by adopting the assumptions that market participants would use in determining the price of assets and liabilities, presuming that they are acting in their own best economic interest.
To measure the fair value of financial and non-financial assets and liabilities, IFRS 13 establishes a three-level fair value hierarchy, based on the source and the quality of the inputs used:

- **Level 1**: the inputs are represented by listed prices (unadjusted) on active markets for identical assets and liabilities;
- **Level 2**: the inputs are represented by:
  - prices listed on active markets for similar assets and liabilities;
  - prices listed on non-active markets for identical or similar assets and liabilities;
  - parameters observable on the market or corroborated by market data (e.g. interest rates, credit spreads, implicit volatility, exchange rates) and used in the valuation technique;
- **Level 3**: the inputs used are not observable on the market.

For financial instruments, measured in the financial statements at fair value, the Group has implemented a "Fair Value Policy" that assigns the highest priority to prices listed on active markets (level 1) and the lowest priority to the use of unobservable inputs (level 3), as more discretionary, in line with the above-illustrated fair value hierarchy. More specifically, this policy establishes:

- the rules for identifying market data, the selection/hierarchy of the sources of information and the price configurations needed to measure the financial instruments listed on active markets and classified as level 1 of the fair value hierarchy ("Mark to Market Policy");
- the valuation techniques and the relative input parameters in all cases in which the Mark to Market Policy cannot be adopted ("Mark to Model Policy").

Mark to Market

To measure the fair value, the Group uses, whenever available, information based on market data obtained from independent sources, as considered the best evidence of the fair value. In this case, the fair value is the market price of the same instrument being measured, namely without changes or reorganisations of the same instrument, inferable from the prices listed on an active market (classified as level 1 of the fair value hierarchy). A market is considered active when the list prices express actual and regular market transactions and are readily and regularly available through stock markets, brokers, intermediaries, sector companies, listing services or authorised entities.

Mark to Model

If the "Mark to Market Policy" is not applicable, due to the absence of prices directly observable in markets considered active, valuation techniques must be adopted that maximise the use of information available on the market, based on the following valuation approaches:

- Comparable Approach: in this case, the instrument's fair value is derived from the prices observed in recent transactions on similar instruments in active markets, suitably adjusted to take into account differences in the instruments and in the market conditions, rather than from the prices of recent transactions on the same instrument as that subject to valuation not listed in active markets;
- Model Valuation: if there are no transaction prices observable for the instrument to be measured or for similar instruments, a valuation model needs to be adopted; this model must be of proven reliability in estimating the hypothetical "operating" prices and therefore must be widely acknowledged by market operators.

The classification as level 2 rather than level 3 is established on the basis of the market observability of the significant inputs used to determine the fair value. A financial instrument must be classified in its entirety at a single level; therefore, if inputs belonging to different levels are used in the valuation technique, the entire valuation must be classified in correspondence with the level of the hierarchy at which the lowest level input is classified, when deemed significant to the calculation of the fair value as a whole.

The following types of investment are considered level 2:

- financial instruments represented by OTC derivatives and by repurchase agreements on debt securities ("Bond Repo") when the inputs of the pricing models used to calculate the fair value, are observable in the market or, if not observable, are deemed that they do not significantly influence the fair value measurement;
- equity instruments not listed on active markets, measured using the market multiples technique, referring to a selected sample of comparable companies with respect to the subject of the valuation, or measured on the basis of the effective transactions made in a period of time reasonably close to the reference date;
- debt securities of third parties or own issues, not listed on active markets, for which the inputs, including the credit spreads, are taken from market sources;
- UCIT units, not listed on active markets, characterised by significant levels of transparency and liquidity. The above-mentioned units are valued on the basis of the NAV provided by the management company/fund administrator.

As a rule, the following financial instruments are considered level 3:

- hedge funds characterised by significant levels of illiquidity, and for which the process to evaluate the assets of the fund requires a considerable amount of assumptions and estimates. The fair value measurement is made on the basis of the NAV. Said NAV may be appropriately corrected to take the poor liquidability of the investment into account, namely the period of time between the repayment request date and the effective repayment date, as well as to take any exit commissions of the investment into account;
- real estate funds characterised by significant levels of illiquidity and valued on the basis of the last available NAV;
- private equity, private debt and similar funds, measured on the basis of the last available NAV, possibly adjusted to take into account events not included in the valuation of the price or to reflect a different valuation of the assets underlying the fund in question rather than on the valuation technique of the Discounted Cash Flow, based on an estimate of the distributable cash flows from the fund;
- illiquid shares for which no recent or comparable transactions are observable, usually measured on the basis of the equity model;
- debt securities characterised by complex financial structures for which sources that are not publicly available are usually used. These are non-binding prices and are also not corroborated by market data;
- debt securities issued by parties in financial difficulty, for which the management has to use its own judgement to establish the "recovery rate", as no significant prices can be observed on the market;
- financial instruments represented by OTC derivatives, for which the non-observable input parameters used by the pricing model are deemed significant in order to measure the fair value;
- medium-long-term loans (performing and non-performing) valued on the basis of the expected cash flows determined using models that vary according to the status of the counterparty, and discounted at an interest rate considered representative from the perspective of the potential buyer.

For information on the fair value of non-financial assets attributable to the property, plant and equipment represented by property and works of art, refer to that set out in the following section.

A.4.1 Fair value levels 2 and 3: valuation techniques and input used

Financial assets and liabilities measured at fair value on a recurring basis

Financial assets and liabilities measured at fair value on a recurring basis, are represented by all financial instruments measured at fair value in the financial statements (items 20, 30, 50 of balance sheet assets and items 20, 30, 40 of balance sheet liabilities). For these financial instruments, in the absence of prices directly observable in active markets, the fair value must be determined using the "Comparable Approach" or the "Model Valuation" approach, as described in the previous paragraph. A description is provided below of the main valuation techniques adopted for each type of financial instrument.

Debt securities

These are measured by discounting expected cash flows (Discounted Cash Flow Method), suitably adjusted to account for issuer risk. The sources of information used to determine the spread deemed expressive of issuer risk are, in hierarchical order: i) the cash credit spread curve drawn from the prices of securities of the same issuer, characterised by the same seniority and currency, listed on markets considered active; (ii) the "Credit Default Swap" curve of the issuer with an equal seniority; (iii) the credit spread curve of debt securities listed in active markets relating to comparable issuers; (iv) the rating/sector cash credit spread curves; (v) the sector credit default swap curve.

Loans that do not pass the SPPI test

These are loans that are mandatorily measured at fair value, since the contractual cash flows do not exclusively envisage repayment of the principal and payment of interest on the principal to be repaid (i.e. they do not pass the SPPI test), either because of clauses originally established in the contract or subsequent amendments.

The techniques used to determine fair value are illustrated below:

- for loans that do not pass the SPPI test due to the presence of contractual clauses originally provided for in the contract, the fair value is determined on the basis of cash flows, suitably adjusted for expected losses, based on PD and LGD parameters. These flows are then discounted using a market interest rate, adjusted to take account of a premium considered to express risks and uncertainties. In the presence of implicit optional components, such as the possibility of changing the interest rate, the fair value also takes into account the valuation of these components;
- for loans that do not pass the SPPI test as a result of contractual changes due to restructuring agreements (these are in the form of forborne exposures), the fair value measurement takes the cash flow forecasts expressed by the operator as its initial reference, in line with the method used to determine the impairment of loans at amortised cost. These flows shall be adjusted to take account of the likelihood or otherwise of the success of the forbearance rate granted to the counterparty and of the legal and management costs considered upfront from the perspective of the potential buyer. The estimated recovery flows are discounted on the basis of interest rates, obtained by relying on those observed on the market considered as consistent as possible with respect to the assets to be valued.

Unlisted equity instruments

These are measured by referring to direct transactions of the same security or similar securities observed over a suitable time frame as compared to the valuation date, using the market multiples method of comparable companies, and, as an alternative, using financial, income and/or equity valuation methods.

Investments in UCITs, other than open-ended harmonised UCITs

These are generally measured on the basis of the NAV made available by the fund administrator or the management company, unless it is deemed that said NAV does not represent fair value in the eyes of a market operator. These investments typically include private equity, private debt and similar funds, real estate funds and hedge funds.

In the specific case of alternative investment funds that invest in non-performing loans, the valuation of the units, normally held following the contribution of the aforementioned loans by the Group, is obtained on the basis of the Discounted Cash Flow method. In greater detail, the fair value is equal to the present value of the expected cash flows distributed by the funds, estimated on the basis of the business plans of the transaction, based on a discount rate determined according to the Weighted Average Cost of Capital ("WACC") model, which, in addition to the risk-free rate, considers the capital structure, as well as an adequate premium for the risks associated with the transaction. For further details, please refer to the content of "Part E – Information on risks and related hedging policies, D. Sale transactions, Multi-originator sales of loans to mutual investment funds" of these Notes to the financial statements.

Repurchase agreements on debt securities ("Bond Repo")

The fair value is obtained by discounting the forward contractual flows expected, determined based on the characteristics of the contract, based on the interest rate curve differentiated based on the issuer of the security underlying the contract (government securities and corporate securities).

Over The Counter (OTC) Derivatives

These are measured on the basis of multiple models, depending on the type of instrument and input factors (interest rate risk, volatility, exchange rate risk, price risk, etc.) which affect their valuation. For future cash flow discounting purposes, the risk-free interest rate refers to the OIS ("Overnight Indexed Swap") curve.

In detail, for non-option instruments (such as interest rate swaps, forward rate agreements, overnight interest swaps and domestic currency swaps), the valuation techniques adopted belong to the category of "discounted cash flow models", based on certain or trend-based cash flow discounting.

For option instruments, models generally accepted in market practice, such as Black & Scholes, Black-like and Hull & White, are used. In particular:

- for plain vanilla options, the methodologies most used fall within the forward risk-neutral framework and are based on analytical black-like formulas, in which volatility depends on maturity and the strike (volatility skew);
- for more complex options (such as exotic options, barrier options and autocallable options), the methodologies most used, again within the risk-neutral sphere, are based on Monte Carlo simulations, according to which the option pay-off is evaluated through simulations for a sufficiently high number of repetitions relating to the evolution over time of the risk factors underlying the option. Such models estimate the likelihood that a specific event will take place by incorporating assumptions such as the volatility of estimates or the price of the underlying instrument. The price of the derivative is therefore obtained as the discounted arithmetic average of the values obtained for each scenario.

For instruments that contain different option and non-option derivative components, the valuation is conducted by applying the appropriate valuation methodology to each instrument component.

In addition, in order to measure the fair value, several fair value adjustments are considered in order to best reflect the sale price of an actually possible market transaction. These adjustments are specifically model risk, liquidity risk and counterparty risk, illustrated here below.

Model risk: this adjustment is made to cover the risk that the pricing models, though validated, may generate fair values not directly observable or not immediately comparable with market prices. In general, this is the case for structured products, whose valuation is highly complex and for which the break down into elementary components which can be "summed" (host instrument and embedded derivative) may generate imprecisions in the valuation, or in the event of pricing algorithms or types of pay-offs that are particularly "exotic", which do not have a suitable degree of dissemination on the market, or in the presence of models that are highly sensitive to variables that are difficult to observe on the market.

Liquidity risk: this adjustment is made to take account of the size of the "bid/ask spread", i.e., the actual cost of unfreezing positions in OTC derivatives in markets with low efficiency. The effect of the liquidity risk adjustment is greater the more the product is structured, due to the related hedging/unfreezing costs, where the valuation model is not sufficiently confirmed and disseminated among operators, because this makes the valuations more random.

Counterparty risk: adjustments to the market value of OTC derivative instruments, classified as performing, are made in order to reflect:

- the risk of possible default by the counterparty; in this case, the adjustment is called Credit Valuation Adjustment (CVA);
- the risk of non-fulfilment of one's own contractual obligations (own credit risk), in order to calculate the Debt Valuation Adjustment (DVA).

The consideration of own credit risk in the designation of a financial liability at fair value is consistent with the valuation made for an entity that holds the same instrument as a financial asset and is expressly envisaged by IFRS 13 (non-performance risk).

CVA and DVA are determined for each separate legal entity belonging to the Group, on the basis of the expected future exposure of the derivative instruments, the Probability of Default (PD) of the parties, and the relative expected losses, or Loss Given Default (LGD). More specifically, the calculation of expected exposure takes into account the effects resulting from the existence of netting or collateral agreements, which are able to mitigate counterparty risk. Specifically, the "Credit Support Annex" (CSA) contracts negotiated with counterparties for derivative transactions govern the procedures for settling financial collateral, based on mark-to-market trends.

In estimating the PD, the use of metrics observable on the market was maximised by referring to the prices of the Single Name Credit Default Swaps specific to the counterparty, where available, or referring to comparable counterparties and, subordinately, to CDS on indices selected on the basis of liquidity (such as: iTraxx Europe or iTraxx CrossOver) and the risk bands of the counterparties.

The table below summarises the main types of derivatives existing in the Group, indicating the related valuation models and the main inputs.

Derivative category	Product	Valuation models	Main inputs of the model
Financial derivatives on interest rates	Swaps	Discounted cash flow and Libor Convexity adjustment	Interest rate curves, interest rate volatility, interest rate correlation
	Caps – Floors	Bachelier - Analytical	
	European Swaptions	Bachelier - Analytical	
	Bermuda Swaptions	Hull-White one-factor mixture - Trinomial tree	
	CMS Spread Options	Bachelier - Analytical	
	CMS caps/floors/swaps	Bachelier and CMS Convexity adjustment (Hagan)	
	FRA	Discounted Cash Flow – Analytical	
	Interest Rate Futures	Analytical with Hull-White one-factor convexity adjustment	
	Bond Option	Black - Analytical	
	Bond Futures and Bond Repo	Discounted Cash Flow - Analytical	
	Bond Futures options	Binomial tree	
Derivatives on inflation rates	Swaps, Caps - Floors	Lognormal Forward Inflation Model - Analytical	Interest rate and inflation rate curves, interest/inflation rate volatility/correlation, calibrated on market prices
Derivatives on shares/share indices/exchange rates	Single asset plain vanilla options	Black and Scholes - Analytical	Equity/forex volatility, interest rate and exchange rate curves, spot prices of share indices, dividends, repo rates
	Single asset American options	Black and Scholes – Binomial tree (equity) – trinomial tree (forex)	
	European options on controlled volatility index	Local volatility – Monte Carlo	Equity/forex volatility, interest rate and exchange rate curves, spot prices of share indices, repo rates
	Controlled volatility index options representative of an investment portfolio	Black and Scholes hybrid, Hull and White with two factors - Monte Carlo with Jumps	Equity/forex/interest rate volatility, correlations, interest rates, exchange rates, spot prices of share indices, dividends, repo rates, Crash Put market prices
	Exotic options on basket equity	Local volatility – Monte Carlo	Equity/forex/interest rate volatility, correlations, interest rates, exchange rates, spot prices of share indices, dividends, repo rates, retail credit curve
	American Barrier Options on basket equity	Local volatility – Monte Carlo	
	Autocallable options on basket equity	Hybrid Black and Scholes, two-factor Hull and White – Monte Carlo	
	Autocallable options on exchange rates	Local volatility – Monte Carlo	Forex, interest rate and exchange rate volatility
	American Barrier Options on exchange rates	Trinomial tree	Forex, interest rate and exchange rate volatility
	Dividend Swaps and Total Return Swaps	Discounted Cash Flow - Analytical	Interest rates, exchange rates, dividends, repo rates
Credit derivatives	Credit Default Swaps	Discounted Cash Flow - Analytical	Interest rates, Credit Default Swap curve

The techniques and parameters for determining fair value and the criteria for assignment under the fair value hierarchy are defined and formalised in a specific fair value policy adopted by the Group. The reliability of the fair value measurements is also guaranteed by the verifications carried out by a Risk Management department. This department, which is independent from the Front Office units that hold the positions, periodically reviews the list of pricing models to be used under the Fair Value Policy: these models must represent market standards or best practices and the related calibration techniques must guarantee a result in line with valuations capable of reflecting the "current market conditions". Specifically, to correctly determine the fair value, each product is associated to a pricing model generally accepted by the market and selected based on the characteristics and market variables underlying said product. For highly complex products or in the event that the existing valuation model for the products is deemed lacking or inadequate, an internal process is launched to supplement the current models. Based on this process, the Risk Management department conducts an initial stage of validation of the pricing models, which may be native to the position keeping system or issued by a specific internal department. This is followed by a stage conducted by the same department, to guarantee constant reliability of the previously validated model.

In detail, the validation aims at verifying the theoretical robustness of the model through independent repricing, possible calibration of the parameters and comparison with counterparties' prices. If the validation is successful, the use of the models is still subordinate to approval by specific internal committees of the Group. Following the validation stage, continuous revision is planned in order to confirm the accuracy and adherence to the market of the pricing models used by the Group, through suitable actions, if necessary, on the models and the related underlying theoretical assumptions. In order to cover the risk that the pricing models, though validated, may generate fair values not immediately comparable with market prices, a suitable adjustment will be made for "model risk", as described above.

Non-financial assets measured at fair value on a recurring basis

For Banco BPM Group, non-financial assets measured at fair value on a recurring basis are represented by owned real estate assets and valuable works of art.

Fair value of owned real estate assets

As illustrated in "A.2 - Key financial statement items" above, the Group's real estate assets are measured at fair value, and more precisely on the basis of the revaluation criterion, governed by IAS 16, for properties used in operations and the fair value criterion for investment properties recognised in accordance with IAS 40.
Fair value is defined by IFRS 13 as "*the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date*". In accordance with the requirements of the cited standard, detailed information is provided below on the fair value estimation methods and on the relevant inputs and assumptions. The need for a complete and clear disclosure of fair value is particularly important in macroeconomic contexts characterised by high uncertainty, such as the current one. When preparing the disclosure, the recommendations of the ESMA in the document dated 25 October 2023 entitled "European common enforcement priorities for 2023 annual financial reports" and CONSOB communication of 18 July 2013 "DIE/0061944 - Recommendation on the fair value measurement of properties of listed real estate companies" was taken into account, with particular reference to the information relating to the assignment conferred to independent experts[1].

Type of assignment conferred to external appraisers

For Banco BPM Group, the update of the fair value of properties, whether used in operations or for investment purposes, is conducted by means of specific appraisals drawn up by qualified independent companies operating in the specific field, able to provide property appraisals based on RICS Valuation standards[2].

Those standards guarantee that:

- the fair value is determined in accordance with the indications of international accounting standard IFRS 13, insofar as consistent with the notion of "arm's length value" defined as "*the estimated amount at which an asset would be sold or purchased, at the valuation date, by a seller or a buyer without specific links, both interested in the purchase and sale, at arm's length conditions, following suitable marketing in which the parties acted in an informed and aware manner, without coercion*";
- the appraisers have the professional, ethical and independence requirements in line with the provisions of international and European standards.

In compliance with the RICS standards[3], as at 31 December 2025 the appraisers involved in the valuation, as well as the appraisal company engaged, had no actual involvement, not even previously, with the properties being valued, nor were they owners of personal or professional interests in the result of the assessment in question.

---

[1] As specified in the communication in question, the provisions contained therein apply in particular to real estate companies with real estate initiatives in progress, but also to companies other than real estate companies that hold significant investment properties and are required to determine their fair value. In greater detail, the communication in question requires the following to be provided: "an indication (i) of the perimeter of the properties to be valued, the duration of the assignment, the documentation sent to the appraiser, the valuation models used and the main assumptions adopted; (ii) the methods for carrying out the assignment (checks carried out by the appraiser on the documentation provided by the company, performance of inspections and/or structural checks, performance of market surveys, verification of the administrative and concession obligations relating to the current status of the assets to be valued, research carried out in relation to title deeds, easements, liens, mortgages, etc.) and (iii) the procedures and any criteria adopted for the selection of the appraiser as well as the methods for renewing the assignments".
[2] Standards set out in the "RICS Valuation – Global Standard" of the Royal Institution of Chartered Surveyors of the United Kingdom (also known as the "Red Book").
[3] See chapter PS 2 of the Red Book.

The absence of situations of conflict of interest guarantees compliance with the requirements of independence, impartiality and objectivity envisaged by the applicable regulations and professional standards.
The Group policy also provides for an adequate rotation of independent appraisers. The current assignment, conferred in 2025 and with a two-year duration, represents the fourth assignment entrusted to an independent expert starting from 2019, the year of transition from the cost criterion to the fair value criterion for the valuation of real estate.
More specifically, the assignment conferred to the appraiser is to provide support to the Group in establishing the fair value of properties, for the purposes of financial statement valuations, in compliance with the requirements of IFRS 13, by preparing specific valuation reports.

The information considered by the independent expert in the appraisal report is based on the set of documents made available by the Group; if the latter should be insufficient, a conservative approach is adopted, reflected - depending on the type, location and state of conservation of the property - in the choice of prudential parameters, such as, for example, longer marketing times, less favourable discount rates, extraordinary maintenance provisions and higher restructuring costs.
The surface areas taken as a reference by the appraiser to estimate the fair value are those provided by the Group, already calculated as weightings of the gross surface areas, except for some cases in which a verification of the amounts was requested, on the basis of the layouts provided.
With reference to the state of maintenance of the properties, the independent expert did not carry out structural investigations or checks on existing systems. On the other hand, a limited visual survey was carried out, aimed at considering, for valuation purposes, the state of maintenance found during the inspection, where carried out. For the same purposes, any available documentation was also taken into consideration, such as photographic material and technical due diligence reports.
The valuations were conducted on the assumption that all properties (built or under construction) are perfectly compliant and in line with the regulations in force for the use to which the properties are intended at the valuation date, unless documentation has been provided to support the non-transferability of the property and relative technical due diligence, without however any verification of urban and administrative compliance.
The independent expert also did not take into consideration the possible existence of mortgages or other encumbrances of any nature that may be related to the properties and generate limitations for the effective transfer of the same, except in cases in which the non-transferability of the property was reported, in relation to which the costs necessary for the transferability contained in any technical due diligence, if available, were considered.

Type of appraisal report

For properties of significant value, namely properties with a value of more than 3 million, a full appraisal is conducted. This type of appraisal requires an in-depth and detailed analysis of the available documentation relating to the property, as well as the performance of specific inspections. In particular, cadastral data, floor plans and all available ancillary documentation are examined; an inspection is also carried out both inside and outside the property, accompanied by adequate photographic documentation.
The contractor is required to provide updated photographs of the property to be included in the appraiser's report, to document the general condition of the property, both with reference to the external parts and the internal spaces.
For properties with a value of more than 10 million, in addition to the amount envisaged for the full appraisal, the appraiser is required to provide a more detailed explanation of the valuation criteria adopted, as well as a more detailed representation of the property and the reference real estate market context. This case constitutes an "advanced full" appraisal.
For the remaining properties, unless otherwise agreed, a desktop appraisal is instead permitted, based exclusively on the analysis of the technical documentation available and on the use of databases of property values, without any physical inspection of the property by the appraiser.
For properties whose value is between 2 and 3 million, an external inspection is also required, documented by means of photographic evidence, constituting a "drive-by" appraisal.

Frequency with which fair value is updated

With regard to the frequency of updates through appraisals, the Group policy as at 31 December 2025 envisages that:

- with reference to properties held for investment purposes, as well as properties for mixed use, i.e. characterised by the simultaneous presence of a portion for investment purposes and a portion used in operations, the appraisal is updated annually at the end of the year, unless evidence emerges such as to

make an early revision advisable. This frequency is consistent with the measurement criterion applicable to these assets, based on fair value. For properties with a value of more than 10 million, the appraisal is also prepared at the time of the Interim Report;
- for properties used in operations, the appraiser update is carried out every two years or three years, depending on whether the value of the property is respectively higher or lower than 3 million, unless such circumstances or scenario analyses results arise making an early revision of the valuation necessary.

With reference to properties used in operations, in the years in which an appraisal update of the value of the property is not envisaged, a scenario analysis is carried out in any event, aimed at monitoring the performance of the reference real estate market. This analysis is conducted through the use of the best information sources available for the specific areas in which the properties are located with a view to identifying, on the basis of specialised databases, any significant changes in market values that have occurred between this analysis period and the previous one.
If the scenario analysis reveals significant changes in market values, defined as differences above the threshold of +/- 10%, the fair value of the property is updated in advance, in derogation of the standard frequency envisaged for the revaluation.
The scenario analysis is carried out by referring to the following main information sources, to which a decreasing degree of relevance is attributed:
- Revenue Agency - Real Estate Market Observatory (OMI), as the primary source;
- Nomisma;
- offers on the real estate market, used for comparative purposes.

Valuation methodologies

The valuation methodologies adopted by the independent expert, in compliance with international practice represented by the International Valuation Standards (IVS) and the provisions of the *RICS Valuation - Global Standards (known as the Red Book)* of the Royal Institute of Chartered Surveyors (RICS), may include, depending on the individual characteristics of the property being valued, the Discounted Cash Flow (DCF) method, the residual method or transformation method based on the DCF, as well as the market comparison approach. The selection of the valuation approach deemed to be the most appropriate for each property unit takes into account, inter alia, the intended use, the occupancy status, and more generally, the specific nature of the asset being valued.
In this regard, note that IFRS 13 entails the assumption that the current use of the asset represents its highest and best use, unless the market or other factors suggest that market participants could utilise the asset in a different way, in order to maximise its value. In accordance with this standard, the valuation approach is therefore defined, assuming the current use of the properties as the baseline, on the assumption that it represents the highest and best use, but in any event taking potential alternative uses into account, where such meet market expectations.
In particular, as regards properties used in operations, the valuation was conducted according to a perspective of continuity of use, assuming that the Group will continue to occupy the properties on the basis of the lease payment aligned to market conditions for the foreseeable future, unless there are other indications relating to specific expectations of release of individual properties.
For certain investment properties, the measurement of the fair value may have also taken the potential change in the current use of the property into account, if it has been deemed that market participants could appreciate the potential related to the future development of the asset, for the purpose of establishing a hypothetical transaction price.

Discounted Cash Flow (DCF) method

The Discounted Cash Flow (DCF) method is based on the discounting - for a variable period with reference to the rental/occupancy situation of the property and the subsequent optimisation - of future net revenues deriving from the lease or sale of the property.
The assumption underlying the approach in question is that a rational purchaser is not willing to pay a higher price for the purchase of the asset than the present value of the benefits that the asset will be able to produce in the future. The value of the asset is therefore a function of the economic benefits that will be generated by it.
This method is used for properties with existing lease agreements, for operating properties, for properties that are suitable, by type and characteristics of the reference market, to be leased or sold at different times, for properties to be used as hotels.
More specifically, this method, used for most of the Group's properties, is based on the discounting of the future net revenues deriving from the ownership, for a variable period of time with reference to the underlying real estate transaction, usually 15 years. The net revenues are determined on the basis of gross revenues, net of the operating

expenses relating to ownership. Gross revenues are determined by indexing the lease payments received for the portions leased and market lease payments for the vacant portions, considering an adequate time horizon depending on the intended use of the property and the residual duration of the lease agreements. At the end of this period, a value of the property is assumed as if it were sold, at a price obtained by capitalising the operating income of the last year at a Cap Rate retained adequate for the type, location, and general state of conservation of the property, as well as considering the reference market, or through a split sale, from which sales commission is deducted. Therefore, after quantifying the net annual revenues and the net sale value, the discounted values at the beginning of the first period are calculated, using an appropriate Discount Rate, adjusted according to the specific characteristics of the property. The main input data are: (i) revenues and relative indexing (contractual lease payments, market lease payments or market sale values expressed as price per square metre); ii) space occupation times, as provided for in the lease agreement (usage plan) or by vacant space absorption times; iii) operating costs (IMU [property tax], administration, insurance, extraordinary maintenance reserves, registration fee); (iv) any investments needed; iv) discounting and capitalisation rates.
In order to establish the market lease payments or the sale values, at the basis of the valuation of the individual property, a comparison is made with other similar assets, recently sold or currently offered on the same market or on competitive markets. In the absence of observations directly related to the property to be valued, cases as similar as possible to the same were identified, making the necessary corrections, in accordance with that illustrated below for the "Comparative or Market Approach" method.
The values or lease payments obtained from the market are therefore amended to take into account parameters such as the relative size, the specific location, the state of conservation and the commercial negotiation margin.
In detail, the DCF is based on the discounting of net cash flows deriving from the current lease agreement, where present, as well as the cash flows determined in subsequent periods from marketing at market lease values. At the end of this period, a value of the property is assumed as if it were sold, at a price obtained by capitalising the annual net income of the property, calculated considering the last projection year, at a rate equal to the market rate for investments similar to the property being valued.
Where necessary or appropriate, restructuring costs are envisaged, to be carried out either at the end of the existing lease or immediately if the property is vacant and available at the valuation date, in order to relocate or sell the property at its optimal and/or alternative condition of use, in line with the market lease payments/values assumed, as well as considering any capex planned by the Group.

For the properties used for hospitality accommodation affected by a lease agreement, considering that their value is closely linked to the relative potential from an operational and business perspective, the appraiser estimated a market lease payment using a parameter for the percentage of total turnover resulting from the direct management of the business, considering for this purpose, elements such as location, standing of the structure, size, services offered. The estimated potential turnover was in turn calculated using a comparative methodology, taking into account the rates per night required by similar structures and applying the adjustments deemed appropriate in relation to the characteristics of the asset and the main services offered.

Residual method or transformation method with DCF

This valuation method is adopted for properties subject to transformation, such as building land or properties with incomplete development.
The aforementioned method is based on the discounting, at the valuation date, of the cash flows generated during the period in which the real estate transaction is expected to be carried out; since cash flows are the result of the difference between revenues and costs, the fair value - measured with this method - can be defined as the difference between the value of the transformed property and the costs incurred for its transformation. Revenues and costs are at constant values, positioned when they occur and discounted with an appropriate discount rate.
The transformation method is often used to express opinions of economic convenience relating to work to recover existing assets, but can easily be used to provide an estimated value that is valid for the majority of market operators. In order for the value of the property determined with the method in question to be identified with its fair value, it is however necessary that the economic transaction, linked to the transformation, refers to an "ordinary" operator. Ordinary means an operator with good economic and organisational skills, who has access to funding (own funds), to finance the development work, very similar to those that the majority of operators would obtain, and whose objective is make a profit (on the costs of the developer) proportional to the risk of the project, the costs still to be incurred for the purchase of the same and for its completion, the potential revenues and the relative timing.
This analysis determines an "equivalent return", which represents the return that an ordinary operator expects from the real estate project being valued, in proportion to the risk profile of the same (size, location, quality of the project,

competition, market context, etc.). In other words, the equivalent return is the discount rate which, applied to the flow of net revenues expected during the life of the investment of the property, returns a present value of the net revenues equal to the disbursement of the capital initially used.
In ordinary market conditions, the valuations carried out with the method in question are very sensitive to changes in some key parameters. Small changes in these variables, such as sales volumes or the relative construction costs, could in fact have a disproportionate effect on the value obtained; in the same way, the values of the property could be subject to even considerable variations, as a result of changes in market conditions. For this reason, the method in question requires the preparation of a sensitivity analysis on revenues and costs; the value assumed as a reference corresponds to the "barycentric" value of this analysis and also takes into account the progress of the development projects as well as the presence/absence of building permits. The risks related to the location, the characteristics of the site, the restrictions and urban planning risks, any construction site problems (when applicable), off-scale development costs and the timing of the entire real estate project (construction and sale) must also be considered.
For land, in the event that a development project or a business plan is not available, or the relative building permits have not been issued by the competent Authorities, the valuation of the property was carried out considering some prudential factors, depending on the provisions of the urban planning instrument available. In addition, some prudential adjustments were envisaged to consider the greater risk of the transaction, reflected in a higher discount rate, to take into account the risk of incurring higher unforeseeable costs, as well as to take into account a more diluted development timeframe in order to factor in longer times for the design and obtaining the necessary permits.

Market Comparison Approach

The comparative approach estimates the value of the asset by comparing it with properties recently sold or currently offered for sale on the market, comparable in terms of type, construction and location. This approach is chosen if the property is vacant and is suitable for sale, by type and reference market, in particular with regard to residential properties and agricultural land.
The value of the property is therefore determined by taking into account the sale price or lease payment (known as asking price or rent), resulting from an in-depth market survey, to which specific adjustment factors are applied, deemed adequate in relation to the intrinsic and extrinsic characteristics of the asset being valued, in addition to any other factor deemed relevant. In greater detail, the market values/lease payments obtained from comparable data collected on the reference market undergo a "normalisation" process to take into account parameters such as: relative size, specific location, state of conservation and the commercial negotiation margin.

Main inputs:

Revaluation of lease payments

Real estate lease agreements generally include an annual lease adjustment clause, based on a variable percentage dependent on the contractual agreements entered into between the parties. In the absence of specific indications to the contrary, for valuation purposes, an annual revaluation of the lease payment equal to 75% of the assumed inflation curve was therefore assumed as standard.
In particular, with reference to the valuation as at 31 December 2025, the following inflation rates were adopted, in line with the information presented in the "Economic Bulletin - October 2025" of the Bank of Italy: 1.5% for the first year of projection, 1.9% for the second year and 2.0% starting from the third year and for subsequent years.

Discount Rate

The discount rate is determined according to the Weighted Average Cost of Capital (WACC) method. This method enables the identification of a rate representing the weighted average cost of the sources of funding employed, and reflects the remuneration expected by investors for a purchase transaction, at normal market conditions, of an asset with similar characteristics to that under valuation.
The discount rate is determined using an analytical approach, considering separately the component attributable to Own Funds, assumed equal to 40%, and the component attributable to Third-Party Funds, assumed equal to 60% of the financial structure.

The rate component relating to Own Funds (Ke) was determined considering the following return and risk components: return on the reference Government Bonds (10-year BTPs); expected inflation; illiquidity risk premium; initiative risk premium; urban planning risk premium.

These components were aggregated by applying the following financial mathematical formula:

Ke={[(1+%Government Bonds)/(1+%Inflation)] * (1+%Illiquidity Risk) * (1+%Initiative Risk) * (1+%Urban Planning Risk)} - 1

The interest rate component relating to Third-Party Funds (Kd) was obtained considering the 6-month Euribor rate, expected inflation, a spread representing credit risk. These were summed using the following financial mathematical formula:

kd={[(1+%6-month Euribor) / (1+%Inflation)] * (1+%Spread)} - 1

Lastly, the discount rate was determined as the weighted average of the components relating to Own Funds and Third-Party Funds, according to the following formula:

WACC = Ke * 40% + Kd * 60%

The level of the discount rate was taken from the current average conditions of the economic and financial scenario of the capital market (rates applied for property transactions), considering the real return on low-risk, medium/long-term financial assets, to which an increasing or decreasing adjustment component is applied to take into account the characteristics of the asset. The adjustment components used concern the risks related to illiquidity, the characteristics of the property (size, type, intended use) and the urban planning situation.
The risk rates used generally oscillate in a range between 0.00% and 8.00%; the value chosen depends on the risks inherent to the specific property transaction, where 0.00% represents zero risk, while 8.00% represents the maximum risk. The choice of the value linked to the individual risk also depends on the current situation of the local property market and on the presence (and therefore also on the consequent performance) of comparable properties.
It is important to consider the fact that the aforementioned risk rates are calibrated taking into account the "rate scenario" to which they refer, i.e. they are "weighted" considering the "starting point" to which they are applied.
For greater clarity, note that the discount rate applied in the valuation of each asset, as well as the resulting market value, are modified by the assessor if objective elements related to the asset itself or in relation to the specific market or market segment emerge, but not necessarily in correlation with the trend of the parameters (BTP, Euribor) which represent only one component of a multi-factorial methodology, which must consider and weigh different elements to arrive at a single effective representative parameter in the valuation model, namely the discount rate adopted.
The reference parameters underlying the construction of the discount rate at the date of this valuation are:

- BTP: 3.918%, corresponding to the average of the last 36 10-year BTP auctions;
- 6-month Euribor: 2.074%, equal to the spot measurement at the start of the valuation, with the reference date being 29 August 2025, which is substantially in line with the conditions in place at the end of the year (2.107%).

Capitalisation rates (Cap Rates)

The capitalisation rate represents the return applied to the net income achievable in the last year of the projected cash flow period and is used to determine the terminal value. This rate is a synthetic factor that makes it possible to transform an indication of expected income at full capacity, assumed as perpetual, into a precise value of the property.
The capitalisation rate is taken from market data and is identified taking into account the type of property, the location, the general state of conservation of the asset, as well as the conditions of the reference market and the related trends. The identification of the rate takes place within a net yield interval, consistent with the information available and with the comparable transactions observed on the market.
In particular, the net capitalisation rate used in the valuation reflects the following parameters:

- stabilised rent, understood as the rent achievable in the last year of projected cash flows;
- non-recoverable costs, such as, for example, administration costs relating to existing lease agreements, insurance premiums, property taxes and registration tax.

Summary of the effects of fair value measurements for 2025

As at 31 December 2025, the Group's real estate assets amounted to a total of 1,810.0 million, consisting of 1,251.2 million of properties used in operations (head office and branches) and for 558.8 million of properties held for investment purposes.

In terms of balance sheet items, the aforementioned assets are represented for 1,664.1 million under the balance sheet asset item "90. Property, plant and equipment" and, for properties for investment purposes for which sales negotiations are in progress, amounting to 145.9 million, in item "120. Assets and disposal groups held for sale".
The overall impact recognised in 2025 following the fair value measurement was positive for 15.4 million. This effect represents the imbalance between net negative changes of 6.7 million recognised in the income statement under item "260. Fair value gains (losses) on property, plant and equipment and intangible assets" and net positive changes for a positive 22.1 million recognised as a balancing entry to valuation reserves.
The changes recorded during the year are mainly attributable to the appraiser's update of the property values, as well as to the adjustment of the same to the sale prices relating to sale negotiations in progress. These were approved by the corporate bodies or the authorised functions.

The following table provides evidence of the Group's real estate assets, both in terms of balance sheet amounts as at 31 December 2025, and in terms of impacts on shareholders' equity in 2025.

(in millions of euro)	Book value as at 31 December 2025	Total impact of fair value measurement	of which on the income statement (item 260)	of which on shareholder s' equity (*)
Properties used in operations	**1,251.2**	**22.8**	**0.7**	**22.1**
Properties for investment purposes	**558.8**	**(7.4)**	**(7.4)**	**0.0**
- of which: properties for investment purposes	412.9			
- of which: properties for investment purposes held for sale	145.9			
Total Group real estate assets	**1,810.0**	**15.4**	**(6.7)**	**22.1**
- of which "Item 90 - Property, plant and equipment"	1,664.1			
- of which "Item 120 - Assets and disposal groups held for sale"	145.9			

(*) Other income components represented in item "50. Property, plant and equipment" of the analytical statement of comprehensive income (Part D).

Scope subject to appraiser update as at 31 December 2025

In compliance with the Group policy described above, as at 31 December 2025, the revaluation activity involved more than 90% of the Group's entire real estate assets. In particular, the campaign to update appraisals concerned all properties held for investment purposes, including mixed-use properties, recognised under item "90. Property, plant and equipment", as well as over 90% of properties used in operations.
With reference to the latter, the update concerned:

- properties with a value exceeding 5 million, for which the last mass appraisal update was in 2023;
- properties with a value under 3 million, whose last mass update had been carried out in 2022;
- properties with a value between 3 million and 5 million, for which the scenario analysis highlighted the need to proceed with an early revision of the appraisal.

Type of appraisals as at 31 December 2025

As at 31 December 2025, a total of 761 appraisals had been carried out. Of these, 54 were "full" or "advanced full" appraisals, characterised by an inspection of the property, as well as a detailed analysis of the available documentation. These appraisals guarantee coverage of approximately 70% of the total fair value subject to appraisal update.
The remaining 707 appraisals were drafted according to "desktop" or "drive-by" methods, in compliance with the provisions of the Group policy.

Valuation method as at 31 December 2025

With reference to the valuation methods adopted for the Group's real estate assets, the prevailing method is that of the Discounted Cash Flow (DCF), applied in approximately 95% of cases. This is followed by the transformation method, used in about 3% of valuations, and, to a lesser extent, the market comparison approach, applied in about 2% of cases.
With reference to the valuations carried out using the DCF and transformation methods, approximately 71% of the total fair value is covered by "full" or "advanced full" appraisals; for appraisals conducted with the comparison approach, the aforementioned percentage is approximately 50%.

Discount and capitalisation rates as at 31 December 2025

For properties valued on the basis of the DCF method, the discount rates are in a range of between 5.4% and 12.5%, with an average value of approximately 7.5% (7.4% if weighted with respect to the book value). For the previous year's financial statements, the weighted average rate was approximately 7%.
The capitalisation rates used to convert the final flow are in a range of between 3.5% and 10%, with an average value of approximately 6.4% (5.8% if weighted on the basis of the book value). For the previous year's financial statements, the weighted average rate was approximately 6%.

Checking the appraisals as at 31 December 2025

The quality of the appraisals drawn up by independent experts is subject to a monitoring process by the competent corporate functions of the Group. This process entails the performance of sample controls, both formal and substantial, carried out on a sample of properties selected on the basis of the criteria defined in the reference company regulations. In addition, with reference to the most significant properties in terms of book value, the Group requested the support of an additional leading independent appraiser, in order to verify the reasonableness of certain market parameters used by the appraiser appointed to determine the fair value. In particular, the checks concerned the market inputs adopted (such as the discount rate, the capitalisation rate and market lease payments), the valuation methods applied, as well as the selected comparables.

Sensitivity analysis of non-financial assets

In light of the above, the measurement of the fair value of the properties, entirely attributable to level 3 of the fair value hierarchy, is influenced by the valuation techniques used and by the related inputs.
In particular, with regard to properties valued by means of the Discounted Cash Flow (DCF) technique, which represent over 95% of the Group's real estate assets not classified as held for sale, a change in market lease payments to be discounted equal to ±1%, all other conditions being equal, would entail a change in fair value estimated as approximately ±16 million euro.

Fair value of valuable works of art

The fair value measurement of the Group's valuable works of art is carried out on the basis of appraisals drawn up by experts belonging to a specialised and independent company with proven experience in the reference sector.
To determine the fair value, the experts primarily made reference to the results of the public auctions, as considered representative of objective and indisputable sale values. The values that can be inferred from sales concluded on the antiques market or in certain private negotiations, referring to assets comparable to those subject to valuation, were also considered.
The information from the aforementioned sources was subjected to an in-depth critical analysis, aimed at identifying any factors that could influence the exchange values, such as, for example, the specific characteristics of the work of art, the state of conservation, any speculative dynamics, elements of uncertainty in attribution or other qualitative elements.
As part of the comparative analysis, where available, the results relating to works of art that are entirely comparable in terms of author, period in which it was created, technical characteristics and subject were prioritised. Alternatively, in the absence of data relating to fully comparable works, values referring to works that are comparable by author, era, technical characteristics and subject were taken into consideration. In these cases, the experts carried out a critically weighted assessment, analysing the factors of similarity and differentiation between the reference works and those subject to valuation.
To identify the macro-trends of the art market relevant for valuation purposes, the experts referred to the most authoritative reports available, to publications and specialist research (including UBS-Art Basel and Deloitte Global Art and Finance), as well as the data provided by the main databases and specialised information providers (such as Artnet and Artprice). The reports of sector analysts were also considered, including the TEFAF Art Market Report and those prepared by independent parties (e.g. ArtTactic), as well as the specialised media of reference (Il Giornale dell'Arte, Arteconomy24, The Art Newspaper).
The main parameters considered in the valuation analysis include:

- the attribution status of the work;
- the degree of rarity or iconicity, also in relation to the period in which it was created with respect to the artist's overall production;

- the relevance of the era, the school or the movement to which it belongs, in relation to the attention of the market and critique;
- the execution techniques and size of the work;
- the state of conservation;
- the prestige of origin, also understood as an element supporting authenticity and attribution;
- the exhibition history;
- the subject of the work, also considered in relation to the evolution of taste and cultural differences between the different markets;
- any restriction of cultural interest imposed by the State.

For the purposes of the financial statement valuation, the reference value adopted is the "commercial or market value", understood as the estimated minimum revenue obtainable from the sale of the work in a limited time frame, assumed as a few months, in line with the requirements established by IFRS 13. On the other hand, the insured value, which is generally higher than the commercial value, was not considered, as this refers to a hypothetical opportunity to repurchase a work similar to the one lost (replacement cost) on the market, in free market conditions, at a cost significantly higher than the sale value.
The Group policy requires that the appraisals relating to works of art be updated every three years, unless specific characteristics of the works or market trends make an early revision appropriate, in order to ensure that the book value represents a reasonable approximation of the current market value.
As the 2025 financial statements coincided with the anniversary of the appraisal update, the Group's entire collection of valuable works of art was therefore revalued at fair value. The book value as at 31 December 2025 amounted to 42.6 million, following the recognition of negative changes totalling 10.4 million, of which 9.8 million recognised as a balancing entry to valuation reserves and 0.6 million allocated to the income statement.
The above was affected, in particular, by the imposition of recent restrictions of cultural interest on some works, which, while on the one hand attest to their high historical-artistic value, on the other hand entail greater limitations to international circulation, circumscribing their potential market of reference mainly to the national one, consequently leading to a lower fair value.

Fair value hierarchy of real estate assets and works of art

The fair value of the Group's properties and works of art is classified at Level 3 of the fair value hierarchy envisaged by IFRS 13, as the relative measurement depends to a significant extent on estimates made by management and independent experts, which incorporate, by their nature, elements of opinion and subjectivity. This is due to the unique and distinctive characteristics of the assets being valued, which do not allow full reference to inputs observable on active markets.
In particular, with reference to properties, the selection of the relevant inputs for the purposes of fair value measurement - such as, for example, expected income flows, discount rates, unit values per square metre and comparable transaction prices - is influenced by the specific characteristics of the properties in question. These include, inter alia, the geographical and commercial location, the degree of accessibility and the infrastructural facilities, the reference urban context, the state of conservation, the size, the presence of easements or constraints, as well as the conditions of internal and external systems. In addition, in the presence of situations characterised by marketing and sale difficulties, further valuation adjustments may be necessary, in accordance with the sales policy that the company management intends to pursue.
Purely theoretically, there may be circumstances - considered quite exceptional - in which the fair value of the properties can be classified at Level 2 of the fair value hierarchy, i.e. determined mainly on the basis of inputs observable on active markets. These circumstances assume the presence of a sufficient volume of comparable transactions, concluded in a short time frame with respect to the valuation date, as well as the absence of significant corrections, due to the high similarity between the unit under valuation and the units used as reference transactions (for example, residential units within the same building or area with an adequate number of comparable properties, or offices located in business districts characterised by buildings with similar characteristics).
In this regard, it should be noted that, at the reporting date, the fair value of the Group's real estate assets and works of art is fully classified at Level 3 of the fair value hierarchy.

Financial assets and liabilities at amortised cost in the financial statements

For financial assets and liabilities recognised in the financial statements based on amortised cost, classified in the accounting categories of "Financial assets at amortised cost" (loans to banks and customers) and "Financial liabilities

at amortised cost" (due to banks and customers and debt securities in issue), the determination of fair value is important only for reporting purposes, in line with the provisions of the reference accounting standard IFRS 7. In particular:

- for performing medium/long-term loans (mostly loans represented by mortgage loans and leases), fair value is determined on the basis of cash flows, suitably adjusted for expected losses, on the basis of PD and LGD parameters. These flows are discounted using a market interest rate adjusted to take account of a premium considered to express risks and uncertainties. For the above loans, the fair value is entirely classified at level 3 of the fair value hierarchy;
- for "non-performing" loans (bad loans, unlikely to pay and past due), the fair value is typically recorded as net book value and is included in level 3 of the fair value hierarchy. Although transactions of sales of non-performing loans can be observed on the market, the respective prices were affected by the specific characteristics of the loans sold and the variability of the returns requested by the purchasing counterparties. The fair value of the above transactions would therefore be characterised by a high dispersion of values, such as to render the identification of a reference value to be used for the purposes of information in the financial statements non-objective. For this reason, the fair value of non-performing loans has been conventionally set as equal to the book value;
- for debt securities classified in the portfolio of "Loans to banks or customers" or "Debt securities in issue", the fair value is measured by using prices obtained on active markets or valuation models, as described in the previous paragraph "Financial assets and liabilities measured at fair value on a recurring basis", to which reference is made also as regards the assignment of fair value in the three-level fair value hierarchy;
- for demand or short-term receivables and payables, the book value is considered a good approximation of fair value, as permitted by IFRS 7. The relative fair value, which is typically recorded as book value, is included in level 3.

With regard to medium-long-term performing and non-performing loans, note that the methods and the assumptions used to estimate fair value are based on subjective valuations (level 3). For this reason, the fair value shown in the financial statements for reporting purposes only, could be significantly different to the values calculated for different purposes, just as it may not be comparable to those provided by other financial institutions.

A.4.2 Processes and sensitivity of valuations

For an examination of the techniques, inputs and valuation processes adopted by the Group for the instruments classified in level 3 of the fair value hierarchy, please refer to the previous paragraphs.
Exposures in level 3 financial instruments amounted to a total of 2,805.5 million. For the exposure represented by equity instruments and UCIT units, information is provided below that is useful for understanding the sensitivity with respect to the parameters used.

Equity instruments and UCIT units

Investments in equity instruments and in UCIT units, classified as level 3, totalled 1,973.8 million, corresponding to 70.4% of level 3 financial assets measured at fair value, as illustrated in more detail in the paragraph below "A.4.5.1 Assets and liabilities measured at fair value on a recurring basis: distribution by fair value hierarchy".
For the above instruments, it is not usually possible to make any quantitative sensitivity analysis of the fair value, with respect to the change in non-observable inputs, insofar as the fair value was acquired from external sources or was generated by a model with specific inputs (for example, the company's capital values) and for which the necessary information for a sensitivity analysis is not available.
The UCIT units held by the Group represent an exception, following the contribution of non-performing loans not qualified as real estate funds, whose measurement at fair value was carried out on the basis of the Discounted Cash Flow (DCF) technique. The main inputs underlying the DCF are as follows:

- cash flows referring to the net distributions envisaged for investors in the business plans of the respective transactions;
- discount rate between 7.2% and 9.5%, depending on the capital structure and the risk premium of the transaction.

For these funds, whose book value amounts to 411.4 million[1], a sensitivity analysis was carried out with respect to the discount rate, determined on the basis of the Weighted Average Cost of Capital ("WACC") model. The aforementioned analysis shows that, if the discount rate is changed by +100 bps, the fair value would record a reduction of 9.4 million (2.3% in percentage terms), while a decrease of -100 bps would result in an increase of 9.9 million (2.4% in percentage terms).
For more details on the contribution funds of non-performing loans, please refer to that illustrated in "Part E - Information on risks and related hedging policies, 1.1 Credit risk, D. Sale transactions, Financial assets sold and fully derecognised" of these Notes to the financial statements.

A.4.3 Fair value hierarchy

For the purpose of preparing the disclosure on transfers between levels set out in paragraphs A.4.5.1, A.4.5.2 and A.4.5.3, it is noted that, for securities in the hierarchy as at 31 December 2025 which had a different level of fair value than as at 1 January 2025, it was assumed that the transfer between levels occurred with regard to the balances at the beginning of the reference period.

A.4.4 Other information

For derivative contracts included in the same Netting arrangement, to calculate counterparty risk, the Group did not use the option of measuring net exposure considering all of the instruments covered by the above-mentioned arrangement, as illustrated in paragraph "A.4.1 Fair value levels 2 and 3: valuation techniques and input used" above. In the presence of collateral agreements (CSA), the exposure associated with the individual derivative is determined in relation to its marginal contribution to the expected net exposure generated by all the contracts stipulated with a given counterparty within the same CSA.

[1] The total book value as at 31 December 2025 of contribution funds, including real estate funds valued on the basis of NAV, amounted to 510.0 million.

QUANTITATIVE INFORMATION

A.4.5 Fair value hierarchy

A.4.5.1 Assets and liabilities measured at fair value on a recurring basis: distribution by fair value hierarchy

Given the above, the table below provides a breakdown of the assets and liabilities measured at fair value on a recurring basis, in the fair value hierarchy. As defined by the cited standard IFRS 13, recurring valuations refer to assets and liabilities measured at fair value in the balance sheet, based on that envisaged or permitted by the reference international accounting standards.

Assets/liabilities measured at fair value	31/12/2025			31/12/2024		
	L1	L2	L3	L1	L2	L3
1. Financial assets at fair value through profit and loss	12,225,567	7,907,575	2,379,200	8,228,462	5,353,976	1,987,580
a) financial assets held for trading	4,137,201	7,637,831	459	2,257,856	3,754,277	184
b) financial assets designated at fair value	-	-	-	-	-	-
c) other financial assets mandatorily measured at fair value	8,088,366	269,744	2,378,741	5,970,606	1,599,699	1,987,396
2. Financial assets measured at fair value through other comprehensive income	25,888,546	1,929	426,311	22,240,017	33,574	408,469
3. Hedging derivatives	-	834,792	-	-	1,033,292	-
4. Property, plant and equipment	-	-	1,706,640	-	-	1,771,545
5. Intangible assets	-	-	-	-	-	-
Total	**38,114,113**	**8,744,296**	**4,512,151**	**30,468,479**	**6,420,842**	**4,167,594**
1. Financial liabilities held for trading	2,661,102	19,560,478	-	742,916	22,153,731	-
2. Financial liabilities designated at fair value	5,777	8,323,385	-	5,759	8,263,928	18,295
3. Hedging derivatives	-	614,825	-	-	869,068	-
Total	**2,666,879**	**28,498,688**	**-**	**748,675**	**31,286,727**	**18,295**

Key:
L1 = Level 1
L2 = Level 2
L3 = Level 3

The following tables provide the breakdown by "Banking Group" and "Insurance companies".

A.4.5.1 Assets and liabilities measured at fair value on a recurring basis: distribution by fair value hierarchy (of which: Banking Group)

Assets/liabilities measured at fair value	31/12/2025			31/12/2024		
	L1	L2	L3	L1	L2	L3
1. Financial assets at fair value through profit and loss	4,268,439	7,683,984	2,019,599	2,858,363	3,790,624	1,636,284
a) financial assets held for trading	4,137,201	7,637,831	459	2,257,856	3,754,277	184
b) financial assets designated at fair value	-	-	-	-	-	-
c) other financial assets mandatorily measured at fair value	131,238	46,153	2,019,140	600,507	36,347	1,636,100
2. Financial assets measured at fair value through other comprehensive income	15,744,650	1,929	282,473	13,002,510	2,084	275,360
3. Hedging derivatives	-	834,792	-	-	1,033,292	-
4. Property, plant and equipment	-	-	1,659,205	-	-	1,722,150
5. Intangible assets	-	-	-	-	-	-
Total	**20,013,089**	**8,520,705**	**3,961,277**	**15,860,873**	**4,826,000**	**3,633,794**
1. Financial liabilities held for trading	2,661,102	19,560,478	-	742,916	22,153,731	-
2. Financial liabilities designated at fair value	-	4,323,985	-	-	4,938,077	18,295
3. Hedging derivatives	-	614,825	-	-	869,068	-
Total	**2,661,102**	**24,499,288**	**-**	**742,916**	**27,960,876**	**18,295**

Key:
L1 = Level 1
L2 = Level 2
L3 = Level 3

A.4.5.1 Assets and liabilities measured at fair value on a recurring basis: distribution by fair value hierarchy (of which: Insurance companies)

	31/12/2025			31/12/2024		
Assets/liabilities measured at fair value	**L1**	**L2**	**L3**	**L1**	**L2**	**L3**
1. Financial assets at fair value through profit and loss	7,957,128	223,591	359,599	5,370,099	1,563,352	351,296
a) financial assets held for trading	-	-	-	-	-	-
b) financial assets designated at fair value	-	-	-	-	-	-
c) other financial assets mandatorily measured at fair value	7,957,128	223,591	359,599	5,370,099	1,563,352	351,296
2. Financial assets measured at fair value through other comprehensive income	10,143,896	-	143,838	9,237,507	31,490	133,109
3. Hedging derivatives	-	-	-	-	-	-
4. Property, plant and equipment	-	-	-	-	-	-
5. Intangible assets	-	-	-	-	-	-
Total	**18,101,024**	**223,591**	**503,437**	**14,607,606**	**1,594,842**	**484,405**
1. Financial liabilities held for trading	-	-	-	-	-	-
2. Financial liabilities designated at fair value	5,777	3,999,400	-	5,759	3,325,851	-
3. Hedging derivatives	-	-	-	-	-	-
Total	**5,777**	**3,999,400**	**-**	**5,759**	**3,325,851**	**-**

Key:
L1 = Level 1
L2 = Level 2
L3 = Level 3

Financial assets measured at fair value on a recurring basis

As at 31 December 2025, financial assets measured significantly on the basis of non-observable parameters (Level 3) were 84.8% comprised of instruments classified in "Other financial assets mandatorily measured at fair value" and 15.2% comprised of instruments classified in the portfolio of "Financial assets measured at fair value through other comprehensive income"; "Financial assets held for trading" represents a residual portion.
More specifically, level 3 financial assets amounted to 2,805.5 million and are represented by the following types of investment:

- unlisted equity instruments of 316.9 million, mostly valued on the basis of internal equity models or with transaction prices, which do not meet the requirements to be assigned to level 2;
- UCIT units of 1,656.9 million; these are funds characterised by significant levels of illiquidity, and for which the process to evaluate the assets of the fund requires a considerable amount of assumptions and estimates. For more details on UCIT units held by the Parent Company in relation to sales of multi-originator loans, refer to that illustrated in Section "1.1 Credit risk, D. Sale transactions, Financial assets sold and fully derecognised" contained in Part E of these Notes to the financial statements;
- loans to customers amounting to 668.1 million, measured at fair value, for failure to pass the SPPI test, as the related cash flows do not exclusively represent the payment of interest and principal;
- debt securities for 163.3 million;
- Over The Counter (OTC) derivatives amounting to 0.3 million, for which the fair value was conclusively measured by means of non-observable market parameters or relied on third party sources.

With regard to derivative financial instruments held for trading and hedging, the same are almost all classified as level 2, with the exception of listed derivatives classified as level 1, as illustrated below:

- level 1 includes listed derivatives (futures and options), measured on the basis of the prices provided by the Clearing Houses, for a total of 216.3 million;
- level 2 includes Over The Counter (OTC) derivatives measured on the basis of models that use observable market parameters to a significant extent, or on the basis of prices originating from independent sources, for 2,424.6 million.

Financial liabilities measured at fair value on a recurring basis

Level 1 financial liabilities refer to listed trading derivatives for 112.8 million and to technical overdrafts on securities listed in active markets for 2,548.3 million.
The remaining financial liabilities are primarily classified as level 2 of the fair value hierarchy and mainly regard the portfolio of "Financial liabilities held for trading" relating to Bond Repo trading for 17,949.6 million, financial and credit derivatives for 1,148.2 million and issues of Certificates unconditionally guaranteed by Banca Akros for 462.7 million. Level 2 "Financial liabilities designated at fair value" mainly includes liabilities related to Class III insurance products (unit-linked and index-linked policies), whose services are related to the value of market indices and units of investment funds, for 4,005.2 million, and structured debt securities together with the unconditionally guaranteed capital Certificates for a book value of 4,324.0 million (4,938.1 million as at 31 December 2024).

Non-financial assets

The non-financial assets of the Group measured at fair value are represented by properties used in operations and held for investment purposes; for the relative sensitivity analyses, please refer to the previous paragraph "Non-financial assets measured at fair value on a recurring basis".

Transfers between fair value levels (Level 1 and Level 2) for financial assets and liabilities measured at fair value on a recurring basis

During 2025, there were transfers from level 2 to level 1 for 1,166.8 million, mainly represented by units of open-ended harmonised UCITs for 1,140.8 million, following a more precise alignment with the Group policy which does not provide for classification at level 1 of the hierarchy. The remaining 26 million refers to some bonds for which, at the end of 2025, it was possible to rely on prices listed in active markets.

Impact of Credit Valuation Adjustment (CVA) and Debt Valuation Adjustment (DVA) on the determination of the fair value of derivative financial instruments

Based on the method illustrated in the section above entitled "A.4.1 Fair value levels 2 and 3: valuation techniques and input used", as at 31 December 2025, cumulative adjustments made to the fair value of derivative instruments, other than issues of certificates, to account for counterparty risk "Credit Valuation Adjustment (CVA)" and "Debt Valuation Adjustment (DVA)", were positive overall for 1.4 million, and were comprised by:

- adjustments for CVA which resulted in a cumulative loss, in terms of lower assets/higher liabilities, of 2.6 million;
- adjustments for DVA which resulted in a cumulative benefit, in terms of higher assets/lower liabilities, of 4.0 million.

As at 31 December 2024, cumulative fair value adjustments to take account of counterparty risk (CVA/DVA) were negative overall for 0.3 million, equal to the imbalance between negative adjustments for CVA (4.4 million) and positive adjustments for DVA (4.1 million).
The resulting impact on the income statement for 2025 was therefore a positive 1.7 million.

Property, plant and equipment measured at fair value on a recurring basis

Property, plant and equipment measured at fair value on a recurring basis, entirely classified as level 3, are represented by property and valuable works of art.
Sub-item "4. Property, plant and equipment" includes the assets classified in item 90 of balance sheet assets and measured at fair value. These regard:

- owned property used in operations and for investment purposes, for a total of 1,664.1 million;
- valuable works of art for 42.6 million.

In that regard, it is noted that, in addition to the above property, plant and equipment, the Group also holds property measured at fair value on a recurring basis, for 145.9 million (level 3 in the fair value hierarchy), classified in balance sheet item "120. Non-current assets and disposal groups held for sale", in relation to the sales negotiations underway.

A.4.5.2 Annual changes in assets measured at fair value on a recurring basis (level 3)

	Financial assets at fair value through profit and 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 designated at fair value	of which: c) other financial assets mandatorily measured at fair value				
1. Opening balance	**1,987,580**	**184**	**-**	**1,987,396**	**408,469**	**-**	**1,771,545**	**-**
2. Increases	**2,128,006**	**279**	**-**	**2,127,727**	**78,793**	**-**	**65,331**	**-**
2.1. Purchases	294,948	46	-	294,902	5,762	-	12,106	-
2.2. Profits charged to:	101,754	1	-	101,753	10,201	-	49,775	-
2.2.1. Income statement	101,754	1	-	101,753	-	-	24,074	-
- of which capital gains	86,157	-	-	86,157	-	-	20,047	-
2.2.2. Shareholders' equity	-	X	X	X	10,201	-	25,701	-
2.3. Transfers from other levels	-	-	-	-	2,721	-	-	-
2.4. Other increases	1,731,304	232	-	1,731,072	60,109	-	3,450	-
3. Decreases	**(1,736,386)**	**(4)**	**-**	**(1,736,382)**	**(60,951)**	**-**	**(130,236)**	**-**
3.1. Sales	(153,136)	(1)	-	(153,135)	(7,386)	-	(6,279)	-
3.2. Redemptions	(251,197)	(1)	-	(251,196)	-	-	-	-
3.3. Losses charged to:	(133,417)	(2)	-	(133,415)	(3,546)	-	(62,856)	-
3.3.1. Income statement	(133,417)	(2)	-	(133,415)	-	-	(49,425)	-
- of which capital losses	(104,427)	(2)	-	(104,425)	-	-	(30,827)	-
3.3.2. Shareholders' equity	-	X	X	X	(3,546)	-	(13,431)	-
3.4. Transfers to other levels	(7,672)	-	-	(7,672)	-	-	-	-
3.5. Other decreases	(1,190,964)	-	-	(1,190,964)	(50,019)	-	(61,101)	-
4. Closing balance	**2,379,200**	**459**	**-**	**2,378,741**	**426,311**	**-**	**1,706,640**	**-**

"Transfers from other levels" of financial assets refer to the book value at the beginning of the year of a fund whose valuation, at the reporting date, was based on the NAV provided by the fund administrator; while the "Transfers to other levels" include the book value at the beginning of the year of a share for which, at the reporting date, it was possible to rely on parameters observable on the market.

Sub-items "2.2.1 Profits charged to the Income statement" and "3.3.1 Losses charged to the Income statement" include the profits and losses recognised in total in the income statement for the year, relating to the following items:

- "80. Net trading income" for "financial assets held for trading";
- "110. b) Net gains (losses) from other financial assets and liabilities measured at fair value through profit and loss" for the "other financial assets mandatorily measured at fair value";
- "260. Fair value gains (losses) on property, plant and equipment and intangible assets" for the adjustment to fair value of property, plant and equipment measured on the basis of the fair value criterion (IAS 40) or the revalued amount method (IAS 16);
- "210. Depreciation and impairment losses on property, plant and equipment" for depreciation charges on property used in operations, measured on the basis of the revalued amount criterion (IAS 16);
- "280. Gains (losses) on disposal of investments" for the recognition of the gain or loss made from the sale of property, plant or equipment, represented by property or by works of art and measured on the basis of the fair value/revalued amount criterion.

Sub-items "2.2.2 Profits charged to Shareholders' equity" and "3.3.2 Losses charged to Shareholders' equity" include the profits and losses recognised in total as a balancing entry of the shareholders' equity item "120. Valuation reserves", and shown in the statement of comprehensive income relating to the following items:

- "20. Equity instruments designated at fair value through other comprehensive income";
- "140. Financial assets (other than equity instruments) measured at fair value through other comprehensive income" for the other securities.
- "50. Property, plant and equipment".

A.4.5.3 Annual changes in liabilities measured at fair value on a recurring basis (level 3)

	Financial liabilities held for trading	Financial liabilities designated at fair value	Hedging derivatives
1. Opening balance	**-**	**18,295**	**-**
2. Increases	**-**	**49,155**	**-**
2.1 Issues	-	-	-
2.2. Losses charged to:	-	49,155	-
2.2.1. Income statement	-	49,155	-
- of which capital losses	-	49,155	-
2.2.2. Shareholders' equity	X	-	-
2.3. Transfers from other levels	-	-	-
2.4. Other increases	-	-	-
3. Decreases	**-**	**(67,450)**	**-**
3.1. Redemptions	-	(67,450)	-
3.2. Buy-backs	-	-	-
3.3. Profits charged to:	-	-	-
3.3.1. Income statement	-	-	-
- of which capital gains	-	-	-
3.3.2. Shareholders' equity	X	-	-
3.4. Transfers to other levels	-	-	-
3.5. Other decreases	-	-	-
4. Closing balance	**-**	**-**	**-**

A.4.5.4 Assets and liabilities not measured at fair value, or measured at fair value on a non-recurring basis: distribution by fair value hierarchy

Assets/Liabilities not measured at fair value, or measured at fair value on a non-recurring basis	31/12/2025				31/12/2024			
	BV	L1	L2	L3	BV	L1	L2	L3
1. Financial assets at amortised cost	135,525,867	28,780,454	1,225,342	104,831,415	131,794,858	25,594,294	1,042,272	104,502,471
2. Property, plant and equipment held for investment purposes	-	-	-	-	-	-	-	-
3. Non-current assets and disposal groups held for sale	-	-	-	-	-	-	-	-
Total	**135,525,867**	**28,780,454**	**1,225,342**	**104,831,415**	**131,794,858**	**25,594,294**	**1,042,272**	**104,502,471**
1. Financial liabilities at amortised cost	139,711,050	13,660,788	9,716,855	116,589,200	133,165,852	14,279,962	9,311,790	109,793,579
2. Liabilities associated with assets classified as held for sale	-	-	-	-	-	-	-	-
Total	**139,711,050**	**13,660,788**	**9,716,855**	**116,589,200**	**133,165,852**	**14,279,962**	**9,311,790**	**109,793,579**

Key:
BV = Book value
L1 = Level 1
L2 = Level 2
L3 = Level 3

Assets and liabilities not measured at fair value

Financial assets and liabilities classified in level 1 and level 2 of the fair value hierarchy refer to debt securities/bonds in the portfolio (assets) or own issues (liabilities), for which listed prices available in active markets or valuation techniques whose relevant parameters are observable on the market were used. In greater detail, securities held in assets are mainly represented by government bonds classified in level 1.

The remaining financial assets and liabilities at amortised cost (loans, deposits, current accounts, other payables) are classified in level 3, as:

- the fair value was determined on the basis of unobservable parameters, mainly attributable to estimates of expected losses determined on the basis of unobservable market indicators; or
- the fair value was not measured, as it was deemed approximately equal to the book value, as permitted by accounting standard IFRS 7.

For said types of financial instruments, the selection of techniques and parameters used in estimating the fair value to indicate in the financial statements only for disclosure purposes, as well as the appreciation of the significance of the unobservable inputs require significant judgements. It cannot therefore be ruled out that a different approach to said parameters or the use of alternative valuation techniques may lead to significantly different fair values, also depending on the purpose for which the same are being calculated.

For the disclosure on the methods of determining the fair value of financial assets and liabilities at amortised cost, refer to that illustrated in the previous paragraph "Financial assets and liabilities at amortised cost in the financial statements".

Assets and liabilities measured at fair value on a non-recurring basis

In line with the provisions envisaged by Circular no. 262 for assets and liabilities measured at fair value on a non-recurring basis, a disclosure of the three-level fair value hierarchy has to be provided. By way of example, this case would arise if a tangible asset, usually measured on the basis of the cost criterion, were to be measured at fair value, net of costs to sell, following its IFRS 5 classification as a non-current asset held for sale.
In this regard, it must be clarified that as at 31 December 2025, as in the previous year, no disclosure on the fair value hierarchy of assets and liabilities measured at fair value on a non-recurring basis is provided, as the Group does not own this type of asset.

A.5 DISCLOSURE OF "DAY ONE PROFIT/LOSS"

Pursuant to IFRS 7, paragraph 28, in the area of Group financial instruments, note that at the reporting date, there were no impacts deriving from the "Day 1 Profit/Loss", understood as the difference between the fair value at the time of initial recognition (transaction price) and the amount determined at that date using a measurement technique.

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	685,658	738,820
b) Current accounts and demand deposits with Central Banks	4,452,367	11,005,898
c) Current accounts and demand deposits with banks	468,484	380,122
Total	**5,606,509**	**12,124,840**

Section 2 - Financial assets at fair value through profit and loss – Item 20

2.1 Financial assets held for trading: breakdown by product

Items/Amounts	Total 31/12/2025			Total 31/12/2024		
	L1	L2	L3	L1	L2	L3
A. On-balance sheet assets						
1. Debt securities	3,251,544	50,547	-	940,308	44,915	-
1.1 Structured securities	4,869	44,803	-	6,622	44,260	-
1.2 Other debt securities	3,246,675	5,744	-	933,686	655	-
2. Equity instruments	661,367	-	65	1,231,835	-	18
3. UCIT units	7,959	-	117	6,812	-	120
4. Loans	-	5,997,460	-	-	2,003,356	-
4.1 Repurchase agreements	-	5,997,460	-	-	2,003,356	-
4.2 Other	-	-	-	-	-	-
Total (A)	**3,920,870**	**6,048,007**	**182**	**2,178,955**	**2,048,271**	**138**
B. Derivative instruments						
1. Financial derivatives	216,331	1,589,824	277	78,901	1,705,562	46
1.1 held for trading	216,331	1,589,764	277	78,901	1,705,413	46
1.2 connected with the fair value option	-	-	-	-	130	-
1.3 other	-	60	-	-	19	-
2. Credit derivatives	-	-	-	-	444	-
2.1 held for trading	-	-	-	-	444	-
2.2 connected with the fair value option	-	-	-	-	-	-
2.3 other	-	-	-	-	-	-
Total (B)	**216,331**	**1,589,824**	**277**	**78,901**	**1,706,006**	**46**
Total (A+B)	**4,137,201**	**7,637,831**	**459**	**2,257,856**	**3,754,277**	**184**

L1 = Level 1
L2 = Level 2
L3 = Level 3

Sub-item "1.2 Other debt securities" includes subordinated financial assets for 30.7 million.

Sub-item "4. Loans" is fully represented by trading repurchase agreements, of which 5.6 billion entered into with Central Counterparties.

The following table shows the breakdown by fund type of sub-item "3. UCIT units", mainly attributable to real estate funds.

Items/Amounts	31/12/2025	31/12/2024
Share Funds	2,154	3,023
Real Estate Funds	5,922	3,909
Total	**8,076**	**6,932**

2.2 Financial assets held for trading: breakdown by debtor/issuer/counterparty

Items/Amounts	Total 31/12/2025	Total 31/12/2024
A. On-balance sheet assets		
1. Debt securities	**3,302,091**	**985,223**
a) Central Banks	-	-
b) Public Administrations	2,360,557	670,039
c) Banks	826,037	180,194
d) Other financial companies	49,235	86,369
of which: insurance companies	15,623	9,775
e) Non-financial companies	66,262	48,621
2. Equity instruments	**661,432**	**1,231,853**
a) Banks	58,844	39,136
b) Other financial companies	50,569	176,276
of which: insurance companies	1,322	83,849
c) Non-financial companies	552,019	1,016,441
d) Other issuers	-	-
3. UCIT units	**8,076**	**6,932**
4. Loans	**5,997,460**	**2,003,356**
a) Central Banks	-	-
b) Public Administrations	-	-
c) Banks	1,101,137	1,520,015
d) Other financial companies	4,896,323	483,341
of which: insurance companies	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total (A)	**9,969,059**	**4,227,364**
B. Derivative instruments		
a) Central Counterparties	190,778	247,338
b) Other	1,615,654	1,537,615
Total (B)	**1,806,432**	**1,784,953**
Total (A+B)	**11,775,491**	**6,012,317**

As shown in the table below "A.1.2 - Distribution of financial assets by portfolio and by credit quality (gross and net values)" in Part E of these Notes to the consolidated financial statements, the Group's exposures with evident poor credit quality relate exclusively to derivative contracts for a net exposure of 0.5 million.

2.3 Financial assets designated at fair value: breakdown by product

As at 31 December 2025, as in the previous year, the Group had no assets classified in the portfolio in question.

2.4 Financial assets designated at fair value: breakdown by debtor/issuer

As at 31 December 2025, as in the previous year, the Group had no assets classified in the portfolio in question.

2.5 Other financial assets mandatorily measured at fair value: breakdown by product

Items/Amounts	Total 31/12/2025			Total 31/12/2024		
	L1	L2	L3	L1	L2	L3
1. Debt securities	529,970	223,591	19,476	329,783	183,779	21,454
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	529,970	223,591	19,476	329,783	183,779	21,454
2. Equity instruments	251,097	46,143	34,370	217,955	36,347	40,868
3. UCIT units	7,307,299	10	1,656,769	5,422,868	1,379,573	1,402,094
4. Loans	-	-	668,126	-	-	522,980
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	668,126	-	-	522,980
Total	**8,088,366**	**269,744**	**2,378,741**	**5,970,606**	**1,599,699**	**1,987,396**

L1 = Level 1
L2 = Level 2
L3 = Level 3

"Other financial assets mandatorily measured at fair value" totalled 10,736.9 million (9,557.7 million as at 31 December 2024) and are attributable for 2,196.5 million to the "Banking Group" and for 8,540.3 million to "Insurance companies"; these amounts as at 31 December 2024 were 2,272.9 million and 7,284.7 million, respectively.
The change compared to the previous year is fundamentally due to the contribution of insurance companies, whose assets are mainly represented by UCIT units (7,541.0 million, up compared to 6,553.6 million in the previous year). These assets relate, for 6,169.8 million (5,234.8 million as at 31 December 2024) to investments underlying the Unit-linked contracts, as illustrated in detail under liabilities in "Other information" of these Notes to the financial statements.

Exposure to debt securities amounted to a total of 773.0 million (535.0 million as at 31 December 2024) and is mainly attributable to "Insurance companies".
Note that, sub-item "1.2 Other debt securities" includes, inter alia, Asset Backed Securities (ABS) for 19.5 million (21.5 million in 2024), all with subordination clauses, finalised through the following special purpose entities: Pharma Finance S.r.l., Bnt Portfolio SPV, Red Sea SPV, Leviticus SPV, Tiberina SPV, Titan SPV, Tevere SPV, Aurelia SPV and Sun SPV. These securities are classified under level 3. For further details, please refer to "Part E - Information on risks and related hedging policies, 1.1 Credit risk, C. Securitisation transactions" of these Notes to the financial statements.

The following tables provide the breakdown of the item in question by "Banking Group" and "Insurance companies".

2.5 Other financial assets mandatorily measured at fair value: breakdown by product (of which: Banking Group)

Items/Amounts	Total 31/12/2025			Total 31/12/2024		
	L1	L2	L3	L1	L2	L3
1. Debt securities	**4,981**	**-**	**19,476**	**-**	**-**	**21,454**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	4,981	-	19,476	-	-	21,454
2. Equity instruments	**324**	**46,143**	**34,368**	**330**	**36,347**	**40,868**
3. UCIT units	**125,933**	**10**	**1,297,170**	**600,177**	**-**	**1,050,798**
4. Loans	**-**	**-**	**668,126**	**-**	**-**	**522,980**
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	668,126	-	-	522,980
Total	**131,238**	**46,153**	**2,019,140**	**600,507**	**36,347**	**1,636,100**

L1 = Level 1
L2 = Level 2
L3 = Level 3

2.5 Other financial assets mandatorily measured at fair value: breakdown by product (of which: Insurance companies)

Items/Amounts	Total 31/12/2025			Total 31/12/2024		
	L1	L2	L3	L1	L2	L3
1. Debt securities	**524,989**	**223,591**	**-**	**329,783**	**183,779**	**-**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	524,989	223,591	-	329,783	183,779	-
2. Equity instruments	**250,773**	**-**	**-**	**217,625**	**-**	**-**
3. UCIT units	**7,181,366**	**-**	**359,599**	**4,822,691**	**1,379,573**	**351,296**
4. Loans	**-**	**-**	**-**	**-**	**-**	**-**
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	-	-	-	-
Total	**7,957,128**	**223,591**	**359,599**	**5,370,099**	**1,563,352**	**351,296**

L1 = Level 1
L2 = Level 2
L3 = Level 3

The table below presents the breakdown of sub-item "3. UCIT units".

Items/Amounts	31/12/2025	31/12/2024
Share Funds	2,422,470	2,486,030
Balanced Funds	1,025,832	14,413
Bond Funds	4,044,873	4,012,448
Liquidity Funds	485,251	530,537
Flexible Funds	120,038	405,935
Hedge Funds	12,474	5,337
Real Estate Funds	425,567	376,599
Private Debt and similar funds	427,573	373,236
Total	**8,964,078**	**8,204,535**

"Private Debt and similar funds" of 411.4 million refer to the shares attributed to the Group as part of multi-originator sales of non-performing loans. These transactions fall within those illustrated under "Multi-originator sales of loans to mutual investment funds" in "Part E - Information on risks and related hedging policies, 1.1 Credit risk, D. Sale transactions", of these Notes to the financial statements.

2.6 Other financial assets mandatorily measured at fair value: breakdown by debtor/issuer

	Total 31/12/2025	Total 31/12/2024
1. Equity instruments	**331,610**	**295,170**
of which: banks	-	-
of which: other financial companies	17,038	16,370
of which: non-financial companies	63,799	61,175
2. Debt securities	**773,037**	**535,016**
a) Central Banks	428,035	231,874
b) Public Administrations	31,283	43,908
c) Banks	241,429	190,509
d) Other financial companies	26,521	44,807
of which: insurance companies	7,045	7,184
e) Non-financial companies	45,769	23,918
3. UCIT units	**8,964,078**	**8,204,535**
4. Loans	**668,126**	**522,980**
a) Central Banks	-	-
b) Public Administrations	1,974	2,476
c) Banks	-	-
d) Other financial companies	421,451	105,062
of which: insurance companies	-	-
e) Non-financial companies	222,531	388,848
f) Households	22,170	26,594
Total	**10,736,851**	**9,557,701**

The following tables provide the breakdown of the item in question by "Banking Group" and "Insurance companies".

2.6 Other financial assets mandatorily measured at fair value: breakdown by debtor/issuer (of which: Banking Group)

	Total 31/12/2025	Total 31/12/2024
1. Equity instruments	**80,835**	**77,545**
of which: banks	-	-
of which: other financial companies	17,038	16,370
of which: non-financial companies	63,797	61,175
2. Debt securities	**24,457**	**21,454**
a) Central Banks	-	-
b) Public Administrations	4,981	-
c) Banks	-	-
d) Other financial companies	19,476	21,454
of which: insurance companies	-	-
e) Non-financial companies	-	-
3. UCIT units	**1,423,113**	**1,650,975**
4. Loans	**668,126**	**522,980**
a) Central Banks	-	-
b) Public Administrations	1,974	2,476
c) Banks	-	-
d) Other financial companies	421,451	105,062
of which: insurance companies	-	-
e) Non-financial companies	222,531	388,848
f) Households	22,170	26,594
Total	**2,196,531**	**2,272,954**

2.6 Other financial assets mandatorily measured at fair value: breakdown by debtor/issuer (of which Insurance companies)

	Total 31/12/2025	Total 31/12/2024
1. Equity instruments	**250,773**	**217,625**
of which: banks	-	-
of which: other financial companies	-	-
of which: non-financial companies	-	-
2. Debt securities	**748,580**	**513,562**
a) Central Banks	428,035	231,874
b) Public Administrations	26,302	43,908
c) Banks	241,429	190,509
d) Other financial companies	7,045	23,353
of which: insurance companies	7,045	7,184
e) Non-financial companies	45,769	23,918
3. UCIT units	**7,540,965**	**6,553,560**
4. Loans	**-**	**-**
a) Central Banks	-	-
b) Public Administrations	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total	**8,540,318**	**7,284,747**

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

Items/Amounts	Total 31/12/2025			Total 31/12/2024		
	L1	L2	L3	L1	L2	L3
1. Debt securities	24,853,853	1,929	143,838	21,808,097	33,574	133,109
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	24,853,853	1,929	143,838	21,808,097	33,574	133,109
2. Equity instruments	1,034,693	-	282,473	431,920	-	275,360
3. Loans	-	-	-	-	-	-
Total	**25,888,546**	**1,929**	**426,311**	**22,240,017**	**33,574**	**408,469**

L1 = Level 1
L2 = Level 2
L3 = Level 3

The total amount of the item as at 31 December 2025 was 26,316.8 million (22,682.1 million as at 31 December 2024) and was attributable for 16,029.1 million to the "Banking Group" (13,280.0 million as at 31 December 2024) and for 10,287.7 million to "Insurance companies" (9,402.1 million as at 31 December 2024).

Exposure to debt securities amounted to a total of 24,999.6 million (21,974.8 million as at 31 December 2024) and was mainly represented by bonds issued by governments.

As at 31 December 2025, and in the previous year, there were no subordinated assets.

The exposure in equity instruments amounted to a total of 1,317.2 million (707.3 million as at 31 December 2024). More specifically:

- level 1 equity instruments include the investment in Banca Monte dei Paschi di Siena S.p.A. for a book value of 1,034.2 million, equal to 113,275,176 shares (in the previous year, the book value was 428.7 million for 62,984,485 shares). It should be noted that the increase of 50,290,691 shares is the result of the consolidation of Anima Holding S.p.A.;
- level 3 equity instruments include the stakes held in the share capital of the Bank of Italy (4,541 shares), equal to 1.5137% of the entire share capital. The book value of 113.5 million is obtained by applying the value of 25,000 euro to each share. Note that these shares derive from the capital increase operation carried out by the Bank of Italy in 2013 as an effect of Italian Decree Law no. 133 of 30 November 2013, converted with Italian Law no. 5 of 29 January 2014, leading to the issuing of new shares, with a value of 25,000 euro per unit. Also included are the shares of C.R. Asti S.p.A., Palladio Holding S.p.A. and Astaris S.p.A. for 56.8 million, 40.7 million and 11.4 million, respectively.

Equity instruments deriving from the recovery of impaired financial assets came to 18.8 million.

The following tables provide the breakdown of the item in question by "Banking Group" and "Insurance companies".

3.1 Financial assets measured at fair value through other comprehensive income: breakdown by product (of which: Banking Group)

Items/Amounts	Total 31/12/2025			Total 31/12/2024		
	L1	L2	L3	L1	L2	L3
1. Debt securities	**14,710,363**	**1,929**	**-**	**12,570,885**	**2,084**	**-**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	14,710,363	1,929	-	12,570,885	2,084	-
2. Equity instruments	**1,034,287**	**-**	**282,473**	**431,625**	**-**	**275,360**
3. Loans	**-**	**-**	**-**	**-**	**-**	**-**
Total	**15,744,650**	**1,929**	**282,473**	**13,002,510**	**2,084**	**275,360**

L1 = Level 1
L2 = Level 2
L3 = Level 3

3.1 Financial assets measured at fair value through other comprehensive income: breakdown by product (of which: Insurance companies)

Items/Amounts	Total 31/12/2025			Total 31/12/2024		
	L1	L2	L3	L1	L2	L3
1. Debt securities	**10,143,490**	**-**	**143,838**	**9,237,212**	**31,490**	**133,109**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	10,143,490	-	143,838	9,237,212	31,490	133,109
2. Equity instruments	**406**	**-**	**-**	**295**	**-**	**-**
3. Loans	**-**	**-**	**-**	**-**	**-**	**-**
Total	**10,143,896**	**-**	**143,838**	**9,237,507**	**31,490**	**133,109**

L1 = Level 1
L2 = Level 2
L3 = Level 3

3.2 Financial assets measured at fair value through other comprehensive income: breakdown by debtor/issuer

Items/Amounts	Total 31/12/2025	Total 31/12/2024
1. Debt securities	**24,999,620**	**21,974,780**
a) Central Banks	84,728	72,702
b) Public Administrations (*)	20,474,352	17,163,753
c) Banks (*)	1,165,936	1,261,007
d) Other financial companies	1,910,660	2,314,622
of which: insurance companies	59,459	45,060
e) Non-financial companies	1,363,944	1,162,696
2. Equity instruments	**1,317,166**	**707,280**
a) Banks	1,204,574	592,560
b) Other issuers:	112,592	114,720
- other financial companies	67,235	62,736
of which: insurance companies	-	-
- non-financial companies	44,951	51,689
- other	406	295
3. Loans	**-**	**-**
a) Central Banks	-	-
b) Public Administrations	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total	**26,316,786**	**22,682,060**

(*) The figures relating to the previous year have been restated to guarantee a like-for-like comparison.

The following tables provide the breakdown by "Banking Group" and "Insurance companies".

3.2 Financial assets measured at fair value through other comprehensive income: breakdown by debtor/issuer (of which: Banking Group)

Items/Amounts	Total	Total
Items/Amounts	31/12/2025	31/12/2024
1. Debt securities	**14,712,292**	**12,572,969**
a) Central Banks	-	-
b) Public Administrations	11,150,947	8,973,979
c) Banks	1,165,936	1,261,007
d) Other financial companies	1,031,465	1,175,287
of which: insurance companies	59,459	45,060
e) Non-financial companies	1,363,944	1,162,696
2. Equity instruments	**1,316,760**	**706,985**
a) Banks	1,204,574	592,560
b) Other issuers:	112,186	114,425
- other financial companies	67,235	62,736
of which: insurance companies	-	-
- non-financial companies	44,951	51,689
- other	-	-
3. Loans	**-**	**-**
a) Central Banks	-	-
b) Public Administrations	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total	**16,029,052**	**13,279,954**

3.2 Financial assets measured at fair value through other comprehensive income: breakdown by debtor/issuer (of which: Insurance companies)

Items/Amounts Items/Amounts	Total 31/12/2025	Total 31/12/2024
1. Debt securities	**10,287,328**	**9,401,811**
a) Central Banks	84,728	72,702
b) Public Administrations	9,323,405	8,189,774
c) Banks	-	-
d) Other financial companies	879,195	1,139,335
of which: insurance companies	-	-
e) Non-financial companies	-	-
2. Equity instruments	**406**	**295**
a) Banks	-	-
b) Other issuers:	406	295
- other financial companies	-	-
of which: insurance companies	-	-
- non-financial companies	-	-
- other	406	295
3. Loans	**-**	**-**
a) Central Banks	-	-
b) Public Administrations	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance companies	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total	**10,287,734**	**9,402,106**

3.3 Financial assets measured at fair value through other comprehensive income: gross value and total value adjustments

	Gross value					Total value adjustments				Total partial write-offs *
	Stage 1	of which: Instruments with low credit risk	Stage 2	Stage 3	Acquired or originated impaired	Stage 1	Stage 2	Stage 3	Acquired or originated impaired	
Debt securities	24,930,403	5,621,502	75,089	-	-	(4,584)	(1,288)	-	-	-
Loans	-	-	-	-	-	-	-	-	-	-
Total 31/12/2025	**24,930,403**	**5,621,502**	**75,089**	**-**	**-**	**(4,584)**	**(1,288)**	**-**	**-**	**-**
Total 31/12/2024	**21,752,809**	**13,155,839**	**227,472**	**-**	**-**	**(3,206)**	**(2,295)**	**-**	**-**	**-**

(*) Value to be shown for disclosure purposes.

In compliance with the provisions of paragraph 5.5.10 of IFRS 9, the column "of which: Instruments with low credit risk" includes financial assets, entirely represented by debt securities, for which the Group has made use of the Low Credit Risk Exemption (LCRE), i.e. the right to assume that the credit risk has not significantly increased with respect to the initial recognition, in consideration of the low credit risk of the instrument at the reporting date.
The change compared to the previous year is attributable to some refinements made to the criteria for defining the LCRE perimeter, introduced in order to strengthen methodological consistency with the stage assignment framework adopted by the Group.
For a detailed description of the criteria adopted as at 31 December 2025 for the purposes of defining the perimeter of low credit risk securities, please refer to the content of "Part E - Information on risks and related hedging policies, Section 1.1 Credit risk, paragraph 2.3 Measurement methods for expected losses" of these Notes to the financial statements.

Section 4 - Financial assets at amortised cost – Item 40

4.1 Financial assets at amortised cost: breakdown by product for loans to banks

Transaction type/Amounts	Total 31/12/2025						Total 31/12/2024					
	Book value			Fair value			Book value			Fair value		
	Stage 1 and Stage 2	Stage 3	Acquired or originated impaired	L1	L2	L3	Stage 1 and Stage 2	Stage 3	Acquired or originated impaired	L1	L2	L3
A. Loans to Central Banks	**1,097,465**	**-**	**-**	**-**	**-**	**1,097,465**	**1,017,014**	**-**	**-**	**-**	**-**	**1,017,014**
1. Fixed-term deposits	-	-	-	X	X	X	-	-	-	X	X	X
2. Minimum reserve	1,095,979	-	-	X	X	X	1,014,224	-	-	X	X	X
3. Repurchase agreements	-	-	-	X	X	X	-	-	-	X	X	X
4. Other	1,486	-	-	X	X	X	2,790	-	-	X	X	X
B. Loans to banks	**5,378,315**	**-**	**-**	**1,541,152**	**1,038,938**	**2,827,111**	**4,825,522**	**-**	**-**	**1,571,198**	**915,838**	**2,358,953**
1. Loans	2,801,430	-	-	-	-	2,817,120	2,345,261	-	-	-	-	2,358,953
1.1 Current accounts	-	-	-	X	X	X	-	-	-	X	X	X
1.2. Fixed-term deposits	172,227	-	-	X	X	X	126,034	-	-	X	X	X
1.3. Other loans:	2,629,203	-	-	X	X	X	2,219,227	-	-	X	X	X
- Reverse repurchase agreements	1,162,114	-	-	X	X	X	195,841	-	-	X	X	X
- Loans for leases	-	-	-	X	X	X	-	-	-	X	X	X
- Other	1,467,089	-	-	X	X	X	2,023,386	-	-	X	X	X
2. Debt securities	2,576,885	-	-	1,541,152	1,038,938	9,991	2,480,261	-	-	1,571,198	915,838	-
2.1 Structured securities	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Other debt securities	2,576,885	-	-	1,541,152	1,038,938	9,991	2,480,261	-	-	1,571,198	915,838	-
Total	**6,475,780**	**-**	**-**	**1,541,152**	**1,038,938**	**3,924,576**	**5,842,536**	**-**	**-**	**1,571,198**	**915,838**	**3,375,967**

L1 = Level 1
L2 = Level 2
L3 = Level 3

Sub-item B.1.3 "Other loans – other" includes security deposits for "ISMA" and "CSA" contracts for 576.7 million (1,028.7 million in 2024), loans with medium/long-term repayment plans, loans for securities trading transactions not yet settled and receivables for discounts on bills.

The sub-item in question also includes operating receivables in the amount of 2.1 million (4.1 million in 2024), associated with revenues accruing in 2025 but not yet received as at the end of the year.

Sub-item "B.2 Debt securities" includes subordinated securities for an amount of 4.2 million (14.6 million in 2024).

For details on non-performing assets, please see "Part E - Information on risks and related hedging policies, Section 2 - Risks of prudential consolidation, 1.1 Credit risk".

4.2 Financial assets at amortised cost: breakdown by product for loans to customers

Transaction type/Amounts	Total 31/12/2025						Total 31/12/2024					
	Book value			Fair value			Book value			Fair value		
	Stage 1 and Stage 2	Stage 3	Acquired or originated impaired	L1	L2	L3	Stage 1 and Stage 2	Stage 3	Acquired or originated impaired	L1	L2	L3
1. Loans	**98,417,323**	**1,211,597**	**86,611**	**-**	**-**	**99,032,997**	**98,050,867**	**1,574,779**	**104,353**	**-**	**-**	**99,241,638**
1. Current accounts	7,396,400	94,207	631	X	X	X	7,726,858	137,446	1,224	X	X	X
2. Reverse repurchase agreements	4,041,222	-	-	X	X	X	2,997,838	-	-	X	X	X
3. Mortgage loans	74,504,640	772,379	26,506	X	X	X	75,157,711	1,043,976	35,298	X	X	X
4. Credit cards, personal loans and salary-backed loans	371,676	2,944	35	X	X	X	465,038	6,351	31	X	X	X
5. Loans for leases	234,576	3,697	-	X	X	X	299,672	11,354	-	X	X	X
6. Factoring	47,275	89	-	X	X	X	70,888	-	-	X	X	X
7. Other loans	11,821,534	338,281	59,439	X	X	X	11,332,862	375,652	67,800	X	X	X
2. Debt securities	**28,569,661**	**764,895**	**-**	**27,239,302**	**186,404**	**1,873,842**	**25,758,600**	**463,723**	**-**	**24,023,096**	**126,434**	**1,884,866**
1. Structured securities	-	-	-	-	-	-	-	-	-	-	-	-
2. Other debt securities	28,569,661	764,895	-	27,239,302	186,404	1,873,842	25,758,600	463,723	-	24,023,096	126,434	1,884,866
Total	**126,986,984**	**1,976,492**	**86,611**	**27,239,302**	**186,404**	**100,906,839**	**123,809,467**	**2,038,502**	**104,353**	**24,023,096**	**126,434**	**101,126,504**

L1 = Level 1
L2 = Level 2
L3 = Level 3

Net loans to customers amounted to 129,050.1 million (125,952.3 million as at 31 December 2024). Excluding debt securities, the analysis of the portfolio by type shows mortgage loans accounting for the largest part, representing 75.5% of the total (76.4% in 2024).

Sub-item "1.7. Other loans" mainly includes loans for advances on bills, documents and similar instruments subject to collection, subsidies not settled in the current account, loans with medium/long-term repayment plans and operating receivables associated with the provision of financial services. In particular, operating receivables include 267.2 million for fees and commissions accruing in 2025, against ordinary contracts with customers, which will be received during 2026. In 2024 these amounted to 256.4 million, almost fully collected during 2025. For further details, please refer to the footnote below Table "2.1 Fee and commission income: breakdown" in Part C – Information on the consolidated income statement.

Stage 3 non-performing loans, net of debt securities and acquired or originated impaired exposures, amounted to 1,211.6 million, marking a 23.1% decrease compared to the previous year (1,574.8 million), also due to additional derisking transactions finalised during the year.

For more details about credit quality, please see "Section 1 – Risks of the consolidated book, A. Credit quality" and "Section 2 – Risks of prudential consolidation, 1.1 Credit risk, A. Credit quality" in Part E of these Notes to the financial statements.

Sub-item "2. Debt securities", equal to 29,334.6 million, is mainly represented for 26,442.0 million by securities issued by Public administrations.

Also included are Asset Backed Securities - ABS for 1,835.4 million (1,834.9 million as at 31 December 2024) deriving from own and third-party securitisations, all classified as level 3 in the fair value hierarchy.

More specifically, the securities issued as part of own securitisations of non-performing loans amounted to 840.3 million (1,067 million as at 31 December 2024) and are entirely attributable to the senior tranches issued by the following special purpose entities:

- Red Sea SPV for 395.2 million (463.7 million as at 31 December 2024);
- Leviticus SPV for 369.7 million (433.6 million as at 31 December 2024);
- Titan SPV for 4.8 million (9.4 million as at 31 December 2024);
- Aurelia SPV for 70.6 million (132.8 million as at 31 December 2024);
- Tevere SPV repaid in the period (27.5 million as at 31 December 2024).

Except for the securitisation transaction with Tevere SPV, repaid in the period, all remaining transactions are backed by the Italian State guarantee pursuant to Decree Law 18/2016 ("GACS").
As at 31 December 2025, the senior exposures to Red Sea SPV and Leviticus (classified as status 2 at the end of the previous year), though fully guaranteed, are classified as "non-performing" (Stage 3). The aforementioned classification was necessary because the performances recorded during the period and those expected until the respective maturities of the securities, in terms of collections, are such as to make foreclosure of the state guarantees likely.
For more details, please refer to "Part E - Information on risks and related hedging policies, 1.1 Credit risk, C. Securitisation transactions" in these Notes to the financial statements.

Third-party securitisations of 995.1 million (767.9 million in 2024) are also included.

For information on loans granted with a public guarantee following the Covid emergency, please refer to "Part A - Accounting policies, A.1, Section 5 - Other aspects, Covid-19 support measures by the Group represented by loans with public guarantee" in these Notes to the financial statements.

4.3 Financial assets at amortised cost: breakdown by debtor/issuer of loans to customers

Transaction type/Amounts	Total 31/12/2025			Total 31/12/2024		
	Stage 1 and Stage 2	Stage 3	Acquired or originated impaired	Stage 1 and Stage 2	Stage 3	Acquired or originated impaired
1. Debt securities	**28,569,661**	**764,895**	**-**	**25,758,600**	**463,723**	**-**
a) Public Administrations	26,442,181	-	-	23,321,975	-	-
b) Other financial companies	1,814,457	764,895	-	2,067,243	463,723	-
of which: insurance companies	35,799	-	-	20,889	-	-
c) Non-financial companies	313,023	-	-	369,382	-	-
2. Loans to:	**98,417,323**	**1,211,597**	**86,611**	**98,050,867**	**1,574,779**	**104,353**
a) Public Administrations	1,841,509	239	12	1,428,850	368	438
b) Other financial companies	11,009,655	59,883	25	11,276,276	39,888	38
of which: insurance companies	68,289	11	-	37,371	21	-
c) Non-financial companies	53,384,062	866,104	72,146	53,465,586	1,119,859	86,144
d) Households	32,182,097	285,371	14,428	31,880,155	414,664	17,733
Total	**126,986,984**	**1,976,492**	**86,611**	**123,809,467**	**2,038,502**	**104,353**

4.4 Financial assets at amortised cost: gross value and total value adjustments

	Gross value					Total value adjustments				Total partial write-offs *
	Stage 1	of which: Instruments with low credit risk	Stage 2	Stage 3	Acquired or originated impaired	Stage 1	Stage 2	Stage 3	Acquired or originated impaired	
Debt securities	31,123,560	1,955,968	29,802	771,968	-	(4,457)	(2,359)	(7,073)	-	-
Loans	94,777,071	-	7,990,288	2,236,419	100,170	(97,661)	(353,480)	(1,024,822)	(13,559)	47,251
Total 31/12/2025	**125,900,631**	**1,955,968**	**8,020,090**	**3,008,387**	**100,170**	**(102,118)**	**(355,839)**	**(1,031,895)**	**(13,559)**	**47,251**
Total 31/12/2024	**120,603,120**	**23,267,165**	**9,498,514**	**3,301,480**	**125,034**	**(95,011)**	**(354,620)**	**(1,262,978)**	**(20,681)**	**59,267**

(*) Value to be shown for disclosure purposes.

In compliance with the provisions of paragraph 5.5.10 of IFRS 9, the column "of which: Instruments with low credit risk" includes financial assets, entirely represented by debt securities, for which the Group has made use of the Low Credit Risk Exemption (LCRE), i.e. the right to assume that the credit risk has not significantly increased with respect to the initial recognition, in consideration of the low credit risk of the instrument at the reporting date. The change compared to the previous year is attributable to some refinements made to the criteria for defining the LCRE perimeter, introduced in order to strengthen methodological consistency with the stage assignment framework adopted by the Group.

For a detailed description of the criteria adopted as at 31 December 2025 for the purposes of defining the perimeter of low credit risk securities, please refer to the content of "Part E - Information on risks and related hedging policies, Section 1.1 Credit risk, paragraph 2.3 Measurement methods for expected losses" of these Notes to the financial statements.

Section 5 - Hedging derivatives – Item 50

5.1 Hedging derivatives: breakdown by hedge type and by level

	Fair Value 31/12/2025			NV 31/12/2025	Fair Value 31/12/2024			NV 31/12/2024
	L1	L2	L3		L1	L2	L3	
A. Financial derivatives								
1) Fair value	-	825,107	-	40,174,010	-	1,003,213	-	34,738,834
2) Cash flows	-	9,506	-	917,147	-	29,431	-	1,235,716
3) Foreign investments	-	179	-	27,944	-	648	-	27,962
B. Credit derivatives								
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**834,792**	**-**	**41,119,101**	**-**	**1,033,292**	**-**	**36,002,512**

NV = notional value
L1 = Level 1
L2 = Level 2
L3 = Level 3

5.2 Hedging derivatives: breakdown by portfolio hedged and type of hedge

Operations/Hedge type	Fair Value						Cash flows			Foreign investments
	Micro hedging						Macro hedging	Micro hedging	Macro hedging	
	debt securities and interest rates	equity instruments and share indices	currencies and gold	credit	commodities	other				
1. Financial assets measured at fair value through other comprehensive income	179,560	-	-	-	X	X	X	294	X	X
2. Financial assets at amortised cost	167,821	X	-	-	X	X	X	-	X	X
3. Portfolio	X	X	X	X	X	X	164,326	X	9,212	X
4. Other transactions	-	-	-	-	-	-	X	-	X	179
Total assets	**347,381**	**-**	**-**	**-**	**-**	**-**	**164,326**	**294**	**9,212**	**179**
1. Financial liabilities	61,777	X	-	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	251,623	X	-	X
Total liabilities	**61,777**	**-**	**-**	**-**	**-**	**-**	**251,623**	**-**	**-**	**-**
1. Expected 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 - Fair value change of financial assets in macro fair value hedge portfolios – Item 60

6.1 - Fair value change of hedged assets: breakdown by hedged portfolios

Fair value change of hedged assets/Amounts	Total 31/12/2025	Total 31/12/2024
1. Increase	**70,190**	**181,998**
1.1 of specific portfolios:	70,190	181,998
a) financial assets at amortised cost	70,190	181,998
b) financial assets measured at fair value through other comprehensive income	-	-
1.2 total	-	-
2. Decrease	**(218,908)**	**(183,448)**
2.1 of specific portfolios:	(218,908)	(183,448)
a) financial assets at amortised cost	(218,908)	(183,448)
b) financial assets measured at fair value through other comprehensive income	-	-
2.2 total	-	-
Total	**(148,718)**	**(1,450)**

The fair value change of financial assets in macro fair value hedge portfolios refers to fair value changes in certain specific portfolios of assets at amortised cost, due to interest rate fluctuations.

Fair value gains and losses relative to hedging derivatives and the portfolio hedged are indicated in item "90. Fair value gains/losses on hedging derivatives".

Section 7 - Interests in associates and joint ventures – Item 70

As at 31 December 2025, the book value of item "70. Interests in associates and joint ventures" amounted to 1,452.6 million (1,708.4 million as at 31 December 2024), referring to:

- significant interests of 1,279.2 million (1,534.7 million as at 31 December 2024), as shown in table 7.2 below, by individual interest;
- non-significant interests of 173.4 million (173.7 million as at 31 December 2024), as shown in table 7.4 below, as a whole.

The scope of "significant interests" was determined by considering the materiality of the book value of the investment and the stake held in the investee's assets with respect to the overall amounts indicated in the consolidated financial statements.

7.1 Interests in associates and joint ventures: information on investment relationships

Company name		Registered office	Operational headquarters	Type of relationship (a)	Investment relationship		Available
					Holder	% held	% votes
A.	**Companies subject to joint control**						
	N/A						
B.	**Companies subject to significant influence**						
1.	Agos Ducato S.p.A. Share capital € 638,655,160.00	Milan	Milan	1	Banco BPM	39.000%	39.000%
2.	Alba Leasing S.p.A. Share capital € 357,953,058.13	Milan	Milan	1	Banco BPM	39.189%	39.189%
3.	Aosta Factor S.p.A. Share capital € 14,993,000.00	Aosta	Aosta	1	Banco BPM	20.690%	20.690%
4.	Calliope Finance S.r.l. in liquidation Share capital € 600,000.00	Milan	Milan	1	Banco BPM	50.000%	50.000%
5.	Etica SGR S.p.A. (*) Share capital € 4,500,000.00	Milan	Milan	1	Banco BPM	19.444%	19.444%
6.	Gardant Liberty Servicing S.p.A. Share capital € 150,000.00	Rome	Rome	1	Banco BPM	30.000%	30.000%
7.	GEM Hospitality S.r.l. (*) Share capital € 10,000.00	Milan	Milan	1	Life	80.000%	80.000%
8.	GEMA Magazzini Generali BPV-BSGSP S.p.A. Share capital € 3,000,000.00	Castelnovo Sotto (RE)	Castelnovo Sotto (RE)	1	Banco BPM	33.333%	33.333%
9.	S.E.T.A. Società Edilizia Tavazzano S.r.l. in liquidation Share capital € 20,000.00	Milan	Milan	1	Banco BPM	32.500%	32.500%
10.	PiùVera Assicurazioni S.p.A. Share capital € 63,500,000.00	Milan	Milan	1	Banco BPM Vita	35.000%	35.000%
11.	Vorvel SIM S.p.A. Share capital € 7,300,000.00	Milan	Milan	1	Banco BPM	20.000%	20.000%
12.	Numia Group S.p.A. Share capital € 140,000.00	Milan	Milan	1	Banco BPM	28.570%	28.570%

(a) Type of relationship:
1 = interest in share capital
(*) Company subject to significant influence based on partnership agreements or shareholders' agreements with other shareholders

7.2 Significant interests in associates and joint ventures: book value, fair value and dividends received

Company name		Book value	Fair value	Dividends received
A.	**Companies subject to joint control**			
	N/A			
B.	**Companies subject to significant influence**			
	Agos Ducato S.p.A.	816,019	-	51,480
	Alba Leasing S.p.A.	187,694	-	-
	Numia Group S.p.A.	275,461	-	-
	Total	**1,279,174**	**-**	**51,480**

Note that dividends received during the year were recognised as decreasing the book value of the interest (as described in "Part A - Accounting policies, A.2 - Key financial statement items" in these Notes to the financial statements), in that the profits which gave rise to them were indicated as a result of measuring the investment using the equity method.

7.3 Significant interests in associates and joint ventures: accounting information

The table below provides data obtained from the draft financial statements as at 31 December 2025 approved by the Boards of Directors and provided by associated companies or, when not available, the most recent balance sheets (relative to 100% of the interest and not the percentage held by the Group, as established under IFRS 12). Note that measurement using the equity method was performed on the basis of this data.

Company name	Cash and cash equivalents	Financial assets	Non-financial assets	Financial liabilities	Non-financial liabilities	Total revenues	Net interest income	Value adjustments and recoveries on property, plant and equipment and intangible assets	Profit (loss) before tax from continuing operations	Profit (loss) after tax from continuing operations	Profit (loss) after tax from discontinued operations	Net profit (loss) for the year (1)	Other income components after tax (2)	Comprehensive income (3) = (1) + (2)
A. Companies subject to joint control														
N/A														
B. Companies subject to significant influence														
Agos Ducato S.p.A.	X	18,717,692	1,854,327	17,925,531	274,063	857,325	X	X	300,472	204,322	-	204,322	(370)	203,952
Alba Leasing S.p.A.	X	5,282,669	118,086	4,646,180	274,380	102,182	X	X	33,554	22,933	-	22,933	(159)	22,774
Numia Group S.p.A.	X	663,835	1,263,394	1,220,591	166,795	275,953	X	X	47,941	22,223	-	22,223	293	22,516

Reconciliation of net assets and the book value of the investee in the financial statements

	Net assets (*)	% Investment stake	Net assets held	Adjustments	Book value
A. Companies subject to joint control					
N/A					
B. Companies subject to significant influence					
Agos Ducato S.p.A.	2,372,425	39.000%	925,246	(109,227)	816,019
Alba Leasing S.p.A.	480,195	39.189%	188,184	(490)	187,694
Numia Group S.p.A.	539,843	28.570%	154,233	121,228	275,461

(*) The amount of net assets, equal to the sum of "Financial assets" and "Non-financial assets", minus "Financial liabilities" and "Non-financial liabilities" indicated in table 7.3, corresponds to the total shareholders' equity of the investee.

Agos Ducato is a financial company controlled by the international Crédit Agricole Group through Crédit Agricole Consumer Finance. The company works in the household loan sector within which it provides loans, mainly for the purchasing of goods and services, as well as personal loans.
Alba Leasing operates in the lease sector and originated from the restructuring of the former Banca Italease Group. The company offers financing in the form of lease contracts, placing its products through the banking channel, including Banco BPM network.
Numia Group S.p.A. is the second largest national player in the e-money sector, able to offer all e-money services currently available on the market, guaranteeing full management of the entire chain of operations.

7.4 Non-significant interests in associates and joint ventures: accounting information

The table below provides accounting information, cumulative by type of investment relationship, with reference to non-significant companies subject to significant influence. The information is taken from the most recent financial statements or most recent accounting statement available and calculated with reference to the stake held by the Group, as established under IFRS 12.

	Book value of interests	Total assets	Total liabilities	Total revenues	Profit (loss) after tax from continuing operations	Profit (loss) after tax from discontinued operations	Net profit (loss) for the year (1)	Other income components after tax (2)	Comprehensive income (3) = (1) + (2)
A. Subsidiaries controlled jointly									
N/A									
B. Companies subject to significant influence	173,385	486,645	370,891	42,764	8,493	-	8,493	3,804	12,297

7.5 Interests in associates and joint ventures: annual changes

		31/12/2025	31/12/2024
A.	**Opening balance**	**1,708,439**	**1,454,249**
B.	**Increases**	**124,833**	**923,689**
	B.1 Acquisitions	21	772,000
	B.2 Recoveries	-	-
	B.3 Revaluations	-	-
	B.4 Other changes	124,812	151,689
C.	**Decreases**	**(380,713)**	**(669,499)**
	C.1 Sales	-	(500,000)
	C.2 Value adjustments	-	-
	C.3 Write-downs	(2,629)	(42,446)
	C.4 Other changes	(378,084)	(127,053)
D.	**Closing balance**	**1,452,559**	**1,708,439**
E.	**Total revaluations**	-	-
F.	**Total adjustments**	**(670,475)**	**(668,367)**

The other increases (sub-item B.4) include the portion of profits for the year achieved by the investees pertaining to the Group for a total amount of 120.9 million. For details, please see "Section 17 - Gains (losses) of associates and joint ventures - Item 250" in "Part C – Information on the consolidated income statement" of these Notes to the financial statements.

Write-downs (sub-item C.3) refer to the impairment recognised on the investee Gardant Liberty Servicing.

Other decreases (sub-item C.4) include:

- the effect of the distribution of dividends on the capital of Agos Ducato (-51.5 million), PiùVera Assicurazioni (-6.9 million), Gardant Liberty Servicing (-2.3 million) and Etica SGR (-0.6 million);
- the effect of the exit from the scope of "Interests in associates and joint ventures" carried at equity of the book value of Anima Holding S.p.A. (-316.3 million) following the transfer, starting from the second quarter of 2025, of the book value of the shareholding to the segment of interests consolidated line-by-line.

7.6 Valuations and significant assumptions to establish the existence of joint control or significant influence

Significant influence exists when the power to participate in the entity's management and financial decisions is held, based on voting rights held or the in the presence of special contractual agreements, as better described in "Part A - Accounting policies, A.1, Section 3 - Scope of consolidation and methods" of these Notes to the financial statements.
As at 31 December 2025, the scope of companies subject to significant influence involved companies in which 20% or more of voting rights is held, without, however, holding the right to exclusively direct the entity's significant activities, as can be seen in table 7.1 above.
With regard to Etica SGR, despite holding less than 20% of the shareholding, it is believed that there is significant influence by virtue of the placement agreements in place between Banco BPM Group and Etica SGR.
As at 31 December 2025 there were no companies under joint control, that is entities for which unanimous consent of all parties sharing control is required to make strategic financial and management decisions.

7.7 Commitments relative to interests in companies under joint control

There are no interests in companies under joint control.

7.8 Commitments relative to interests in companies subject to significant influence

Commitments deriving from agreements with Crédit Agricole for consumer loans

On 28 June 2019, in execution of the agreements signed at the end of 2018 by Banco BPM, Crédit Agricole Consumer Finance S.A., Crédit Agricole S.A. and Agos Ducato S.p.A., the reorganisation of the Group's consumer credit segment

was completed. The reorganisation, which confirms the partnership between Banco BPM Group and Crédit Agricole for the next 15 years:

- formalised, inter alia: (a) a new Shareholders' Agreement, (b) a new Distribution Agreement, and (c) a new Funding Agreement;
- resulted in the transfer of ProFamily to Agos Ducato, through the finalisation of a demerger of ProFamily's non-captive operations in favour of a newly established company, which retained the name ProFamily, 100%-owned by Banco BPM and subsequently merged into Banco BPM.

On 18 December 2020, an Amendment Agreement between the parties was signed, with a view to further consolidating the existing partnership related to the consumer finance activities in Italy of Agos Ducato, through which some changes were made to the agreements signed in 2018. Those amendments, inter alia, extended by an additional 24 months, and therefore, up to 31 July 2023, the term for the exercise of the put option referring to a 10% investment in the capital of Agos Ducato held by Banco BPM, at the previously agreed strike price of 150 million.

As part of the Banco BPM's bancassurance evolution project, which includes the launch of a 20-year commercial partnership with Crédit Agricole Assurances S.A. in the Non-Life and Protection segment, on 12 May 2023, the term for the exercise of the put option was extended for a further two years, i.e. until 31 July 2025 (this further extension was conditional on the closing of the transaction for the acquisition by Crédit Agricole Assurances of the interests in Banco BPM Assicurazioni and in Vera Assicurazioni, finalised on 14 December 2023).

Lastly, at the Agreement expiry date and, more specifically, on 28 June 2024, the renewal until 28 June 2029 of the Shareholders' Agreement relating to the company Agos Ducato was formalised between Banco BPM on one hand and Crédit Agricole S.A. and Crédit Agricole Consumer Finance on the other. In this context, the right of Banco BPM to exercise the unconditional put option on 10% of the share capital of Agos Ducato was extended by another three years (with an exercise period from 1-31 July 2025 to 1-31 July 2028), at an already agreed strike price of 150 million.

In the new Shareholders' Agreement, the previous change of control clause was also extended, through the recognition in favour of Crédit Agricole Consumer Finance of a call option on the entire 39% share in Agos Ducato held by Banco BPM, in the event of the acquisition of a controlling interest of Banco BPM, through any extraordinary transaction, by certain specifically identified banks that carry out consumer credit activities potentially competing with the business of Agos Ducato. If the call option is exercised by Crédit Agricole Consumer Finance, there will be an automatic termination of both the Distribution Agreement, and therefore Banco BPM may be considered free from the exclusive commitments with Agos for consumer credit products, and the Funding Agreement.
The exercise price will be determined on the basis of the Agos fair market value at the exercise of the option, determined by excluding the distribution agreement with Banco BPM which will be terminated.

In addition, the new Shareholders' Agreement simplified the potential listing process of Agos Ducato, through the establishment of a single procedure to be implemented at the request of Banco BPM starting from 1 July 2025, until the expiry date of the Shareholders' Agreement.

The agreements also envisage, in the event that an extraordinary transaction is finalised (understood as: acquisition of control of Banco BPM by a third party operator or several third party operators in concert; merger of Banco BPM with third party operators; acquisition by Banco BPM of another bank or other distribution channels; or acquisition by Banco BPM of a third party operator in the consumer credit segment), or if the extraordinary transaction qualifies as a "BBPM Change of Control" pursuant to the Shareholders' Agreement and Crédit Agricole Consumer Finance issues a written declaration of its intention not to exercise the purchase option, or Crédit Agricole Consumer Finance fails to exercise the purchase option by the deadlines envisaged in the Agreement, the parties shall discuss in good faith, inter alia, depending on the case: i) the possible acquisition by Agos Ducato, at market value, of the entity which, due to the extraordinary transaction, operates in the consumer credit segment; ii) the extension of the new Distribution Agreement to the third party consumer credit operator's distribution network; or iii) the inclusion of the additional distribution channel acquired in the distribution network of Banco BPM Group.

Commitments deriving from bancassurance agreements with Crédit Agricole Assurances S.A.

On 14 December 2023, the Group completed the sale to Crédit Agricole Assurances of shares representing 65% of the share capital of Vera Assicurazioni S.p.A. (which holds 100% of the share capital of Vera Protezione S.p.A.) and

65% of the share capital of Banco BPM Assicurazioni, previously held by Banco BPM and Banco BPM Vita, respectively.

It should be noted that, with effect from 1 September 2025, Vera Assicurazioni S.p.A. and Vera Protezione S.p.A. changed their company names to PiùVera Assicurazioni S.p.A. and PiùVera Protezione S.p.A., respectively. In addition, on 1 November 2025, the merger by incorporation of Banco BPM Assicurazioni S.p.A. into PiùVera Assicurazioni S.p.A. became effective.

The sale agreement calls for possible adjustments with respect to the overall consideration collected by Banco BPM, equal to 265 million, by way of earn-out and claw-back in the event of situations of "Overperformance" or "Underperformance" of the production levels, respectively, within the terms and conditions set forth in the agreements between the parties.

That being said, the Shareholders' Agreement relating to the aforementioned interests held in PiùVera Assicurazioni S.p.A. and, indirectly, PiùVera Protezione S.p.A., contemplated by the partnership with Crédit Agricole Assurances S.A., envisages, among other things, the granting of a Put Option to Crédit Agricole Assurances S.A. and a Call Option to Banco BPM referring to the entire interest held by Crédit Agricole Assurances S.A. in the share capital of the companies, exercisable upon the occurrence of certain exceptional events (known as "triggering events"). In particular, Crédit Agricole Assurances S.A. and Banco BPM S.p.A. may exercise the Put Option and the Call Option, inter alia, in the following cases:

- change of control of the respective counterparty (and/or, in relation to Crédit Agricole Assurances S.A., of the parent company);
- termination of the Distribution Agreement;
- in the event of significant Underperformance, in relation to which the corrective actions have not led to an improvement in company performance.

The exercise prices of the Put and Call Options will be determined according to pre-established mechanisms linked to the valuation of the residual business of the companies, envisaged by the agreements between the parties.

Commitments arising from agreements with Anima on Asset Management

It should be noted that during 2017 and subsequent years, in execution of the agreements signed on 9 November 2017 between Banco BPM and Anima Holding, a series of agreements were signed to regulate:

- the sale to Anima Holding of Aletti Gestielle SGR;
- the long-term partnership in the asset management sector between Banco BPM Group and Anima Group;
- the sale by Banca Aletti to Anima SGR of the mandates for the exclusive management of certain insurance assets related to the insurance products of the group's Life insurance companies and of the Non-Life bancassurance JVs through the Banco BPM network.

These agreements, which have a total duration of 20 years from their origin, include: (i) exclusive preferential access by the Anima Group to Banco BPM Group's present and future distribution networks, with different characteristics between the "retail" network and the other networks, (ii) the distribution of products such as UCITs and Individual Portfolio Management and other products and services of the Anima Group, (iii) the essential economic terms relating to the Partnership, including the minimum expected levels and objectives and certain protection and guarantee mechanisms related to the failure to achieve them.

On 14 May 2020, Anima Group and Banco BPM Group (Banco BPM and Banca Aletti) renegotiated the framework partnership agreement, concerning both the redefinition of the expected target levels and the deadline for achieving them. The impact of this renegotiation is illustrated in "Section 10 - Provisions for risks and charges - Item 100", paragraph "10.6.3 Other provisions - other" under liabilities in Part B of these Notes to the financial statements, to which reference is made.

As a result of the voluntary public tender offer pursuant to Art. 102(1) and Art. 106(4) of the Consolidated Finance Law, promoted by Banco BPM Vita on all Anima Holding shares, concluded on 11 April 2025, as well as the transfer of the interest held by Banco BPM in Anima Holding to Banco BPM Vita, on the same effective date, Anima Holding and its subsidiaries Anima SGR, Anima Alternative SGR, Kairos Partners SGR and Castello SGR became part of the

Banco BPM Banking Group which, through Banco BPM Vita, holds a stake of 89.949% in the share capital of Anima Holding.

Commitments deriving from e-money business agreements with Numia Group S.p.A.

On 30 September 2024, Numia, Banco BPM, BCC Iccrea Group and FSI completed the transaction[1] relating to the strategic partnership, which led to creation of the no. 2 player in the e-money sector in Italy. On conclusion of the transaction, Banco BPM holds an interest of 28.57% in Numia Group S.p.A., a company in turn holding the entire share capital of Numia S.p.A., together with FSI which holds 42.86% and Iccrea Banca S.p.A. the remaining 28.57%.

The partnership in question is governed by the Framework Agreement signed on 24 December 2023 between Banco BPM, Numia Group, Numia, FSI Holding, FSI SGR S.p.A. and BCC Banca Iccrea, as well as by the Agreement for the placement of acquiring and issuing products signed on 30 September 2024 between Banco BPM, on the one hand, and Numia and Tecmarket Servizi, on the other.

The Framework Agreement envisages, inter alia, an adjustment mechanism for the sale price of the interest in Numia, for a total value of 500 million, in favour of Banco BPM (Earn Out), for up to a maximum 80 million, linked to Numia's achievement of certain economic objectives.

The Placement agreement also envisages that, if one or more parties should acquire control of Banco BPM as a result of an extraordinary transaction carried out by other banks, credit institutions or any other entity (Controlling Entity), Banco BPM must ensure that, following completion of the aforementioned transaction, (i) any distribution networks of the Controlling Entity are kept separate, for contractual purposes, from the distribution networks of Banco BPM and therefore operate with the exclusion of any prohibition or limitation on integration of e.g. an administrative or functional nature and (ii) the Controlling Entity and any distribution networks of the Controlling Entity (a) do not in any manner solicit the customers of Banco BPM's distribution networks to terminate the contractual relationship with Numia S.p.A. and (b) do not solicit any customers and/or do not provide any e-money products or services to exclusive customers of the Banco BPM distribution networks as at the date of completion of the related extraordinary transaction.

Provisions for risks and charges established to cover the commitments arising on the disposal of interests and any related partnership agreements are illustrated in "Section 10 - Provisions for risks and charges - Item 100", paragraph 10.6.3 "Other provisions - other" below of Part B – liabilities of these Notes to the financial statements, to which reference is made.

7.9 Significant restrictions

For interests subject to significant influence, no significant restrictions on the transfer of funds relative to companies in Banco BPM Group were identified, other than those associated with regulatory standards, which may require that a minimum amount of own funds be maintained, or those associated with the provisions of the Italian Civil Code with regards to profits and distributable reserves.

7.10 Other information

Impairment testing to determine whether there has been a permanent loss in value

In application of international accounting standards, the estimate of the recoverable value and the consequent comparison with the relative book value must be made exclusively for interests in associates or JVs, for which evidence of a potential impairment loss has emerged (impairment indicator).
As at 31 December 2025, the impairment test was carried out on the 30% interest in Gardant Liberty Servicing S.p.A.

[1] Under the transaction, Banco BPM transferred the following to Numia S.p.A.: i) the business unit for the performance of activities relating to acquiring and issuing services of electronic payment instruments; ii) a 100% interest in Tecmarket Servizi S.p.A.. At the same time, Numia carried out a share capital increase of 500 million, with the exclusion of the option right, to be released against the above contribution in kind by Banco BPM.

Gardant Liberty Servicing

The proposed acquisition of Gardant S.p.A., parent company of Gardant Liberty Servicing, by doValue (which generates a change of control) led to a change in the relations between Gardant and Banco BPM which, combined with a decrease in the generation of problem loans to be transferred to management and a changed time horizon of the partnership (call option for doValue), resulted in the need to carry out a test to ascertain recoverability of the book values.
The recoverable value of Gardant Liberty Servicing was estimated using the Dividend Discount Model on the basis of an initial estimate of flows expected up to 2029, discounted at a predefined rate of 9%.
As a result of the testing conducted, the recoverable value of Gardant Liberty Servicing (estimated at approximately 13 million) was lower than the reference value (15.6 million).

Section 8 - Insurance assets – Item 80

Item "80. Insurance assets" is represented by:

- insurance contracts issued that are assets of 63 thousand euro (63 thousand euro as at 31 December 2024);
- reinsurance assets of 6.7 million (7.2 million as at 31 December 2024).

Reinsurance represents a marginal activity within the operations of the Group's insurance companies, and is mainly aimed at covering a portion of risks of premature death relating to policies linked to the stipulation of mortgages.

Due to the insignificance of the item, the quantitative tables relating to these items are omitted.

Section 9 - Property, plant and equipment – Item 90

Property, plant and equipment totalled 2,481.2 million as at 31 December 2025, compared with the amount of 2,513.9 million of the previous year. In detail, the aforementioned assets are represented by:

- property, plant and equipment used in operations valued at cost of 774.5 million, mainly concerning rights of use relating to property rental contracts;
- property used in operations and valuable works of art measured on the basis of the restatement of values of 1,293.7 million;
- property held for investment purposes measured at fair value of 412.9 million.

For further details on the composition of property, plant and equipment, please refer to the following tables.

9.1 Property, plant and equipment used in operations: breakdown of assets at cost

Asset/Amounts	Total 31/12/2025	Total 31/12/2024
1. Owned assets	**92,336**	**77,553**
a) land	-	-
b) buildings	-	-
c) furniture	9,144	9,629
d) electronic systems	77,917	62,746
e) other	5,275	5,178
2. Rights of use acquired through leases	**682,182**	**664,807**
a) land	-	-
b) buildings	610,744	619,105
c) furniture	52	-
d) electronic systems	62,936	40,584
e) other	8,450	5,118
Total	**774,518**	**742,360**
of which: obtained through the enforcement of guarantees received	-	-

9.2 Property, plant and equipment held for investment purposes: breakdown of assets at cost

As the Group does not hold property, plant and equipment for investment purposes valued at cost, the relative table is omitted.

9.3 Property, plant and equipment used in operations: breakdown of revalued assets

Asset/Amounts	Total 31/12/2025			Total 31/12/2024		
	L1	L2	L3	L1	L2	L3
1. Owned assets	**-**	**-**	**1,293,722**	**-**	**-**	**1,294,367**
a) land	-	-	911,080	-	-	906,292
b) buildings	-	-	340,088	-	-	335,119
c) furniture	-	-	-	-	-	-
d) electronic systems	-	-	-	-	-	-
e) other	-	-	42,554	-	-	52,956
2. Rights of use acquired through leases	**-**	**-**	**-**	**-**	**-**	**-**
a) land	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-
c) furniture	-	-	-	-	-	-
d) electronic systems	-	-	-	-	-	-
e) other	-	-	-	-	-	-
Total	**-**	**-**	**1,293,722**	**-**	**-**	**1,294,367**
of which: obtained through the enforcement of guarantees received	-	-	18,918	-	-	18,186

L1 = Level 1
L2 = Level 2
L3 = Level 3

Revalued owned assets refer to the owned properties used for business operations of the Group companies and valuable works of art.

9.4 Property, plant and equipment held for investment purposes: breakdown of assets measured at fair value

Asset/Amounts	Total 31/12/2025			Total 31/12/2024		
	L1	L2	L3	L1	L2	L3
1. Owned assets	**-**	**-**	**412,918**	**-**	**-**	**477,178**
a) land	-	-	232,171	-	-	277,063
b) buildings	-	-	180,747	-	-	200,115
2. Rights of use acquired through leases	**-**	**-**	**-**	**-**	**-**	**-**
a) land	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-
Total	**-**	**-**	**412,918**	**-**	**-**	**477,178**
of which: obtained through the enforcement of guarantees received	-	-	238,733	-	-	284,452

L1 = Level 1
L2 = Level 2
L3 = Level 3

Owned assets measured at fair value are represented by the owned properties not used for business operations of Banco BPM Group.
In that regard, it is specified that the Group does not hold investment assets represented by the rights of use acquired through leases. Instead, property recognised in property, plant and equipment as held for investment purposes, granted through operating leases, amounted to 212.4 million.

9.5 Inventories of property, plant and equipment governed by IAS 2: breakdown

The Group does not hold any property, plant and equipment classified as inventories pursuant to IAS 2.

9.6 Property, plant and equipment used in operations: annual changes

	Land	Buildings	Furniture	Electronic systems	Other	Total
A. Gross opening balance	**906,292**	**1,764,278**	**475,510**	**1,020,984**	**361,437**	**4,528,501**
A.1 Total net impairment	-	(810,054)	(465,881)	(917,654)	(298,185)	(2,491,774)
A.2 Net opening balance	**906,292**	**954,224**	**9,629**	**103,330**	**63,252**	**2,036,727**
B. Increases:	**10,429**	**166,330**	**3,372**	**85,457**	**12,453**	**278,041**
B.1 Acquisitions	508	33,526	3,079	42,657	9,804	89,574
- of which business combinations	-	7,794	1,106	772	6,530	16,202
B.2 Capitalised expenses for improvements	-	8,266	-	-	-	8,266
B.3 Recoveries	-	-	-	-	-	-
B.4 Positive changes in fair value recognised to	9,097	22,844	-	-	1,213	33,154
a) shareholders' equity	5,382	19,106	-	-	1,213	25,701
b) income statement	3,715	3,738	-	-	-	7,453
B.5 Exchange gains	-	12	-	-	2	14
B.6 Transfers from property held for investment purposes	69	96	X	X	X	165
B.7 Other changes	755	101,586	293	42,800	1,434	146,868
C. Decreases:	**(5,641)**	**(169,722)**	**(3,805)**	**(47,934)**	**(19,426)**	**(246,528)**
C.1 Sales	(755)	(3,655)	(701)	(4,076)	(2,545)	(11,732)
- of which business combinations	-	(683)	(701)	(470)	(2,532)	(4,386)
C.2 Depreciation	-	(110,220)	(3,013)	(43,444)	(5,005)	(161,682)
C.3 Losses on impairment recognised to	-	(267)	(14)	(413)	(28)	(722)
a) shareholders' equity	-	-	-	-	-	-
b) income statement	-	(267)	(14)	(413)	(28)	(722)
C.4 Negative changes in fair value recognised to	(3,082)	(5,982)	-	-	(11,634)	(20,698)
a) shareholders' equity	(679)	(1,675)	-	-	(11,077)	(13,431)
b) income statement	(2,403)	(4,307)	-	-	(557)	(7,267)
C.5 Exchange losses	-	-	-	-	-	-
C.6 Transfers to:	(1,804)	(1,542)	-	-	-	(3,346)
a) property, plant and equipment held for investment purposes	(1,803)	(1,541)	X	X	X	(3,344)
b) non-current assets and disposal groups held for sale	(1)	(1)	-	-	-	(2)
C.7 Other changes	-	(48,056)	(77)	(1)	(214)	(48,348)
D. Net closing balance	**911,080**	**950,832**	**9,196**	**140,853**	**56,279**	**2,068,240**
D.1 Total net impairment	-	(944,328)	(472,112)	(916,247)	(303,420)	(2,636,107)
D.2 Gross closing balance	**911,080**	**1,895,160**	**481,308**	**1,057,100**	**359,699**	**4,704,347**
E. Measurement at cost	342,402	402,708	163	1,484	11,343	758,100

To ensure better understanding of the changes in the assets in question, it must be specified that:

- the changes refer to owned property, plant and equipment and the rights of use acquired through leases;
- the sub-items "B.4 Positive changes in fair value" and "C.4 Negative changes in fair value" include the effects of the fair value measurement of the Group's real estate assets and valuable works of art, positive for 12.5 million. Said effects are reported in the statement of comprehensive income for 12.3 million and in the income statement item "260. Fair value gains (losses) on property, plant and equipment and intangible assets" for 0.2 million;
- the balances of sub-items "B.7 - Other changes" and "C.7 - Other changes" refer mainly to rights of use of buildings and electronic systems, as illustrated in detail in table 9.6 bis below.

Lastly, sub-item "E. Measurement at cost" represents the amount that would result from the measurement at cost of property, plant and equipment (property and works of art) that are measured in the financial statements using the restatement approach, in compliance with the instructions set out in Bank of Italy Circular no. 262.

9.6 bis Property, plant and equipment used in operations - Rights of use acquired through leases: annual changes

The changes during the year in the rights of use acquired through leases, already included in table 9.6 above, are shown below.

	Land	Buildings	Furniture	Electronic systems	Other	Total
A. Gross opening balance	**-**	**1,222,312**	**-**	**96,826**	**11,865**	**1,331,003**
A.1 Total net impairment	-	(603,207)	-	(56,242)	(6,747)	(666,196)
A.2 Net opening balance	**-**	**619,105**	**-**	**40,584**	**5,118**	**664,807**
B. Increases:	**-**	**133,135**	**186**	**41,702**	**9,593**	**184,616**
B.1 Acquisitions	-	31,966	186	200	8,178	40,530
- of which business combinations	-	7,794	186	124	6,523	14,627
B.2 Capitalised expenses for improvements	-	2,376	-	-	-	2,376
B.3 Recoveries	-	-	-	-	-	-
B.4 Positive changes in fair value recognised to	-	-	-	-	-	-
a) shareholders' equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
B.5 Exchange gains	-	12	-	-	-	12
B.6 Transfers from property held for investment purposes	-	-	X	X	X	-
B.7 Other changes	-	98,781	-	41,502	1,415	141,698
C. Decreases:	**-**	**(141,496)**	**(134)**	**(19,350)**	**(6,261)**	**(167,241)**
C.1 Sales	-	(811)	(122)	-	(2,539)	(3,472)
- of which business combinations	-	(683)	(122)	-	(2,526)	(3,331)
C.2 Depreciation	-	(92,362)	(12)	(19,350)	(3,507)	(115,231)
C.3 Losses on impairment recognised to	-	(267)	-	-	-	(267)
a) shareholders' equity	-	-	-	-	-	-
b) income statement	-	(267)	-	-	-	(267)
C.4 Negative changes in fair value recognised to	-	-	-	-	-	-
a) shareholders' equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
C.5 Exchange losses	-	-	-	-	-	-
C.6 Transfers to:	-	-	-	-	-	-
a) property, plant and equipment held for investment purposes	-	-	X	X	X	-
b) non-current assets and disposal groups held for sale	-	-	-	-	-	-
C.7 Other changes	-	(48,056)	-	-	(215)	(48,271)
D. Net closing balance	**-**	**610,744**	**52**	**62,936**	**8,450**	**682,182**
D.1 Total net impairment	-	(682,506)	(134)	(23,785)	(10,242)	(716,667)
D.2 Gross closing balance	**-**	**1,293,250**	**186**	**86,721**	**18,692**	**1,398,849**
E. Measurement at cost	-	5,855	-	720	323	6,898

Sub-items "B.7 - Other changes" and "C.7 - Other changes" include the effects deriving from the restatement of rights of use. The increases are mainly attributable to the extension of the duration of the lease contracts, made to take into account the renewal options and renegotiations that took place in 2025.
The decreases, on the other hand, mainly derive from the early termination of contracts with respect to the estimated duration of the previous year.
The aforementioned changes in rights of use are offset by identical changes in lease liabilities.

9.7 Property, plant and equipment held for investment purposes: annual changes

	Total	
	Land	Buildings
A. Opening balance	**277,063**	**200,115**
B. Increases	**11,031**	**12,529**
B.1 Acquisitions	378	1,357
- of which business combinations	-	-
B.2 Capitalised expenses for improvements	858	1,536
B.3 Positive changes in fair value	6,373	6,538
B.4 Recoveries	-	-
B.5 Exchange gains	-	-
B.6 Transfers from properties used in operations	1,803	1,541
B.7 Other changes	1,619	1,557
C. Decreases	**(55,923)**	**(31,897)**
C.1 Sales	(268)	(814)
- of which business combinations	-	-
C.2 Depreciation	-	-
C.3 Negative changes in fair value	(13,116)	(10,660)
C.4 Losses on impairment	-	-
C.5 Exchange losses	-	-
C.6 Transfers to:	(40,845)	(20,423)
a) properties used in operations	(69)	(96)
b) non-current assets and disposal groups held for sale	(40,776)	(20,327)
C.7 Other changes	(1,694)	-
D. Closing balance	**232,171**	**180,747**
E. Measurement at fair value	-	-

As at 31 December 2025, assets held for investment purposes, fully represented by owned properties at fair value, amounted to 412.9 million (477.2 million as at 31 December 2024).

For the purpose of understanding the changes in the assets in question, it is specified that:

- the changes attributable to changes in the estimate of fair value, equal to the mismatch between sub-items "B.3 Positive changes in fair value" and "C.3 Negative changes in fair value", which totals a negative amount of 10.9 million, are recognised under the income statement item "260. Fair value gains (losses) on property, plant and equipment and intangible assets";
- sub-item "C.6 b) Transfers to non-current assets and disposal groups held for sale" includes the transfers of properties to assets held for sale, resulting from the resolutions of the Corporate bodies and/or functions authorised to make transfers;
- the sub-item "E. Measurement at fair value", to be completed for properties for investment purposes measured at cost, is blank as all the properties are measured at fair value.

9.8 Inventories of property, plant and equipment governed by IAS 2: annual changes

The Group does not hold any property, plant and equipment classified as inventories pursuant to IAS 2.

9.9 Commitments to purchase property, plant and equipment

At the reporting date, there were no commitments for the purchase of property, plant and equipment of a significant amount.

Section 10 - Intangible assets – Item 100

10.1 Intangible assets: breakdown by type of asset

Asset/Amounts	Total 31/12/2025		Total 31/12/2024	
	Finite life	Indefinite life	Finite life	Indefinite life
A.1 Goodwill	X	**1,606,106**	X	**56,709**
A.1.1 attributable to the Group	X	1,606,106	X	56,709
A.1.2 attributable to non-controlling interests	X	-	X	-
A.2 Other intangible assets	**1,012,313**	**595,696**	**695,631**	**504,272**
of which: software	524,454	**-**	450,759	**-**
A.2.1 Assets at cost:	1,012,313	595,696	695,631	504,272
a) Internally generated intangible assets	11,748	-	-	-
b) Other assets	1,000,565	595,696	695,631	504,272
A.2.2 Assets at fair value:	-	-	-	-
a) Internally generated intangible assets	-	-	-	-
b) Other assets	-	-	-	-
Total	**1,012,313**	**2,201,802**	**695,631**	**560,981**

Intangible assets with a finite life - summary

Intangible assets with a finite life are represented by:

- costs capitalised for the development or purchase of software for an amount of 524.5 million;
- the valuation of the Client Relationships acquired as part of the various business combinations, for a total of 460.6 million, of which 74.1 million refers to the combination with the former Banca Popolare Italiana Group, 116.7 million to the business combination with the former Banca Popolare di Milano Group and 269.8 million to the acquisition of the Anima Group;
- the Value of Business Acquired (VoBA), resulting from the PPA process of the insurance companies acquired for a total amount of 24.9 million;
- the trademarks of the companies Kairos and Vita S.r.l., recognised as part of the acquisition of the Anima Group, for a total amount of 2.4 million.

For further details on the breakdown and on the change compared to the previous year, please refer to that illustrated below.

Intangible assets with a finite life - Intangible assets generated internally - Software

Up until 31 December 2024, the accounting policy of Banco BPM Group envisaged that the costs capitalised for the development of software were exclusively those incurred with respect to external suppliers. The lack of capitalisation of internal costs, although permitted by IAS 38, was attributable to the absence of processes and procedures able to reliably document the costs relating to the software development activities carried out internally.
Starting from 1 January 2025, the processes and procedures implemented by the Group have made it possible to reliably report the time taken by IT personnel directly involved in the implementation of software development projects, by completing specific time sheets. The relative costs, which net of amortisation for 2025, amounted to 11.7 million, are shown in the previous table in sub-item "A.2.1 Assets measured at cost - generated internally"; for the above, the comparative value of the previous year is zero.

Intangible assets with a finite life - Client Relationships

Client Relationships are identifiable intangible assets representing the value of relationships with customers acquired, including the ability to generate future revenues deriving from existing relationships, even in the absence of specific legally binding contracts.
These assets arise as part of the Purchase Price Allocation (PPA) process, applied to allocate the cost of business combinations recognised pursuant to IFRS 3.

In line with the provisions of the guidelines of the aforementioned standard, at the time of initial recognition, the valuation of Client Relationships considers exclusively the relationships with customers established before the acquisition date, therefore excluding the ability to generate new relationships after the business combination.
The measurement method adopted for the initial estimate of the value of Client Relationships is based on the discounting of the future net cash flows expected, developed over a period considered representative of the estimated residual duration of the relationships existing at the date of the business combination.
Each Client Relationship is assigned a definite useful life, based on the estimated rate of decay of the assets managed or administered. The consequent amortisation process over the estimated useful life therefore takes into account the decay curves of client relationships, which are inferred from the analysis of time series considered representative of observable behaviour over time or industry best practices.
Lastly, the Client Relationships are subject to impairment testing if indicators of impairment emerge such that the book value is deemed unrecoverable.

That being said, the Client Relationships recognised in the financial statements of Banco BPM Group as at 31 December 2025 represent the assets attributable to customer relationships, referring both to Assets under Management/Assets under Custody (AuM/AuC) and to Core Overdrafts/Core Deposits. In particular, these assets were recognised as part of the following business combinations:

- acquisition of the former Banca Popolare Italiana Group by the former Banca Popolare di Verona e Novara, effective on 1 July 2007, through which intangible assets were identified, attributable to Core Overdrafts/Core Deposits and Assets under Management/Assets under Custody (AuM/AuC). As at 31 December 2025, the residual value of said assets amounted to 74.1 million, following the recognition of amortisation for the year of 10.0 million;
- acquisition of the former Banca Popolare di Milano Group by the former Banco Popolare, effective from 1 January 2017, which gave rise to intangible assets exclusively referring to Assets under Management/Assets under Custody (AuM/AuC). As at 31 December 2025, the residual value of said assets amounted to 116.7 million, following the recognition of the amortisation for the year of 14.4 million;
- acquisition of the Anima Holding Group by Banco BPM, effective from 1 April 2025, which gave rise to intangible assets exclusively referring to Assets under Management (AuM) for an amount of 294.3 million. As at 31 December 2025, the residual value of said assets amounted to 269.8 million, following the recognition of the amortisation for the year of 24.0 million and value adjustments of 0.6 million. For more details on the operation in question, please refer to "Part G – Business combinations regarding companies or divisions" in these Notes to the financial statements.

The respective measurement and amortisation criteria for the types of Client Relationships arising following the aforementioned business combinations are illustrated below.

Core Deposits/Core Overdrafts

The recognition of an intangible asset referring to Core Deposits and Core Overdrafts is justified by the fact that current accounts, both passive and active, generally have an economic life longer than the contractual duration. This characteristic determines, in most cases, an economic advantage for the Bank with respect to alternative sources of funding or investment opportunities.
The assets were measured on the basis of the expected evolution of the volumes, estimated considering the probability of closing the accounts. This estimate, supported by analyses on historical data, makes it possible to identify a physiological decline in accounts, which is consistent with the amortisation process of the asset. The latter is determined through the application of variable shares, defined on the basis of predefined annual percentages.
To measure the asset, in addition to the expected trend in volumes, future revenues in terms of interest and net fee and commission income, certain operating expenses, costs related to credit risk (limited to active current accounts) were considered, as well as a notional tax effect. The net cash flows thus determined were then discounted by applying a discount rate consistent with the risk profile of the assets being measured.
Lastly, in determining the value, the Tax Amortisation Benefit (TAB) was considered, representing the potential tax benefit for a third-party purchaser deriving from the tax deductibility of the amortisation of the intangible asset, in the event of a transaction settled in cash.

Assets under Management/Assets under Custody (AuM/AuC)

The intangible assets relating to managed and administered assets reflect the economic value associated with the ability to maintain the relationship of trust with customers over time, established as part of contractual relationships that envisage the provision of specific services, such as, for example, individual and collective portfolio management and investment advisory services.
These relationships are characterised by an estimated economic duration, which may be longer than the formal duration of the individual relationships or mandates, and generate economic benefits for the Group mainly through the receipt of net fee and commission income related to the asset management and asset administration products and services offered to the customers.
The valuation of the aforementioned intangible assets is carried out by discounting the future net cash flows attributable to indirect funding, taking into account the expected evolution of the assets under management and administration over a time horizon consistent with the estimated economic duration of the relationships. This evolution is determined by considering the probability of closure of the accounts, by analysing internal historical data and/or consolidated market practices, which make it possible to identify a physiological curve of decay of the assets.
The decay curve thus determined is reflected in the amortisation process of the intangible asset, which takes place according to systematic and rational criteria, through the application of constant or variable rates, in line with the consumption profile of the expected economic benefits.
To calculate net cash flows, in addition to the expected trend in volumes, future revenues in terms of net fee and commission income, certain directly attributable operating expenses, as well as a notional tax effect were considered. The flows thus determined were discounted by applying a discount rate consistent with the risk profile of the asset being measured.
The valuation also considered the Tax Amortisation Benefit, representing the tax potential benefit for a third-party purchaser deriving from the tax deductibility of the amortisation of the intangible asset, in the event of a transaction settled in cash.

Amortisation of Client Relationships

As at 31 December 2025, the Client Relationships recognised in the financial statements amounted to a total of 460.6 million, of which 49.5 million relating to Core Deposits and 411.1 million attributable to assets under management and under administration (AuM/AuC).

Overall, the value adjustments recognised in income statement item "220. Amortisation and impairment losses on intangible assets", amounted to 49.0 million. This amount is represented for 48.4 million by amortisation pertinent to the year, determined on the basis of the residual useful life of the various Client Relationships, and for 0.6 million by write-downs, recognised in order to reflect an acceleration of the amortisation process compared to the original estimates and to adjust the residual book value as at 31 December 2025 to the lower recoverable value, restated.

The residual useful life of the Client Relationships recognised as part of the Purchase Price Allocation (PPA) of the former Banca Popolare Italiana Group, estimated on the basis of the relationship termination curve, is 11 years, with expiry in 2036. Considering the decreasing trend of the relationship termination curve, more than half of the residual value recorded as at 31 December 2025 will be amortised by 2030.

The residual useful life of the Client Relationships attributable to the PPA of the former Banca Popolare di Milano Group, estimated based on the relationship termination curve, is 16 years, expiring in 2041. Considering the decreasing trend of said curve, more than half of the residual value recorded as at 31 December 2025 will be amortised by 2031.

With regard to the Client Relationships recorded following the PPA of the Anima Group, the useful life was estimated by referring, where available, to the expiry of the existing mandates or, for relationships without a defined contractual expiry, assuming a useful life of 15 years, expiring in 2040, in line with industry best practices.
Taking into account the diversity of the useful life of the individual relationships and mandates and the adoption of a straight-line amortisation criterion, more than half of the residual value recorded as at 31 December 2025 will be amortised by the end of 2030.

(in millions of euro)	PPA former BPI			PPA former BPM	PPA Anima	Total
	Core Deposits	Core Overdrafts	AuM/AuC	AuM/AuC	AuM	
A. Opening balance	**343.4**	**30.6**	**154.5**	**298.6**	**-**	**827.1**
A.1 Total net impairment	(287.2)	(30.6)	(126.7)	(167.4)	-	(611.8)
A.2 Net opening balance	**56.3**	**-**	**27.8**	**131.1**	**-**	**215.2**
B. Increases	-	-	-	-	294.3	294.3
C. Decreases	(6.8)	-	(3.2)	(14.4)	(24.6)	(49.0)
of which: amortisation	(6.8)	-	(3.2)	(14.4)	(24.0)	(48.4)
of which: value adjustments	-	-	-	-	(0.6)	(0.6)
D. Net closing balance	**49.5**	**-**	**24.6**	**116.7**	**269.8**	**460.6**
D.1 Total net adjustments	(294.0)	(30.6)	(129.8)	(181.9)	(24.6)	(660.9)
E. Closing balance	343.4	30.6	154.5	298.6	294.3	1,121.4

The Client Relationships recognised in the consolidated financial statements pursuant to IFRS 3 were partly included in the separate financial statements of the Parent Company and of the subsidiary Banca Aletti as a result of the subsequent intercompany reorganisation processes, configurable as business combinations under common control. In these transactions, the intangible assets were therefore included in the financial statements of the individual Group companies at the same book values resulting from the consolidated financial statements, in application of the principle of continuity of accounting values.
More specifically, Client Relationships, which at Group level amounted to a total of 460.6 million, were recorded as follows:

- in the financial statements of Banco BPM for 166.0 million, attributable for 71.6 million to the PPA of the former Banca Popolare Italiana Group and for 94.9 million to the PPA of the former Banca Popolare di Milano Group, following the subsequent merger processes after the business combinations. For sensitivity analyses, please refer to the paragraph "Client Relationship (Core Deposits and AuM/AuC) in Banco BPM";
- in the financial statements of Banca Aletti for 24.3 million, of which 2.5 million referring to the PPA of the former Banca Popolare Italiana Group and 21.8 million to the PPA of the former Banca Popolare di Milano Group, as a result of the Group's internal reorganisations. For sensitivity analyses, please refer to the paragraph "Client Relationship (AuM/AuC) in Banca Aletti";
- in the consolidated financial statements for 269.8 million, following the acquisition of the controlling interest in the Anima Group in April 2025. For sensitivity analyses, please refer to the paragraph "Client Relationship Anima Group".

Impairment tests and sensitivity analysis

In general, the amortisation process of Client Relationships, as described above, is considered suitable to ensure the recoverability of the relative book value. The residual values recorded are in any case subject to impairment testing, in order to verify their recoverability and, consequently, the adequacy of the amortisation process adopted.
If the outcome of the test results in a negative difference between the recoverable value and the book value, the corresponding write-down is recognised.
As at 31 December 2025, the impairment tests carried out on Client Relationships with methods consistent with the original valuation criteria and in continuity with previous years, showed a positive differential between the recoverable value and the reference book value (the test margin), thus confirming their recoverability. An exception is the Client Relationship referring to the subsidiary Kairos SGR, included in the Anima CGU, for which the test led to the recognition of a write-down of 0.6 million.

For each Client Relationships, a sensitivity analysis was conducted of the recoverable value with respect to the expected growth rate of the assets in the period under analysis (g) and the cost of equity (Ke).
For the methods to determine parameters "g" and "Ke", please refer to that illustrated in the paragraph below "10.1.1 Intangible assets with an indefinite life: impairment testing".

Client Relationship (Core Deposits and AuM/AuC) in Banco BPM

The table below shows the differential between the recoverable value and the reference book value ("test margin"), in the case of an increase or decrease in the cost of equity (Ke) and/or the growth rate (g) with respect to the data effectively used in the test. In addition, the table shows that, even in a stress scenario, characterised by an increase in the Ke of +200 bps, the margins are positive (amounts in millions).

Sensitivity analysis - results of test on Banco BPM Core Deposit Client Relationship					
		Ke			
		9.65%		11.65%	
		Margin		Margin	
		Absolute value	% impact on recoverable value	Absolute value	% impact on recoverable value
(g)	1.0%	3,984	93.8%	3,550	83.6%
	2.0%	4,196	98.8%	3,724	87.7%
	2.5%	4,309	101.5%	3,817	89.9%

Sensitivity analysis - results of test on Banco BPM AuM/AuC Client Relationship					
		Ke			
		9.65%		11.65%	
		Margin		Margin	
		Absolute value	% impact on recoverable value	Absolute value	% impact on recoverable value
(g)	1.0%	1,249	86.3%	1,093	75.5%
	2.0%	1,330	91.9%	1,160	80.1%
	2.5%	1,373	94.9%	1,195	82.6%

If a Risk Free rate ("Rf") is used based on the average returns on the 10-year Italian BTP, calculated on a time horizon of 3 months or 6 months, rather than one year, the cost of equity (Ke) estimated using the methodology described in the paragraph below "10.1.1, B.2 - Cash flow discount rates" would have been 9.54% and 9.57%, respectively. Both values are lower than the rate considered for the purposes of the test, confirming the prudence of the assumptions adopted.

Client Relationship (AuM/AuC) in Banca Aletti

The table below shows the differential between the recoverable value and the reference book value ("test margin"), in the case of an increase or decrease in the cost of equity (Ke) and/or the growth rate (g) with respect to the data effectively used in the test. In addition, the table shows that, even in a stress scenario, characterised by an increase in the Ke of +200 bps, the margins are positive (amounts in millions).

Sensitivity analysis - results of test on Banca Aletti AuM/AuC Client Relationship					
		Ke			
		8.50%		10.50%	
		Margin		Margin	
		Absolute value	% impact on recoverable value	Absolute value	% impact on recoverable value
(g)	1.0%	270	86.3%	228	72.8%
	2.0%	288	92.2%	242	77.6%
	2.5%	298	95.4%	250	80.1%

If a Risk Free rate ("Rf") is used based on the average returns on the 10-year Italian BTP, calculated on a time horizon of 3 months or 6 months, rather than one year, the cost of equity (Ke) estimated using the methodology described in the paragraph below "10.1.1, B.2 - Cash flow discount rates" would have been 8.39% and 8.42%, respectively. Both values are lower than the rate considered for the purposes of the test, confirming the prudence of the assumptions adopted.

Client Relationship Anima Group

The table below shows the differential between the recoverable value and the reference book value ("test margin"), in the case of an increase or decrease in the Ke and/or the growth rate (g) with respect to the data effectively used. In addition, the table shows that the application of a Ke of 13.44% would lead to the elimination of the margin, if we exclude the write-down of 0.6 million made for the Client Relationship referring to Kairos within the overall Anima Client Relationship; combined with a growth rate "g" of less than 2%, it would result in an impairment scenario.

Sensitivity analysis - results of test on Anima Client Relationship					
		Ke			
		8.76%		13.44%	
		Margin		Margin	
		Absolute value	% impact on recoverable value	Absolute value	% impact on recoverable value
(g)	1.0%	50	15.0%	-8	-2.3%
	2.0%	60	18.2%	0	0.0%
	2.5%	66	19.9%	4	1.2%

Intangible assets with a finite life - Value of Business Acquired

The assets in question, typical of the insurance sector, are recognised in the financial statements following the Purchase Price Allocation process of the insurance companies, which requires the recognition of the identifiable net assets acquired at fair value on the acquisition date, even if not previously recognised in the financial statements of the acquired entity.
In this regard, the Value of Business Acquired (VoBA) represents the ability of insurance contracts in place on the date of acquisition to generate revenues over the residual useful life of the acquired relationships.
This intangible asset is determined by discounting the flows representing the expected profit margins over the residual duration, contractual or estimated, of the contracts in place on the date of the business combination.
The VoBA therefore constitutes an intangible asset strictly related to the specific contractual relationship with the acquired customers (insurance policies) and, as characterised by a finite useful life, is subject to amortisation over the estimated residual life of the relationships on the acquisition date.

With the introduction of IFRS 17, at the date of first application of the standard, the intangible assets recognised at the time of the Purchase Price Allocation, which expressed the ability of the insurance contracts acquired to generate revenues over their residual life, were derecognised. This is because, pursuant to the aforementioned accounting standard, the profitability incorporated in the insurance policies at the time of acquisition must be included in the determination of the Contractual Service Margin (CSM), which represents the future profits expected by the company. Consequently, the residual values of VoBA solely reflect the valuation of insurance products classified as investment products, falling within the scope of application of IFRS 9.

As at 31 December 2025, the VoBA relating to Class III insurance products totalled 24.9 million (29.7 million as at 31 December 2024), and is attributable to the business combinations of Banco BPM Vita and BBPM Life, after having recognised an accrued amortisation charge of 4.8 million in income statement item "220. Amortisation and impairment losses on intangible assets".
In greater detail, with regard to the business combination of Banco BPM Vita, the residual VoBA as at 31 December 2025 was 13.7 million (16.6 million as at 31 December 2024) and includes an amortisation charge for the year of 2.9 million.

For BBPM Life, the residual VoBA as at 31 December 2025 amounted to 11.2 million (13.0 million as at 31 December 2024), after having recognised the amortisation charge for the year of 1.9 million.

It should be noted that the impairment test of the intangible assets in question was conducted at the level of individual CGU of reference (Banco BPM Vita and BBPM Life), including in the book value of the CGU both the VoBA and the intangible assets with an indefinite useful life, where present. Please refer to paragraph 10.1.1 below for further details.

Intangible assets with a finite life - Trademarks

Intangible assets with a finite life as at 31 December 2025 included, for a total amount of 2.4 million, the trademarks related to the acquisition of Kairos SGR and Vita S.r.l., which took place in 2025 as part of the business combination of the Anima Group, described in "Part G - Business combinations regarding companies or divisions" of these Notes to the Financial Statements. The values recorded are in line with those recognised in the consolidated financial statements of Anima, with reference to the recent acquisitions of the same companies made by the Anima Group.
The Kairos trademark, recognised in the financial statements of Kairos SGR following the acquisition of the exclusive right of use of the same from the previous parent company Kastor S.p.A. (formerly Kairos Investment Management), amounted to 1.8 million; its estimated useful life was 26 years, with maturity in 2051.
The trademark attributable to Vita S.r.l., a company indirectly controlled by Anima Holding through the subsidiary Castello SGR, amounted to 0.6 million and had an estimated useful life of 9 years, expiring in 2034. This trademark is related to the transfer, completed in August 2024, to the subsidiary Vita S.r.l., of a division relating to the business of Halldis S.p.A., active in the property management sector and specialised in the management of medium and short-term rentals of apartments in tourist locations in Italy and France.

Intangible assets with an indefinite life - summary

Intangible assets with an indefinite life recognised in the financial statements are comprised:

- for 1,606.1 million from goodwill deriving from the business combination of Banca Popolare Italiana (Bancassurance Protection CGU) for 42.9 million from the acquisition of control of Oaklins Italy S.r.l. by Banca Akros (Oaklins CGU) for 2.6 million (the latter subject to impairment in 2025 for 1.2 million), from the acquisition of control of the insurance company Banco BPM Vita S.p.A. by the Parent Company (Banco BPM Vita CGU) for 10.0 million, as well as from the acquisition of control of the Anima Group for 1,550.6 million;
- for 595.7 million from business trademarks recognised following the business combination transactions with the former Banca Popolare Italiana Group for 222.2 million, with the former BPM Group for 282.1 million and with the Anima Group for 91.4 million.

For the assets relating to the business combination of the Anima Group, please refer to "Part G - Business combinations regarding companies or divisions" of these Notes to the financial statements for further details.

Intangible assets with an indefinite life - Goodwill

Goodwill recognised in the financial statements as at 31 December 2025 amounted to 1,606.1 million, a significant increase compared to 56.7 million as at 31 December 2024, due to the acquisition of the Anima Group.
Specifically, these assets consist of:

- 42.9 million from the goodwill resulting from the business combination with the former Banca Popolare Italiana Group in 2007, attributed, for impairment testing purposes, to the Bancassurance Protection CGU, coinciding with the investee PiùVera Assicurazioni S.p.A.;
- 2.6 million from the goodwill resulting from the acquisition of control of Oaklins Italy S.r.l. by Banca Akros, attributed to the Oaklins CGU, net of the write-down of 1.2 million recorded during the year;
- 10 million from the goodwill attributed to the Banco BPM Vita CGU following the acquisition of control of the insurance company Banco BPM Vita S.p.A.;
- 1,550.6 million from the goodwill attributed to the Anima CGU, resulting from the acquisition of control of Anima Holding S.p.A. and of its subsidiaries, as described in "Part G - Business combinations regarding companies or divisions" of these Notes to the financial statements.

Intangible assets with an indefinite life - Trademarks

A trademark represents a group of complementary intangible assets, attributable to the sphere of marketing and commercial reputation, such as, in addition to the name and logo, the distinctive skills, the trust of customers, the reputation and the quality of the services offered.
The recognition of the asset in question is justified by the fact that elements such as the ability to attract and retain customers and the trading name are able to generate expected differential economic benefits, expressed in terms of net cash flows that can be reliably estimated. A trademark therefore constitutes an identifiable intangible asset, as it

can be separated from the company as a whole and has a significant capacity to contribute to the creation of value by maintaining and developing the customer base.
A trademark is classified as an intangible asset with an indefinite useful life, if it is believed that this component may contribute to the formation of income flows for an undefined period of time. In line with this classification, the asset is not subject to amortisation, but is tested for impairment annually, for which reference is made to the following paragraphs.

That being said, in the consolidated financial statements as at 31 December 2025 of Banco BPM Group, trademarks were recorded for a total amount of 595.7 million (of which 485.6 million in the Parent Company's financial statements), as detailed below:

- 222.2 million following the acquisition of the former Banca Popolare Italiana Group by the former Banca Popolare di Verona, effective on 1 July 2007;
- 282.1 million following the acquisition of the former Banca Popolare di Milano Group by the former Banco Popolare Group, effective on 1 January 2017. This amount also includes the trademark relating to Banca Akros for 18.6 million;
- 91.4 million following the acquisition of control of Anima Holding S.p.A.

The following paragraph illustrates the activities carried out in order to verify the recoverability of the value of the trademarks in question, as well as the intangible assets with an indefinite life represented by goodwill.

10.1.1 Intangible assets with an indefinite life: impairment testing

Pursuant to IAS 36, all intangible assets with an indefinite useful life must undergo impairment testing at least once a year to verify the recoverability of their value. The Group decided to conduct the impairment test with reference to 31 December of each fiscal year and, in any event, whenever indicators of potential impairment emerge.
The impairment test as at 31 December 2025 took the following into account:

- the provisions envisaged by international accounting standard IAS 36;
- the recommendations contained in the joint letter signed by the Bank of Italy, CONSOB and IVASS on 3 March 2010;
- the documents published by the Italian Valuation Body (O.I.V.) on how to conduct impairment tests in scenarios characterised by high uncertainty;
- the statements published by ESMA on the topic, most recently that of 14 October 2025;
- the recommendations issued by CONSOB in communication no. 3907 of 19 January 2015, as well as drawing attention to the topic of disclosure, in line with the above-mentioned documents of the ESMA.

Also note that, in compliance with the requests of the cited Supervisory Authorities, the procedure and assessment parameters adopted for the impairment testing of goodwill and other intangible assets with indefinite useful lives, were approved by the Board of Directors, independently and in advance with respect to approval of the draft 2025 Financial Statements.

That said, for the purposes of impairment testing of the assets in question, IAS 36 requires that their recoverable value be determined, defined as the higher of fair value and value in use. If it is not possible to directly determine the recoverable value of a specific intangible asset recognised in the financial statements, the standard envisages that this value shall be determined with reference to the cash generating units to which the asset belongs (hereinafter "CGU - Cash Generating Unit"). In order to identify the CGUs whose assets should undergo impairment testing, the units identified must be able to generate incoming cash flows that are clearly independent from those generated by other identified units.

With specific reference to the verification of the recoverability of the goodwill acquired with relation to business combinations, paragraph 80 of the aforementioned accounting standard envisages that it shall be allocated, from the acquisition date, to each cash generating unit (CGU) or groups of CGUs, which are expected to be able to benefit from the synergies created by the business combination, regardless of whether other assets or liabilities of the business acquired are assigned to said units or groups of units.
Each CGU or group of CGUs to which the goodwill is allocated must:

- represent the minimum level within the entity for which the goodwill is monitored for the purposes of internal management control;
- not be larger than an operating segment, determined in accordance with the provisions of IFRS 8.

Based on the regulatory references illustrated above, as at 31 December 2025, the CGUs identified to which intangible assets (trademarks, goodwill and VoBA) to be impairment tested have been allocated, are as follows:

- Retail CGU, comprised of the Private Customer and Retail Business segments, consistent with 2025 Segment Reporting, to verify the trademarks recognised following the business combination with the former Banca Popolare Italiana Group in 2007 (222.2 million) and with the former Banca Popolare di Milano Group in 2017 (263.5 million);
- Banca Akros CGU, comprised of Banca Akros S.p.A., included in the "Corporate & Investment Banking" operating segment, net of the interest in Oaklins, to verify the trademark recognised following the business combination with the former Banca Popolare di Milano Group in 2017 (18.6 million);
- Oaklins CGU, comprised of Oaklins, included in the "Corporate & Investment Banking" operating segment, acquired by Banca Akros in 2021, to verify the recoverability of goodwill (3.8 million);
- Bancassurance Protection CGU, coinciding with the interest held in the associate PiùVera Assicurazioni S.p.A. (formerly Vera Assicurazioni, which incorporated Banco BPM Assicurazioni in November 2025, with accounting effect backdated to 1 January 2025), to verify the recoverability of goodwill recognised as part of the business combination with the former Banca Popolare Italiana Group in 2007 (42.9 million);
- Banco BPM Vita CGU, coinciding with Banco BPM Vita (net of the components relating to the interests in Vera Vita, BBPM Life DAC, PiùVera Assicurazioni and Anima Holding), for impairment testing on goodwill (10.0 million) and on the VoBA (13.7 million) recognised as part of the acquisition of control of Banco BPM Vita in 2022;
- BBPM Life CGU, coinciding with the subsidiary BBPM Life Dac, for impairment testing on the VoBA recognised in 2022 following the acquisition of control (11.2 million);
- Anima CGU, coinciding with Anima Holding and its subsidiaries (for the portion held by Banco BPM Group), for impairment testing of goodwill (1,550.6 million) and of the trademark (91.4 million), recorded in 2025 following the acquisition of control of the Anima Group.

Evidence is provided below of the method used to conduct the impairment test of the assets under review, the related results and sensitivity analysis.

A. Method for calculating the book value of the single CGUs

The book value of the Retail CGU, in line with the 2024 financial statements, was determined according to management metrics based on regulatory capital absorption. In particular, the reference book value is obtained by considering the capital allocated to the CGU, in terms of Common Equity Tier 1 (CET1) representing the capital allocated on a management basis in accordance with its risk-weighted assets (RWA). In detail, the allocated capital is obtained by multiplying the risk-weighted assets (RWA) of the CGU by the target capital ratio, in terms of "CET1 fully-phased", consistent with the long-term forecasts used for ICAAP preparation purposes (13.43% for 2025, 13.74% for 2026, 13.98% for 2027 and 14.20% for 2028) and adding any shortfall component as it is considered to be the expressive measure of the actual capital used, under ordinary conditions. Property, plant and equipment, goodwill and other intangible assets, with both an indefinite and finite useful life, allocated to the Retail CGU, are also added to the capital thus determined.

For the Bancassurance Protection, Banco BPM Vita, BBPM Life and Oaklins CGUs, coinciding, respectively, with the legal entities PiùVera Assicurazioni S.p.A., Banco BPM Vita, BBPM Life and Oaklins, the reference value is determined as the sum of the book values of the balance sheet assets and liabilities of the individual entities, including the VoBA and the goodwill allocated to them.
In particular, the Banco BPM Vita CGU is determined with reference to the company's balance sheet, excluding the components relating to Vera Vita, PiùVera Assicurazioni S.p.A. and Anima Holding, in line with the income flows considered for the purposes of impairment testing on goodwill and on the VoBa attributed to the CGU in question.

With regard to the Banca Akros CGU, for the purposes of verifying the recoverability of the "Banca Akros" trademark, in continuity with previous years, the impairment approach adopted, based on the royalties method, makes it possible to directly verify the recoverability of the book value of the trademark. In consideration of this valuation approach, it is therefore not necessary to determine the recoverable value of the entire CGU to which the intangible asset is allocated.

The following table shows the reference book values of the CGUs, determined according to the criteria illustrated above, including the goodwill, the VoBA and the trademarks to be tested for impairment (values prior to any impairment determined).

CGU	Reference book value (***)	of which: goodwill	of which: VoBA	of which: trademarks (**)
Retail	3,425	-	-	486
Anima	2,208	1,550	-	94
Banca Akros (*)	19	-	-	19
Oaklins	6	4	-	-
Bancassurance Protection	182	43	-	-
Banco BPM Vita	358	10	14	-
BBPM Life	131	-	11	-
Total	**6,329**	**1,607**	**25**	**599**

(*) In line with the royalties valuation model, the values of the Banca Akros CGU shall be understood as referring only to the "Banca Akros" trademark.
(**) including trademarks with a finite useful life of 2.4 million.
(***) Values to be tested for impairment and therefore not including the write-downs recognised in 2025.

B. Criteria used to determine the recoverable value of the CGUs

The reference book values of the CGUs, as determined above, are in line with the methods used to determine the respective recoverable values, as illustrated below.

In compliance with the provisions of IAS 36, any impairment is determined as the difference between the book value of the CGU, identified on the basis of the criteria already described, and the relative recoverable value, if the latter is lower.
The recoverable value is defined as the higher of:

- the Value in Use, represented by the present value of future cash flows expected to result from the continuous use of a specific asset or of the CGU;
- *the Fair Value, net of costs to sell, understood as the amount which could be obtained by selling an asset or the CGU, as part of a free transaction between knowledgeable and willing parties.*

For the Retail CGU and for the Bancassurance Protection CGU, the impairment test was conducted using the Value in Use, obtained through the application of the Dividend Discount Model (DDM).
According to the Dividend Discount Model, the value of a business is based on the dividend flows that it is capable of generating on a forward-looking basis. More specifically, the DDM - Excess Capital variant was adopted, which assumes that the economic value of a company is equal to the sum of the present value of future cash flows distributable to shareholders (Expected Dividends) in the selected planning time horizon, consistent with maintaining an adequate level of capitalisation to guarantee the expected future development, and the terminal value, determined through the perpetual capitalisation of the normalised dividend of the last year of the forecast, based on a pay-out ratio, consistent with fully-phased profitability. The application of the DDM - Excess Capital entails the use of the following formula:

$$W = \sum_{t=0}^{n} \frac{D_t}{(1+Ke)^t} + TV + SA$$

where:
W = General value of economic capital
Ke = Cost of equity (Ke)
Dt = Dividends distributable in the explicit period, with a level of capitalisation consistent with current regulations
n = Number of years in the explicit period
TV = Terminal Value determined as the present value of perpetual income represented by the sustainable dividend for the years following the explicit planning period
SA = Value of any surplus assets.

In analytical terms, the Terminal Value is calculated as follows:

$$\mathrm{TV} = \frac{Dn+1}{Ke-g}\left(1+Ke\right)^{-n}$$

where:
Dn+1 = Sustainable dividend expected after the explicit planning period
g = Expected long-term growth rate of the dividend after the explicit planning period. This rate is placed in relation to the nominal growth rate of the economy over the long-term. In fact, it is prudently assumed that over the long-term each sector and each company in the sector will converge toward a growth rate equal to that of the economy as a whole
Ke = Cost of equity.

For the Anima CGU, the impairment test was conducted using the Value in Use as reference, obtained through the application of the Discounted Cash Flow (DCF) method.
According to the Discounted Cash Flow method, the value of a company is determined by its ability to generate cash flows in the long-term. In this case, the method used is the DCF from the Asset Side perspective, which makes it possible to estimate the value of own capital (Equity value) indirectly, through the preliminary determination of the operating capital (Enterprise Value) and the subsequent subtraction of the net financial position (net financial debt). The Enterprise Value is obtained by taking into consideration the operating cash flows that the company will be able to generate in the future, appropriately discounted on the basis of a discount rate, equal to the weighted average cost of capital (WACC), representative of the joint cost of own capital and debt capital.
The application of the DCF from the Asset Side perspective entails the use of the following formula:

$$W = EV - NFP$$

The Enterprise Value (EV) is calculated as follows:

$$EV = \sum_{t=0}^{n} \frac{FCF_t}{(1+WACC)^t} + \frac{TV}{(1+WACC)^n}$$

where:
WACC= Weighted average cost of own capital and debt capital, the latter net of the tax effect.
FCFt = operating cash flows available during the explicit forecast period (business plan time frame)
n = Number of years in the explicit period
TV = Residual value or Terminal Value estimated by applying the Gordon growth formula on the free cash flow of the last year envisaged by the business plan.
The Terminal Value (TV) is the value of the free cash flows expected beyond the explicit forecast period.
In analytical terms, the Terminal Value (TV) is determined as follows:

$$TV = \frac{FCF_n * (1+g)}{(WACC - g)}$$

where:
FCFn = operating cash flow for the last year of the explicit forecast period, normalised so as not to consider the impact of any extraordinary components
g = Expected long-term growth rate after the explicit planning period.
WACC= weighted average cost of own capital and debt capital.
Since the financial position for the Anima CGU has a liquid balance, for the purposes of determining the value with the DCF method, the WACC was made equal to the cost of equity (Ke)

For the Banca Akros CGU, the methodological approach used for the valuation of the trademark is based on the royalties method, according to which the intangible asset is valued according to the fees that the owner of the trademark would receive by granting its use to third parties. The value of the trademark is therefore determined as the present value of expected future royalties, estimated with reference to specific parameters, such as the royalty rate applied to future revenues, net of the related tax effect.

The valuation also includes the Tax Amortisation Benefit, representing the potential tax benefit for a third-party purchaser deriving from the tax deductibility of the amortisation of the asset, in the event of a transaction settled in cash. In detail, the following formula has been used to enhance the trademark:

$$W = \left[\frac{\sum_{t=1}^{n} S_t \cdot r \cdot (1-T)}{(1+ke)^t} + TV \right] + \text{TAB}$$

where:
W = Value of the trademark
St = Operating income 2026-2028
R = Royalty rate
T = Tax rate
Ke = Discount rate
TV = Terminal Value obtained through capitalisation in perpetuity of the expected royalty flows during the period following the last forecast, considering a long-term growth rate
TAB = Tax Amortisation Benefit

For the Oaklins CGU, the impairment test was conducted using the Value in Use, obtained through the application of the income-based approach.
The income-based approach enables the value of economic capital to be estimated on the basis of the profitability that the company is capable of generating on a forward-looking basis, identifying the main driver of value creation in the contrast between revenues and costs for the year. In particular, the income-based approach "over a defined time period and with terminal value" was adopted, which envisages the discounting of the expected income flows year by year, over the time horizon of the explicit forecast period, to which the estimate of a "Terminal Value" is added, representative of profitability when fully operational.

The application of the income-based approach entails the use of the following formula:

$$W = \sum_{t=0}^{n} \frac{R_t}{(1+Ke)^t} + TV$$

where:
W = General value of economic capital
Ke = Discount rate
Rt = Expected income in the period
n = Number of years in the explicit period
TV = Terminal Value determined as the present value of the average income of the plan, projected indefinitely for the years following the explicit planning period, considering an annual long-term growth rate ("g").

For the Banco BPM Vita CGU and for the BBPM Life CGU, the impairment test was conducted by using the Own Funds of each insurance company, limited to the Tier1 Unrestricted and Tier3 capital components as at 31 December 2025 as reference, which are considered representative of a good estimate of the Fair Value. Since the Fair Value thus determined was higher than the book value of the CGUs, it was not necessary to determine the Value in Use.

B.1 - Estimates of cash flows

The estimate of the cash flows to determine the Value in Use was carried out on the basis of the most recent official calculations available, used as part of the half-yearly capital and liquidity adequacy assessment of Banco BPM Group. These forward-looking flows are not significantly different, for the first year of projection, from the results of the budget approved on 5 February 2026.
The projections were developed with reference to three separate macroeconomic scenarios, to which a different probability of occurrence was attributed, in line with that approved by the Board of Directors on 22 July 2025. In

particular, alongside a base scenario deemed more likely ("baseline"), with a probability of 50%, a more favourable scenario ("favourable"), with a probability of 20%, and a worse one ("adverse plus"), with a probability of 30% were developed, the latter characterised by assumptions of greater severity on the reference parameters, adopted according to a prudential approach compared to the traditional adverse scenario. For further details on the choice of these scenarios, please refer to "Part A - Accounting policies, A.1 - Significant accounting policies and uncertainties regarding the use of estimates in the preparation of consolidated financial statements" of these Notes to the financial statements.

The projections of the Retail CGU, identified as Retail activities - consisting of households and businesses with turnover of less than 75 million, in line with Segment Reporting - were prepared on the basis of the results of the Commercial Network and the expected trends of volumes and spreads. These projections show growth in profit flows over the three-year period of the plan, reaching levels only slightly lower than those considered in the 2024 impairment test.
The terminal value was estimated assuming a long-term growth rate of 2%, consistent with the nominal growth rate of the economy and in line with the inflation objective pursued by the ECB in the long-term as part of its monetary stability policy.
The distributable cash flows in the explicit period (Dt) were determined on the basis of 2026-2028 projections, as illustrated above, taking into consideration a minimum estimated capital level referring to a Common Equity Tier 1 (CET1), representing the minimum capital level that the ECB has asked Banco BPM Group to meet on an ongoing basis following the outcome of the Supervisory Review and Evaluation Process (SREP), corresponding to 9.51% for 2026. The adoption of this level is considered to be consistent with the DDM, as it represents the minimum capital threshold below which dividends cannot be distributed.

The Banca Akros CGU is established by Banca Akros, without considering the interest in Oaklins Italy, as the latter is subject to separate impairment testing. The two CGUs - Banca Akros and Oaklins - both fall within the "Corporate & Investment Banking" sector of Segment Reporting and the projections used to estimate cash flows consider the most recent official calculations available, also taking into account consistency with the results and with the budget.
With reference to Oaklins Italy, to determine the cash flows expected for impairment testing as at 31 December 2025, the final profit for 2025, of 0.3 million, the budget envisaged for 2026, of 0.8 million, as well as the average of the results of the last three-year period 2023-25, of 0.2 million were considered. In particular, the 2026 budget estimate was assumed as a favourable scenario with a probability of occurrence of 20%, the profits made in recent years as an adverse scenario, with probability of occurrence of 30%, and the final profit for 2025 as the baseline scenario, considered most likely and therefore associated with a probability of 50%.

The Anima CGU coincides with the Anima Group as a whole, for the interest held by Banco BPM Group. Following the voluntary Public Tender Offer on Anima shares, concluded at the beginning of April 2025, the goodwill and the trademark referring to the CGU in question underwent impairment testing for the first time. For this CGU, the net profit projections show an increase in the three-year plan; on the basis of these projections, the future cash flows used to determine the recoverable value as part of impairment testing were calculated.
For the Bancassurance Protection CGU, which coincides with the interest held in PiùVera Assicurazioni, the economic and capital forecasts to determine the Value in Use were drawn up on the basis of the three-year projections of the 2026-2028 Business Plan agreed by the investee. To estimate distributable dividends, maintaining a target Solvency Capital Ratio (SCR) of 130% was considered as a constraint. Although the development of the projections for the CGU in question was not carried out according to a multi-scenario approach, the sensitivity analyses provided below make it possible to assess the changes in the recoverable value as the main reference parameters, such as the cost of equity (Ke), the growth rate (g), the level of profits, the Solvency Capital Ratio (SCR).

B.2 - Cash flow discount rates

For the discounting of cash flows, a cost of equity was used in line with the requested return for investments with characteristics equivalent to those being assessed. The cost of equity (Ke) was determined on the basis of the Capital Asset Pricing Model (CAPM), based on which the return of a risk asset is equal to the sum of a Risk-free rate (Rf) and a risk premium (MRP), determined taking account of the specific risk of the asset:

$$K_e = R_f + \beta \times (MRP)$$

The risk-free component (Rf), which also encompasses the "Italy Country Risk", was determined using the same methodological approach adopted for the Financial Report as at 31 December 2024, taking the 1-year average yield

on 10-year Italian government BTPs as reference. For the purposes of the 2025 impairment test, this parameter was 3.57%.

The beta coefficient (ß), which measures the riskiness of the specific business or operating sector in terms of correlation between the effective return of a share and the overall return of the reference market, was estimated over a 5-year time horizon using data reported weekly by Bloomberg:

- for the Retail CGU, the average ß of a sample of comparable listed Italian banks was considered (1.169 for 2025 impairment testing purposes);
- for the Anima CGU, the ß of Anima Holding was considered (0.998 for 2025 *impairment* testing purposes);
- for the Banca Akros and Oaklins CGU, the average ß of a sample of Investment Banking companies was considered (1.129 for 2025 impairment testing purposes);
- for the Bancassurance Protection CGU, the average ß of a comparable sample of companies operating in the insurance sector was considered (0.862 for 2025 impairment testing purposes).

The market risk premium (MRP) was estimated at 5.2%, based on the use of sources in line with measurement practices and with analysis based on a 10-year time horizon.

C. Summary of methodologies used and the main measurement parameters

In light of that illustrated above, the following table summarises the methodologies applied to determine the recoverable value and related discounting parameters used (Ke - g) for each CGU:

CGU	Criteria used to determine the recoverable value	"Ke"	"g"
Retail	Value in use – Dividend Discount Model	9.65%	2.00%
Anima	Value in use - Discounted Cash Flow	8.76%	2.00%
Banca Akros	Fair Value – Royalty Rate	9.43%	2.00%
Oaklins	Value in use - Income	9.43%	2.00%
Bancassurance Protection	Value in use – Dividend Discount Model	8.05%	2.00%
Banco BPM Vita	Fair Value - Own Funds	n.a.	n.a.
BBPM Life	Fair Value - Own Funds	n.a.	n.a.

D. Summary of results

Based on the guidelines illustrated, the impairment test as at 31 December 2025 led to the need to recognise a write-down of intangible assets with an indefinite useful life of 1.2 million, related to the goodwill allocated to the Oaklins CGU. In this regard, note that the parameters and assumptions underlying the determination of the value in use are significantly influenced by the macroeconomic framework assumed.
As indicated in "Part A – Accounting policies, A.1, Section 5 – Other aspects" contained in these Notes to the financial statements, considering the persistent uncertainty of the macroeconomic context, it cannot be excluded that the assumptions adopted, although reasonable and prudential, might not be confirmed by future scenarios in which the Group finds itself operating. In particular, any worsening of the macroeconomic scenario could adversely affect the projections of estimated cash flows, the cost of equity and the growth factor, resulting in different results from those estimated for the purposes of this Annual Financial Report.

E. Sensitivity Analysis

A sensitivity analysis of the recoverable value was conducted, in order to calculate its variability in relation to changes in the main underlying parameters.
The data shown in the tables below represent the margin between the recoverable value and the reference value (hereinafter, test "margin"), if the values of the main metrics underlying the measurements (e.g. Ke, g, flows) should change compared to those actually used in the test, all other assumptions remaining unchanged.
In particular, the tables show the level of the individual metrics used in the valuations and that which, all other assumptions being equal, would instead eliminate the positive margin between the recoverable value and the book value.

Retail CGU

The following table shows that, for the Retail CGU, the application of a Ke of 38.31% would eliminate the margin; if said increase were combined with a growth rate "g" of less than 2%, it would result in an impairment scenario.

Sensitivity analysis Ke/g - results of test on Retail CGU					
		(Ke)			
		9.65%		38.31%	
		Margin		Margin	
		Absolute value	% impact on recoverable value	Absolute value	% impact on recoverable value
(g)	1.00%	9,386	67.7%	-8	-0.1%
	2.00%	10,432	75.3%	0	0.0%
	2.50%	11,064	79.8%	4	0.0%

If a Risk Free rate ("Rf") determined on the average returns of the 10-year Italian BTP at 3 months and 6 months, the cost of equity "Ke" of the Retail CGU, estimated using the methodology described above, would have been 9.54% and 9.57%, respectively. These values are both lower than the rate considered in the impairment test and, consequently, than the rate that eliminates the margin.
The following table shows how a decrease in the flows used for the valuation of -80.4% would result in the elimination of the test margin, with the Ke used in the test remaining equal. If this scenario were associated with a discount rate (Ke) of 11.25%, this would result in a full write-down of the intangible assets associated with the CGU in question, represented by the trademarks.

Sensitivity analysis Ke/profit - results of test on Retail CGU					
		Ke			
		9.65%		11.25%	
		Margin		Margin	
		Absolute value	% impact on recoverable value	Absolute value	% impact on recoverable value
Profit	5.00%	11,080	80.0%	8,678	62.6%
	0.00%	10,432	75.3%	8,141	58.8%
	-5.00%	9,783	70.6%	7,605	54.9%
	-80.4%	0	0.0%	-486	-3.5%

The following table shows that an increase in the target CET 1 ratio, relevant restriction for dividend distribution purposes, from the 9.51% at operational capacity, used in the test, to 81.09% would determine the elimination of the margin, with cash flows remaining equal.

Sensitivity analysis CET1/profit - results of test on Retail CGU					
		CET 1			
		9.51%		81.09%	
		Margin		Margin	
		Absolute value	% impact on recoverable value	Absolute value	% impact on recoverable value
Profit	5.00%	11,080	80.0%	649	4.7%
	0.00%	10,432	75.3%	0	0.0%
	-5.00%	9,783	70.6%	-649(*)	-4.7%

(*) purely arithmetic figure, higher than the intangibles associated with the CGU.

Anima CGU

The following table shows, for the Anima CGU, that the application of a Ke of 14.05% would lead to the elimination of the margin. This scenario, associated with a growth rate "g" of less than 2%, would result in an impairment scenario.

Sensitivity analysis Ke/g - results of test on Anima CGU					
		(Ke)			
		8.76%		14.05%	
		Margin		Margin	
		Absolute value	% impact on recoverable value	Absolute value	% impact on recoverable value
(g)	1.00%	1,028	28.8%	-95	-2.7%
	2.00%	1,357	38.1%	0	0.0%
	2.50%	1,560	43.8%	54	1.5%

If a Risk Free rate ("Rf") is used, based on the average returns of the 10-year Italian BTP at 3 months and 6 months, the cost of equity "Ke" of the Anima CGU, estimated using the methodology described above, would have been 8.65% and 8.68%, respectively. These values are both lower than the rate considered in the test and consequently, than the rate that eliminates the margin, confirming the prudence of the parameter considered in the impairment test.

The following table shows that a decrease in the flows used for the valuation of -38.49% would eliminate the test margin, with the Ke used in the test remaining equal; this scenario, combined with a Ke discount rate of 14.05%, would instead lead to a partial write-down of the intangibles associated with the CGU.

Sensitivity analysis Ke/profit - results of test on Anima CGU					
		(Ke)			
		8.76%		14.05%	
		Margin		Margin	
		Absolute value	% impact on recoverable value	Absolute value	% impact on recoverable value
Profit	5.00%	1,532	43.0 %	108	3.0%
	0.00%	1,357	38.1%	0	0.0%
	-5.00%	1,180	33.1%	-108	-3.0%
	-38.49%	0	0.0%	-834	-23.4%

Banca Akros CGU

The following table shows, for the Anima CGU, that the application of a Ke of 25.13% would lead to the elimination of the margin. This scenario, combined with a growth rate "g" of less than 2%, would result in an impairment scenario.

Sensitivity analysis Ke/g - results of test on Banca Akros CGU:					
		(Ke)			
		9.43%		25.13%	
		Margin		Margin	
		Absolute value	% impact on recoverable value	Absolute value	% impact on recoverable value
(g)	1.00%	34	57.7%	-0.5	-0.9%
	2.00%	40	68.1%	0	0.0%
	2.50%	43	74.3%	0.3	0.5%

If a Risk Free rate ("Rf") is used, based on the average returns of the 10-year Italian BTP at 3 months and 6 months, the cost of equity "Ke" of the Banca Akros CGU, estimated using the methodology described, would have been 9.33% and 9.36%, respectively. These values are both lower than the rate considered in the test and, consequently, than the rate that eliminates the margin, confirming the prudence of the parameter considered in the impairment test.

Oaklins CGU

The following table shows for the Oaklins CGU that the application of a Ke of 17.67%, combined with a growth rate "g" of 2%, would lead to a full write-down of the allocated intangible asset.

Sensitivity analysis Ke/g - results of test on Oaklins					
		(Ke)			
		9.43%		17.67%	
		Margin		Margin	
		Absolute value	% impact on recoverable value	Absolute value	% impact on recoverable value
(g)	1.00%	-1.7	-35.3%	n.a.	n.a.
	2.00%	-1.2	-25.0%	-3.8	-77.4%
	2.50%	-0.9	-18.7%	-3.7	-76.2%

Bancassurance Protection CGU

The following table shows for the Bancassurance Protection CGU that the application of a Ke of 10.10% would lead to the elimination of the margin. This scenario, combined with a growth rate "g" of less than 2%, would result in an impairment scenario.

Sensitivity analysis Ke/g - results of test on Bancassurance Protection CGU					
		(Ke)			
		8.05%		10.10%	
		Margin		Margin	
		Absolute value	% impact on recoverable value	Absolute value	% impact on recoverable value
(g)	1.00%	34	14.5%	-10	-4.1%
	2.00%	54	22.9%	0	0.0%
	2.50%	66	28.2%	6	2.4%

If a Risk Free rate ("Rf") is used, based on the average returns of the 10-year Italian BTP at 3 months and 6 months, the cost of equity "Ke" of the Bancassurance Protection CGU, estimated using the methodology described, would have been 7.94% and 7.97%, respectively. These values are both lower than the rate considered in the test and, consequently, than the rate that eliminates the margin, confirming the prudence of the parameter considered in the impairment test.

The following table shows how a decrease in the flows used for the valuation of -23.52% would result in the elimination of the test margin, with the Ke used in the test remaining equal. This scenario, combined with a Ke discount rate of 10.10%, would instead lead to a write-down of the intangibles associated with the CGU.

Sensitivity analysis Ke/profit - results of test on Bancassurance Protection CGU					
		(Ke)			
		8.05%		10.10%	
		Margin		Margin	
		Absolute value	% impact on recoverable value	Absolute value	% impact on recoverable value
Profit	10.00%	77	32.6%	17	7.2%
	0.00%	54	22.9%	0	0.0%
	-10.00%	31	13.2%	-17	-7.2%
	-23.52%	0	0.0%	-40	-16.8%

The following table shows that an increase in the SCR target, relevant restriction for dividend distribution purposes, from the 130% - used in the test - to 291%, would determine the elimination of the margin, with cash flows remaining equal.

Sensitivity analysis SCR/Ke - results of test on Bancassurance Protection CGU					
		SCR			
		130%		291%	
		Margin		Margin	
		Absolute value	% impact on recoverable value	Absolute value	% impact on recoverable value
Ke	7.80%	63	26.8%	9	4.0%
	8.05%	54	22.9%	0	0.0%
	10.10%	0	0.0%	-55	-23.1%

Banco BPM Vita CGU

The following table shows how a 14.3% reduction in Own Funds would eliminate the margin.

Sensitivity analysis Own Funds - results of test on Banco BPM Vita CGU			
		Margin	Own Funds
(change in Own Funds)	0%	60	418
	-2.5%	49	407
	-5.0%	39	397
	-7.5%	28	386
	-14.3%	0	358

BBPM Life CGU

The following table shows how a 26% reduction in Own Funds would eliminate the margin.

Own Funds sensitivity analysis - results of test on BBPM LIFE CGU			
		Margin	Own Funds
Change in Own Funds	0%	47	177
	-5%	38	169
	-10%	29	160
	-15%	20	151
	-26%	0	131

F. External signs of impairment

The valuations made for the purposes of preparing these financial statements were conducted by extrapolating the economic value of the CGUs, based on the respective future income generating capacity, which as at 31 December 2025, would be fully recognised by the financial markets.
In particular, as at 31 December 2025, the Group's consolidated shareholders' equity, net of equity instruments, amounted to 13.7 billion, against a Stock market capitalisation of 19.7 billion, determined on the basis of market prices recorded at the end of December 2025.
For comparative purposes, it should be noted that as at 31 December 2024, the Group's consolidated shareholders' equity (net of equity instruments) was 13.0 billion, while the Stock market capitalisation stood at 11.8 billion, based on market prices recorded on the same date.
The trend recorded in 2025 shows a significant discontinuity compared to previous years: the growth in Stock market capitalisation (+67%) is in fact significantly higher than the increase in the Group's shareholders' equity (+6%). In particular, compared to the end of 2024, when the Banco BPM share was trading at a slight discount compared to the book value of shareholders' equity (multiple of 0.91), as at 31 December 2025, the share was valued at a premium, with a multiple equal to 1.44.

This trend is a clear indicator of the market's confidence in the Group's ability to maintain a high and sustainable profitability profile over time, as well as to confirm profit distribution policies consistent with a solid organic generation of capital.
Consequently, based on the available evidence, there are no external signs of impairment at the reporting date.

10.2 Intangible assets: annual changes

	Goodwill	Other intangible assets: generated internally		Other intangible assets: other		Total
		FIN	INDEF	FIN	INDEF	
A. Opening balance	**903,107**	**-**	**-**	**3,202,066**	**504,272**	**4,609,445**
A.1 Total net impairment	(846,398)	-	-	(2,506,435)	-	(3,352,833)
A.2 Net opening balance	**56,709**	**-**	**-**	**695,631**	**504,272**	**1,256,612**
B. Increases	**1,550,910**	**11,931**	**-**	**481,217**	**91,424**	**2,135,482**
B.1 Acquisitions	1,480,896	11,931	-	318,085	91,424	1,902,336
- of which business combinations	1,480,896	-	-	144,721	91,424	1,717,041
B.2 Increases in internal intangible assets	X	-	-	-	-	-
B.3 Recoveries	X	-	-	-	-	-
B.4 Positive changes in fair value	-	-	-	-	-	-
- shareholders' equity	X	-	-	-	-	-
- income statement	X	-	-	-	-	-
B.5 Exchange gains	-	-	-	1	-	1
B.6 Other changes	70,014	-	-	163,131	-	233,145
C. Decreases	**(1,513)**	**(183)**	**-**	**(176,283)**	**-**	**(177,979)**
C.1 Sales	-	-	-	(1,146)	-	(1,146)
C.2 Value adjustments	(1,200)	(183)	-	(174,645)	-	(176,028)
- Amortisation	X	(183)	-	(171,293)	-	(171,476)
- Write-downs	(1,200)	-	-	(3,352)	-	(4,552)
+ shareholders' equity	X	-	-	-	-	-
+ income statement	(1,200)	-	-	(3,352)	-	(4,552)
C.3 Negative changes in fair value:	-	-	-	-	-	-
- shareholders' equity	X	-	-	-	-	-
- income statement	X	-	-	-	-	-
C.4 Transfers to non-current assets held for sale	-	-	-	-	-	-
C.5 Exchange losses	-	-	-	-	-	-
C.6 Other changes	(313)	-	-	(492)	-	(805)
D. Net closing balance	**1,606,106**	**11,748**	**-**	**1,000,565**	**595,696**	**3,214,115**
D.1 Total net adjustments	(847,598)	(183)	-	(2,803,221)	-	(3,651,002)
E. Gross closing balance	**2,453,704**	**11,931**	**-**	**3,803,786**	**595,696**	**6,865,117**
F. Measurement at cost	-	-	-	-	-	-

FIN: finite life
INDEF: indefinite life
(*) The figures relating to the previous year have been restated to provide a like-for-like comparison.

As extensively illustrated in the previous paragraphs, the change in the item in question was influenced by the acquisition of the Anima Holding Group by Banco BPM Group, which is represented in sub-item "B.1 Acquisitions" and highlighted under "of which business combinations".
In addition, the item recorded the following main changes:

- sub-item "B.1 Acquisitions" refers to the acquisition of software, through capitalisation of internal costs (11.9 million) or through purchases (173.4 million);
- sub-item "C.2 Value adjustments – Amortisation", mostly regards the amortisation of software, and also includes the amortisation charge relating to the Client Relationships acquired through business combinations, for an amount of 48.4 million and the amortisation charge of the Value of Business Acquired generated by the acquisition of the insurance companies for 4.8 million;

- sub-item "C.2 Value adjustments - Write-downs" includes: for 1.2 million, the impairment of goodwill allocated to the Oaklins CGU, for 2.7 million, the impairment relating to software no longer used and for 0.6 million, the write-downs of the Client Relationship referring to Kairos SGR.

10.3 Other information

As at 31 December 2025, there were no commitments relative to intangible assets.

Section 11 - Tax assets and liabilities – Item 110 of the assets and Item 60 of the liabilities

Disclosure of Deferred Tax Assets (DTA), convertible DTAs and checks on recoverability

Below is an illustration of the main categories of DTAs recognised in the financial statements as at 31 December 2025 and the checks performed to support their recoverability.

A. Deferred tax assets – breakdown

As at 31 December 2025, total DTAs amounted to 2,650.6 million (3,118.9 million as at 31 December 2024), of which 2,354.5 million had an impact on the income statement, while 296.1 million was recorded as a balancing entry in shareholders' equity, in accordance with the entries they referred to. For a review of the breakdown of these DTAs, please see the table "11.1 Deferred tax assets: breakdown".

In greater detail, as at 31 December 2025, the deferred tax assets that meet the requirements of Italian Law no. 214 of 22 December 2011 ("Law 214/2011") for convertibility into tax credit amounted to 1,089.2 million (1,140.8 million as at 31 December 2024). The provisions under this law and, subsequently, under Italian Law 147/2013 (2014 Stability Law), provide for the conversion of DTAs into tax credits in the case of a "statutory loss", a "tax loss" for IRES purposes and a "net negative value of production" for IRAP purposes. For the purposes of these regulations, write-downs on loans not yet deducted based on temporal limits in effect at the time pursuant to Art. 106, paragraph 3 of the Italian Consolidated Tax Law (TUIR) are included, as are negative components relative to goodwill and other intangible assets, not yet deducted according to the temporal limits in effect at the time (known as "eligible DTAs"). Specifically, as at 31 December 2025, the Group's eligible DTAs derive from:

- temporary deductible differences relative to write-downs on loans exceeding immediate deductibility limits envisaged in the tax regulations solely with reference to credit and financial entities for 597.4 million (665.4 million as at 31 December 2024);
- temporary deductible differences relative to goodwill and other intangible assets recognised in previous years for 491.8 million (475.4 million as at 31 December 2024).

It should be specified that, specifically with reference to these DTAs, their continued convertibility to tax credits is subordinate to the payment of the fee pursuant to Decree Law 59 of 3 May 2016, amended and converted into law with Law no. 119 of 30 June 2016. Italian Law no. 15 of 17 February 2017, converting the "Salva risparmio" Decree Law postponed the period for which the fee is due to 31 December 2030. In order to guarantee the convertibility of DTAs into tax credits and avoid the negative impacts there would otherwise be on Own Funds, Banco BPM Group opted to pay the aforementioned fee, which for 2025 totalled 8.0 million.

As at 31 December 2025, residual deferred tax assets (non-convertible DTAs) amounted to 1,561.4 million (1,978.1 million as at 31 December 2024), of which 575.7 million deriving from IRES tax losses, which can be carried forward (873.3 million as at 31 December 2024) and 985.7 million deriving from costs and value adjustments deductible in years subsequent to those recognised in the financial statements (1,104.8 million as at 31 December 2024).

B. Deferred tax assets - recoverability checks

In compliance with the provisions of IAS 12 and the ESMA communication of 15 July 2019, Banco BPM Group recognised Deferred Tax Assets (DTAs), after verifying that the values recognised were supported by judgements that it was probable they could be recovered. In order to make these judgements, the current tax provisions were taken into consideration, in particular with reference to rules regarding whether certain deferred tax assets can be converted

into tax credits, and the Group's capacity to generate future taxable income, also taking the "tax consolidation" option into account.

As regards eligible DTAs that can be converted into tax credits, equal to 1,089.2 million - corresponding to 41.1% of the total DTAs posted in the financial statements as at 31 December 2025 - the tax regulations introduced by Italian Law 214/2011, along with the exercise of the option for the annual fee regime illustrated above, make their recoverability certain. This treatment is in line with the indications contained in the Bank of Italy/CONSOB/ISVAP document no. 5 of 15 May 2012 "Accounting treatment of deferred tax assets deriving from Italian Law 214/2011". The recognition and subsequent maintenance in the financial statements of the remaining tax assets (non-convertible DTAs), totalling 1,561.4 million, strictly depends on the ability of the Group and/or the single companies to generate future taxable income ("tax capability").

To that end non-convertible DTAs were subject to three separate recoverability tests, based on a model that predicts future taxable income, as illustrated below:

- IRES taxable income resulting from the consolidated financial statements for the ordinary IRES tax rate (24%);
- IRES taxable income at individual level for Banco BPM, for the purpose of the additional IRES tax rate applicable to banks (3.5%);
- IRAP value of production at individual level for Banco BPM, for the purposes of IRAP.

The recoverability test was conducted based on the following information and assumptions:

- Banco BPM and its subsidiaries that have recorded DTAs reflected in the consolidated financial statements operate in Italy and, as a result, reference was made to the tax regulations in force in that country;
- implementation of the tax changes introduced by the 2026 Budget Law (limit of 35% of previous tax losses in the 2026 tax period and of 42% in the 2027 tax period on so-called incremental income, partial postponement of convertible DTAs and of ECL quotas from former IFRS 9 FTAs pertaining to 2027 on a straight-line basis to 2028 and 2029; non-deductibility of interest expense to the extent of 4% in 2026, 3% in 2027, 2% in 2028 and 1% in subsequent years);
- said tax regulations do not establish time limits on the recovery of the IRES tax loss (Art. 84, paragraph 1 of Presidential Decree 917 of 22 December 1986);
- IAS 12 does not set out a maximum time horizon for forecasting taxable income;
- the estimates of future taxable income have been made using a multi-scenario approach, by taking as a reference the most recent cash flow projections of Banco BPM Group or Banco BPM for the 2026-2028 period;
- the estimates referred to in the previous point have been adjusted to take account of the uncertainty that characterises the actual realisation of long-term forecasts, applying a discount factor defined on the basis of a risk premium (so-called Risk-adjusted profit approach), in line with the recommendations set out by ESMA in the aforementioned Communication of 15 July 2019;
- Deferred Tax Liabilities (DTLs) were offset by DTAs in the event that their reversal over time is expected to occur in the same year.

Below is detailed information on the assumptions used for probability testing, their outcomes and sensitivity analysis.

B.1 Estimated future taxable income

The estimate of future taxable income was based on the most recent income projections of Banco BPM and the Group for the years 2026-2028.

Considering the current context of uncertainty, these projections have been made with reference to three separate macroeconomic scenarios at the date on which the above-mentioned scenarios were developed, to which a different probability of occurrence has been attributed. In detail, alongside a baseline scenario, an adverse scenario and a favourable scenario were drawn up, to which probabilities of occurrence of 50%, 30% and 20% respectively were assigned, consistent with that described in "Section 10 - Intangible assets - Item 100" below, to which reference is made for further details.

For long-term profitability, starting from 2029, we took as reference the expected income in 2028, determined by weighting the three scenarios indicated, appropriately normalised to take account of a number of components

considered non-recurring. This income has been projected, starting from 2030, with an annual growth rate (g) of 2%, equal to the nominal growth forecasts for the national economy.

B.2 Adjustment of future taxable income

In order to take into account the uncertainty that characterises the actual realisation of long-term forecasts, a discount factor of 6.08% has been introduced. This factor has been defined as a function of the risk premium required by the market (MRP - Market Risk Premium), equal to 5.2%, multiplied by the Beta coefficient (ß), equal to 1.169%, i.e. the coefficient that expresses the specific riskiness of the Group's business.
In more detail, the adjustment of taxable income is obtained by discounting each year's forecasts for the discount factor of 6.08%, applied according to the compound capitalisation formula, from 2029 onwards. This formula therefore makes it possible to adjust future forecasts according to an increasing abatement factor depending on the time horizon of the estimated taxable flows.

The growth rate (g), and the parameters to factor in the uncertainty of forecasts (MRP and ß) are consistent with those considered for the impairment test of intangible assets with an indefinite life; related to the Retail CGU, as illustrated in more detail in the previous "Section 10 - Intangible assets - Item 100".

B.3 Outcomes of the probability test and sensitivity analysis

Based on the valuation exercise conducted using the model described in points B.1 and B.2 above, the results are illustrated below, distinguishing between the consolidated IRES DTAs at an ordinary tax rate of 24%, IRES DTAs with an additional tax rate of 3.5% at the individual level of Banco BPM and IRAP DTAs at the individual level of Banco BPM, which represent almost all of the DTAs recognised in the consolidated financial statements.
The IRES DTAs recognised based on the ordinary tax rate of 24% as at 31 December 2025, which can be recovered through the income generated by all the companies belonging to the Group, amount to 1,220.6 million. DTAs from tax losses are estimated to be recoverable within 2 years (2027), a net improvement compared to the results as at 31 December 2024. For the remaining DTAs recognised in the financial statements, deriving from temporary differences and whose recoverability depends on future profitability, full recovery is expected by the end of 2036.
The IRES DTAs recognised based on the additional tax rate of 3.5% as at 31 December 2025, which can be recovered through the taxable income generated in the separate financial statements of Banco BPM, amount to 195 million. Full recovery of the DTAs in question is expected by the end of 2036 while the recoverability of the DTAs on the previous years' tax losses is estimated within a time frame of 5 years (2030), 1 year earlier than the forecasts as at 31 December 2024.

Lastly, referring to the IRAP DTAs of Banco BPM in place as at 31 December 2025, which can be recovered through income generated individually by Banco BPM, of 115.3 million, the projections of taxable income show, for each year, full recovery of the DTAs from temporary differences which shall reverse in that year.

Sensitivity analysis of the consolidated IRES DTAs based on the tax rate of 24%

The model used includes assumptions and hypotheses that could significantly affect the assessments of the recoverability of the DTAs, for the IRES DTAs recognised based on the rate of 24% (1,220.6 million, equal to 85.9% of the total non-convertible IRES DTAs).
To this end, a sensitivity analysis was conducted on the main hypotheses and assumptions relating to the recovery time horizon; in particular, the sensitivity analyses were developed on the basis of the following factors, applied to the income projections from the year 2026:

- increase/decrease in the discount rate of future taxable income: any 1.5% increase/decrease in the adjusting factor (7.58% and 4.58% respectively) would result in the confirmation of recovery by the end of 2036;
- expected income growth rate (g): a reduction of 0.5% (from 2% to 1.5%) would not have significant impacts on the horizon for recovery, which would be confirmed as by the end of 2036;
- 15% reduction in income projections: a reduction in future income of 15% would not lengthen the expected return of the DTAs.

Furthermore, in the event that the projection of future taxable income should be developed based on income flows not adjusted using the adjusting factor, the full recovery of the DTAs, including those relating to previous years' tax losses, would be unchanged and confirmed by the end of 2036.

For the DTAs in question, the following table summarises the different time horizons for the return of DTAs in the various alternative scenarios illustrated above, compared with the recovery forecasts as at 31 December 2025 drawn up on the basis of the assumptions and hypotheses described in points B.1 and B.2 above.

Expected time horizon of return of the IRES DTAs based on the tax rate of 24%	Risk-adjusted profit approach					Income projections (without discount factor)
	Projections as at 31/12/2025	Sensitivity				
		Discount factor	Discount factor	Growth factor g	Expected taxable income at the end of the explicit period	
		(+1.5%)	(-1.5%)	(-0.5%)	(-15%)	
31/12/2027 (2 years)	60.0%	56.0%	59.4%	57.7%	45.8%	60.0%
31/12/2029 (4 years)	77.1%	77.1%	77.1%	77.1%	72.2%	77.1%
31/12/2032 (7 years)	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%
31/12/2036 (11 years)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

The sensitivity analyses show that, even in the event of negative changes in the underlying parameters, the recovery period does not change, as the taxable income in the different scenarios assumed does not generate new DTAs on tax losses, in addition to those already recognised, whose recovery period is envisaged in a time horizon not exceeding the expected repayment plan of the other DTAs (equal to 11 years).

B.4 Considerations on DTAs relating to IRES tax losses that can be carried forward

Note that as at 31 December 2025, the DTAs deriving from IRES tax losses that can be carried forward amount to 575.7 million, compared to the figure of 873.3 million as at 31 December 2024.
With specific reference to said DTAs posted in previous years, they were recorded following the exact identification of the causes that generated the tax losses and the assessment that they would not repeat in the future on a recurring basis, in line with the provisions of IAS 12.
The tax losses recorded up until 2020 are specifically attributable to the significant loan losses deemed extraordinary, recognised as part of the process of reducing the amount of non-performing loans and, to a lesser extent, to the other extraordinary charges attributable to the business combination that gave rise to Banco BPM Group (e.g. charges relating to the reduction of redundant personnel, the integration of IT systems, the rationalisation of the territorial network) or deriving from the need to favour the rescue of other banks external to the Group in order to protect the stability of the banking system.

11.1 Deferred tax assets: breakdown

	IRES	IRAP	Other taxes	31/12/2025	31/12/2024
A) As a balancing entry in the Income Statement					
A.1) Convertible DTAs pursuant to Italian Law 214/2011	**925,472**	**163,698**	**-**	**1,089,170**	**1,140,821**
Write-downs of loans deductible in subsequent years	534,968	62,450	-	597,418	665,416
Costs deductible in subsequent years deriving from the tax relief on goodwill and other intangible assets	390,504	101,248	-	491,752	475,405
A.2) DTAs - Other types	**1,178,798**	**86,483**	**-**	**1,265,281**	**1,611,887**
Tax losses that can be carried forward	575,692	-	-	575,692	873,323
ECL adjustments of FTAs pursuant to IFRS 9 on loans to customers deductible in the subsequent years	146,336	37,413	-	183,749	175,923
Provisions and value adjustments deductible in subsequent years	77,021	1,478	-	78,499	85,720
Personnel expenses and provisions for employee severance pay deductible in subsequent years	110,135	23,453	-	133,588	141,682
Value adjustments to real estate deductible in subsequent years	220,390	13,569	-	233,959	264,081
Book values lower than the recognised tax values resulting from value adjustments to goodwill and other intangible assets	25,071	6,285	-	31,356	18,978
Book values lower than the recognised tax values resulting from fair value measurement of financial assets	484	-	-	484	603
Other cases of misalignment between book and tax values	23,669	4,285	-	27,954	51,577
Total A	**2,104,270**	**250,181**	**-**	**2,354,451**	**2,752,708**
B) As a balancing entry in Shareholders' Equity					
Book values lower than the recognised tax values deriving from fair value measurement of financial assets measured as a balancing entry in shareholders' equity	192,789	44,385	-	237,174	306,993
Other cases of misalignment between book and tax values	49,441	9,525	-	58,966	59,221
Total B	**242,230**	**53,910**	**-**	**296,140**	**366,214**
Total (A+B)	**2,346,500**	**304,091**	**-**	**2,650,591**	**3,118,922**

The following tables provide details of the breakdown of deferred tax assets by "Banking Group" and "Insurance companies".

11.1 Deferred tax assets: breakdown (of which: Banking Group)

		IRES	IRAP	Other taxes	31/12/2025	31/12/2024
A)	**As a balancing entry in the Income Statement**					
	A.1) Convertible DTAs pursuant to Italian Law 214/2011	**925,472**	**163,698**	**-**	**1,089,170**	**1,140,821**
	Write-downs of loans deductible in subsequent years	534,968	62,450	-	597,418	665,416
	Costs deductible in subsequent years deriving from the tax relief on goodwill and other intangible assets	390,504	101,248	-	491,752	475,405
	A.2) DTAs - Other types	**1,155,183**	**82,934**	**-**	**1,238,117**	**1,565,362**
	Tax losses that can be carried forward	575,665	-	-	575,665	873,323
	ECL adjustments of FTAs pursuant to IFRS 9 on loans to customers deductible in the subsequent years	146,336	37,413	-	183,749	175,923
	Provisions and value adjustments deductible in subsequent years	76,917	1,478	-	78,395	85,612
	Personnel expenses and provisions for employee severance pay deductible in subsequent years	110,135	23,453	-	133,588	141,682
	Value adjustments to real estate deductible in subsequent years	214,158	13,487	-	227,645	256,081
	Book values lower than the recognised tax values resulting from value adjustments to goodwill and other intangible assets	25,071	6,285	-	31,356	18,978
	Book values lower than the recognised tax values resulting from fair value measurement of financial assets	484	-	-	484	603
	Other cases of misalignment between book and tax values	6,417	818	-	7,235	13,160
	Total A	**2,080,655**	**246,632**	**-**	**2,327,287**	**2,706,183**
B)	**As a balancing entry in Shareholders' Equity**					
	Book values lower than the recognised tax values deriving from fair value measurement of financial assets measured as a balancing entry in shareholders' equity	154,189	33,416	-	187,605	280,404
	Other cases of misalignment between book and tax values	49,441	9,525	-	58,966	59,221
	Total B	**203,630**	**42,941**	**-**	**246,571**	**339,625**
	Total (A+B)	**2,284,285**	**289,573**	**-**	**2,573,858**	**3,045,808**

11.1 Deferred tax assets: breakdown (of which: insurance companies)

		IRES	IRAP	Other taxes	31/12/2025	31/12/2024
A)	**As a balancing entry in the Income Statement**					
	A.1) Convertible DTAs pursuant to Italian Law 214/2011	**-**	**-**	**-**	**-**	**-**
	Write-downs of loans deductible in subsequent years	-	-	-	-	-
	Costs deductible in subsequent years deriving from the tax relief on goodwill and other intangible assets	-	-	-	-	-
	A.2) DTAs - Other types	**17,087**	**3,449**	**-**	**20,536**	**38,385**
	Tax losses that can be carried forward	-	-	-	-	-
	ECL adjustments of FTAs pursuant to IFRS 9 on loans to customers deductible in the subsequent years	-	-	-	-	-
	Provisions and value adjustments deductible in subsequent years	-	-	-	-	-
	Personnel expenses and provisions for employee severance pay deductible in subsequent years	-	-	-	-	-
	Value adjustments to real estate deductible in subsequent years	45	-	-	45	40
	Book values lower than the recognised tax values resulting from value adjustments to goodwill and other intangible assets	-	-	-	-	-
	Book values lower than the recognised tax values resulting from fair value measurement of financial assets	-	-	-	-	-
	Other cases of misalignment between book and tax values	17,042	3,449	-	20,491	38,345
	Total A	**17,087**	**3,449**	**-**	**20,536**	**38,385**
B)	**As a balancing entry in Shareholders' Equity**					
	Book values lower than the recognised tax values deriving from fair value measurement of financial assets measured as a balancing entry in shareholders' equity	38,600	10,969	-	49,569	26,589
	Other cases of misalignment between book and tax values	-	-	-	-	-
	Total B	**38,600**	**10,969**	**-**	**49,569**	**26,589**
	Total (A+B)	**55,687**	**14,418**	**-**	**70,105**	**64,974**

11.2 Deferred tax liabilities: breakdown

	IRES	IRAP	Other taxes	31/12/2025	31/12/2024
A) As a balancing entry in the Income Statement:					
Book values exceeding the recognised tax values following the process of tax amortisation or value adjustments to goodwill and other intangible assets	153,923	34,171	-	188,094	116,978
Recoveries in fair value of real estate taxable in coming years	39,769	847	-	40,616	40,712
Book values exceeding the recognised tax values resulting from fair value measurement of financial instruments	8,754	3,383	46	12,183	12,391
Book values exceeding the recognised tax values resulting from fair value measurement of loans to customers	3,634	998	-	4,632	5,517
Book values exceeding the recognised tax values following the Purchase Price Allocation at the time of business combinations	3,292	935	-	4,227	5,122
Other cases of misalignment between book and tax values	99,736	24,154	3,350	127,240	114,998
Total A	**309,108**	**64,488**	**3,396**	**376,992**	**295,718**
B) As a balancing entry in Shareholders' Equity					
Book values exceeding the recognised tax values resulting from fair value measurement of owned properties and works of art	78,203	14,450	-	92,653	88,950
Book values exceeding the recognised tax values resulting from fair value measurement of financial assets measured as a balancing entry in shareholders' equity	37,692	19,571	-	57,263	37,762
Other cases of misalignment between book and tax values	7,239	1,739	-	8,978	7,660
Total B	**123,134**	**35,760**	**-**	**158,894**	**134,372**
Total (A+B)	**432,242**	**100,248**	**3,396**	**535,886**	**430,090**

11.2 Deferred tax liabilities: breakdown (of which: Banking Group)

		IRES	IRAP	Other taxes	31/12/2025	31/12/2024
A)	**As a balancing entry in the Income Statement:**					
	Book values exceeding the recognised tax values following the process of tax amortisation or value adjustments to goodwill and other intangible assets	153,923	33,622	-	187,545	116,978
	Recoveries in fair value of real estate taxable in coming years	39,539	810	-	40,349	40,349
	Book values exceeding the recognised tax values resulting from fair value measurement of financial instruments	8,754	3,383	-	12,137	12,312
	Book values exceeding the recognised tax values resulting from fair value measurement of loans to customers	3,634	998	-	4,632	5,517
	Book values exceeding the recognised tax values following the Purchase Price Allocation at the time of business combinations	-	-	-	-	-
	Other cases of misalignment between book and tax values	3,492	733	-	4,225	1,612
	Total A	**209,342**	**39,546**	**-**	**248,888**	**176,768**
B)	**As a balancing entry in Shareholders' Equity**					
	Book values exceeding the recognised tax values resulting from fair value measurement of owned properties and works of art	78,006	14,418	-	92,424	88,721
	Book values exceeding the recognised tax values resulting from fair value measurement of financial assets measured as a balancing entry in shareholders' equity	37,692	19,571	-	57,263	37,762
	Other cases of misalignment between book and tax values	4,726	958	-	5,684	7,491
	Total B	**120,424**	**34,947**	**-**	**155,371**	**133,974**
	Total (A+B)	**329,766**	**74,493**	**-**	**404,259**	**310,742**

11.2 Deferred tax liabilities: breakdown (of which Insurance companies)

	IRES	IRAP	Other taxes	31/12/2025	31/12/2024
A) As a balancing entry in the Income Statement:					
Book values exceeding the recognised tax values following the process of tax amortisation or value adjustments to goodwill and other intangible assets	-	549	-	549	-
Recoveries in fair value of real estate taxable in coming years	-	-	-	-	-
Book values exceeding the recognised tax values resulting from fair value measurement of financial instruments	-	-	46	46	79
Book values exceeding the recognised tax values resulting from fair value measurement of loans to customers	-	-	-	-	-
Book values exceeding the recognised tax values following the Purchase Price Allocation at the time of business combinations	3,292	935	-	4,227	5,122
Other cases of misalignment between book and tax values	93,787	23,133	3,350	120,270	101,473
Total A	**97,079**	**24,617**	**3,396**	**125,092**	**106,674**
B) As a balancing entry in Shareholders' Equity					
Book values exceeding the recognised tax values resulting from fair value measurement of owned properties and works of art	-	-	-	-	-
Book values exceeding the recognised tax values resulting from fair value measurement of financial assets measured as a balancing entry in shareholders' equity	-	-	-	-	-
Other cases of misalignment between book and tax values	2,505	781	-	3,286	19
Total B	**2,505**	**781**	**-**	**3,286**	**19**
Total (A+B)	**99,584**	**25,398**	**3,396**	**128,378**	**106,693**

11.3 Changes in deferred tax assets (balancing entry in the income statement)

	31/12/2025	31/12/2024
1. Opening balance	**2,752,708**	**3,505,084**
2. Increases	**202,547**	**236,735**
2.1 Deferred tax assets recognised during the year	91,745	164,037
a) relative to previous years	9,849	8,125
b) due to changes in accounting criteria	-	-
c) recoveries	65	26
d) other	81,831	155,886
2.2 New taxes or increases in tax rates	41,788	-
2.3 Other increases	69,014	72,698
- of which business combinations	19,464	934
3. Decreases	**(600,804)**	**(989,111)**
3.1 Deferred tax assets cancelled during the year	(470,466)	(735,951)
a) reclassifications	(469,895)	(734,345)
b) write-downs due to unrecoverability	-	-
c) due to changes in accounting criteria	-	-
d) other	(571)	(1,606)
3.2 Decreases in tax rates	-	-
3.3 Other decreases:	(130,338)	(253,160)
a) conversion into tax credits pursuant to Law 214/2011	(83,374)	(188,669)
b) other	(46,964)	(64,491)
4. Closing balance	**2,354,451**	**2,752,708**

11.4 Changes in deferred tax assets pursuant to Law 214/2011

	Total 31/12/2025	Total 31/12/2024
1. Opening balance	**1,140,821**	**1,845,142**
2. Increases	**31,723**	**456**
3. Decreases	**(83,374)**	**(704,777)**
3.1 Reclassifications	-	(515,651)
3.2 Conversion into tax credits	(83,374)	(188,669)
a) deriving from losses for the year	-	-
b) deriving from tax losses	(83,374)	(188,669)
3.3 Other decreases	-	(457)
4. Closing balance	**1,089,170**	**1,140,821**

11.5 Changes in deferred tax liabilities (balancing entry in the income statement)

	Total 31/12/2025	Total 31/12/2024
1. Opening balance	**295,718**	**283,936**
2. Increases	**113,758**	**34,868**
2.1 Deferred tax liabilities recognised during the year	31,411	26,111
a) relative to previous years	16	666
b) due to changes in accounting criteria	-	-
c) other	31,395	25,445
2.2 New taxes or increases in tax rates	1,574	-
2.3 Other increases	80,773	8,757
- of which business combinations	76,019	6
3. Decreases	**(32,484)**	**(23,086)**
3.1 Deferred tax liabilities cancelled during the year	(27,517)	(12,723)
a) reclassifications	(27,181)	(7,934)
b) due to changes in accounting criteria	-	(4,789)
c) other	(336)	-
3.2 Decreases in tax rates	-	-
3.3 Other decreases	(4,967)	(10,363)
4. Closing balance	**376,992**	**295,718**

11.6 Changes in deferred tax assets (balancing entry in shareholders' equity)

	Total 31/12/2025	Total 31/12/2024
1. Opening balance	**366,214**	**344,696**
2. Increases	**255,707**	**363,850**
2.1 Deferred tax assets recognised during the year	214,976	300,966
a) relative to previous years	-	-
b) due to changes in accounting criteria	-	-
c) other	214,976	300,966
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	40,731	62,884
3. Decreases	**(325,781)**	**(342,332)**
3.1 Deferred tax assets cancelled during the year	(272,719)	(273,135)
a) reclassifications	(272,690)	(273,100)
b) write-downs due to unrecoverability	-	-
c) due to changes in accounting criteria	-	-
d) other	(29)	(35)
3.2 Decreases in tax rates	-	-
3.3 Other decreases	(53,062)	(69,197)
4. Closing balance	**296,140**	**366,214**

11.7 Changes in deferred tax liabilities (balancing entry in shareholders' equity)

	Total 31/12/2025	Total 31/12/2024
1. Opening balance	**132,653**	**106,651**
2. Increases	**65,305**	**49,970**
2.1 Deferred tax liabilities recognised during the year	59,912	49,947
a) relative to previous years	-	6
b) due to changes in accounting criteria	-	-
c) other	59,912	49,941
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	5,393	23
3. Decreases	**(39,064)**	**(22,249)**
3.1 Deferred tax liabilities derecognised during the year	(38,797)	(22,243)
a) reclassifications	(38,797)	(22,243)
b) due to changes in accounting criteria	-	-
c) other	-	-
3.2 Decreases in tax rates	-	-
3.3 Other decreases	(267)	(6)
4. Closing balance	**158,894**	**134,372**

11.8 Other information

Group tax situation

For an examination of the risks associated with existing disputes with the Tax Authorities and the relative developments during 2024 (new disputes arising or disputes concluded and/or settled), please see that found in "Section 10 - Provisions for risks and charges - Item 100" of Liabilities, which provide details of provisions carried out against liabilities judged to be probable, pursuant to that required under the reference accounting standard IAS 37.

Global minimum tax

The OECD "Tax Challenges Arising from the Digitalisation of the Economy - Global Anti-Base Erosion Model Rules (Pillar Two)" and Council Directive (EU) 2022/2523 of 14 December 2022 introduced legislation aimed at ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups (global minimum tax).
The global minimum tax consists of 3 taxes:

- minimum domestic taxation applicable by the country in which the companies of the multinational group pay a low tax if that country has chosen to introduce a Qualified Domestic Minimum Top-Up Tax (QDMTT);
- minimum top-up taxation applicable by the country of location of the direct or indirect participant, taking into account any amount withdrawn through a minimum domestic tax (IIR – Income Inclusion Rule);
- minimum top-up taxation (UTPR - Under-Taxed Payments Rule) applicable by countries that adopt the GloBE, in which the multinational group is present with other companies, in the cases in which the top-up taxation due in relation to the companies of the group subject to low taxation was not withdrawn or only partially.

From the 2024 tax period, Banco BPM Group is included in the scope of application of Pillar 2/GloBE rules. In particular, these rules entered into force in Italy on 1 January 2024 through Italian Legislative Decree 209/2023, implementing Directive (EU) 2022/2523.
In a nutshell, the Pillar 2 rules envisage that Group entities (wherever located) are subject to an effective income tax of at least 15%, to be determined on the basis of a complex calculation based on accounting and tax data of such entities, aggregated by country. If the level of taxation in a given country is less than 15%, this results in the application of a "Top-Up Tax" to bring the value up to 15%.
As required by IAS 12 (in particular, by the "*Amendments to IAS 12 Income Taxes - International Tax Reform - Pillar Two Model Rules*") as well as by the amended version of OIC 25, the Group, using data available at the reporting date, carried out an analysis to identify the scope of application and potential impact of the Pillar 2 regulations on

countries included in its scope of consolidation, also making use of the transitional safe harbours ("TSH") applicable in the three-year transitional period 2024-2026 as required by relevant regulations.
These rules envisage that no top-up tax is due if one of the following tests is passed (to be carried out in relation to each country in which the Group is present):

- *De minimis test*: met if revenues in the jurisdiction are less than 10 million euro and the aggregate profit before tax is less than a million euro;
- *Simplified effective tax rate test*: met if the effective tax rate is at least 16% (for 2025), as determined on the basis of the ratio between the aggregate values of profit (loss) before tax (denominator) and income taxes (numerator). In this regard, the numerator represents the value of current and deferred income taxes (with certain specific adjustments) recognised in the reporting packages of the subsidiaries in a given jurisdiction;
- *Routine profit test*: met if the aggregate value of the "Substance-based income exclusion" or "SBIE" envisaged in Pillar 2 rules is higher than the aggregate amount of profit (loss) before tax. As required by the OECD guidelines, if a jurisdiction records a loss before tax, the test is considered met.

If none of the tests are passed for a specific jurisdiction, the Group is required to calculate the level of effective taxation on the basis of the entire set of Pillar 2 rules, i.e. by making specific adjustments to the accounting data of the entities located in that jurisdiction, also in order to determine - if its effective tax rate is below 15% - the amount of top-up tax due.
Based on current data, Banco BPM assumes the role of Ultimate Parent Entity.
The Group is present in 3 jurisdictions that have implemented Pillar 2 regulations (Italy, Ireland and Switzerland).
The Group carried out an analysis in relation to the possible exposure to Pillar 2 taxes, taking into account the data relating 2025.
Based on data available to date, for 2025 (in line with 2024), the Group benefits from the TSHs in Italy (where the Simplified ETR Test is verified) and in Switzerland (where the De Minimis Test is verified). As regards Ireland, having not met the requirements to benefit from the TSH simplification in 2024, it cannot exercise the relative option for subsequent years according to the OECD principle of *"once out, always out"*.
Through its local consultants, the Group therefore performed a calculation to verify whether any Pillar 2 taxes were due in that country. This analysis showed that, in relation to 2025, the Group will be required to pay approximately 585 thousand euro as domestic top-up tax.

Exemption from recognition of Pillar 2 deferred tax

Note that Banco BPM Group has applied the temporary exemption envisaged by the amendment to IAS 12, issued by the International Accounting Standards Board ("IASB") on 23 May 2023 (implementing Commission Regulation (EU) 2023/2468 of 8 November 2023), concerning the recognition and related reporting in the financial statements regarding deferred tax assets and liabilities deriving from application of the Global Minimum Tax envisaged in Directive (EU) 2022/2523 of 14 December 2022, as part of the Anti-Base Erosion Global Rules Model (Pillar Two). Consequently, the Group will not recognise or disclose information on deferred tax assets and liabilities relating to pillar 2 income taxes.

Consolidated tax regime on a national basis

Banco BPM and the subsidiaries listed below exercised the right to make use of the Group taxation regime (pursuant to Art. 117 et seq. of Presidential Decree 917/1986 - TUIR - Italian Consolidated Tax Law). This option refers to all Group companies that meet the requirements established under the cited law, specifically:

1) Aletti Fiduciaria S.p.A.
2) Banca Aletti S.p.A.
3) Banca Akros S.p.A.
4) BRF Property S.r.l.
5) Ge.Se.So. S.r.l.
6) Lido dei Coralli S.r.l.
7) Sirio Immobiliare S.r.l.
8) Terme Ioniche S.r.l.
9) Oaklins Italy S.r.l.
10) Banco BPM Invest SGR S.p.A.
11) Banco BPM Vita S.p.A.
12) Vera Vita S.p.A.

There are no associated companies which opted for the tax transparency regime pursuant to Art. 115 et seq. of Presidential Decree 917/86.
Anima Holding and the subsidiaries Anima SGR, Anima Alternative SGR, Castello SGR, Kairos Partners SGR and Vita S.r.l. will become part of the tax consolidation starting from 2026.

Banco BPM VAT Group

By resolution of the Board of Directors on 25 September 2018, Banco BPM decided to establish the Banco BMP VAT Group, pursuant to Articles 70-bis to 70-duodecies of Presidential Decree 633 of 26 October 1972 ("VAT Law") and the related Implementing Ministerial Decree of 6 April 2018, effective from 1 January 2019.

In 2025 the participating companies were as follows:

1) Banco BPM S.p.A.
2) Banca Aletti S.p.A.
3) Aletti Fiduciaria S.p.A.
4) Banca Akros S.p.A.
5) BP Covered Bond S.r.l.[1]
6) BPM Covered Bond 2 S.r.l.
7) BPM Covered Bond S.r.l.
8) BRF Property S.p.A.
9) GE.SE.SO Gestione Servizi Sociali S.r.l.
10) Lido dei Coralli S.r.l.
11) Sirio Immobiliare S.r.l.
12) Oaklins Italy S.r.l.
13) Banco BPM Vita S.p.A.
14) Vera Vita S.p.A.
15) Banco BPM Invest SGR S.p.A.

Anima Holding, the subsidiaries Anima SGR, Anima Alternative SGR, Castello SGR, Kairos Partners SGR Vita S.r.l. and the associate Gem Hospitality S.r.l. will become part of the VAT Group starting from 2026.

[1] The company was excluded in 2025 due to its placement in liquidation.

Section 12 - Non-current assets and disposal groups held for sale and associated liabilities – Item 120 in the assets and Item 70 in the liabilities

12.1 Non-current assets and disposal groups held for sale: breakdown by type of asset

	Total 31/12/2025	Total 31/12/2024
A. Assets held for sale		
A.1 Financial assets	50,701	101,996
A.2 Interests in associates and joint ventures	-	41,000
A.3 Property, plant and equipment	145,948	301,509
of which: obtained through the enforcement of guarantees received	52,362	113,728
A.4 Intangible assets	-	-
A.5 Other non-current assets	-	20
Total A	**196,649**	**444,525**
of which at cost	50,701	143,016
of which at fair value level 1	-	-
of which at fair value level 2	-	-
of which at fair value level 3	145,948	301,509
B. Discontinued operations		
B.1 Financial assets at fair value through profit and loss	-	-
- Financial assets held for trading	-	-
- Financial assets designated 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 at amortised cost	-	-
B.4 Interests in associates and joint ventures	-	-
B.5 Property, plant and equipment	-	-
of which: obtained through the enforcement of guarantees received	-	-
B.6 Intangible assets	-	-
B.7 Other assets	-	-
Total B	**-**	**-**
of which at cost	-	-
of which at fair value level 1	-	-
of which at fair value level 2	-	-
of which at fair value level 3	-	-
C. Liabilities associated with assets classified as held for sale		
C.1 Payables	-	(1,209)
C.2 Securities	-	-
C.3 Other liabilities	-	(6)
Total C	**-**	**(1,215)**
of which at cost	-	(1,215)
of which at fair value level 1	-	-
of which at fair value level 2	-	-
of which at fair value level 3	-	-
D. Liabilities associated with discontinued operations		
D.1 Financial liabilities at amortised cost	-	-
D.2 Financial liabilities held for trading	-	-
D.3 Financial liabilities designated at fair value	-	-
D.4 Provisions	-	-
D.5 Other liabilities	-	-
Total D	**-**	**-**
of which at cost	-	-
of which at fair value level 1	-	-
of which at fair value level 2	-	-
of which at fair value level 3	-	-

The previous table shows the assets and related liabilities no longer referring to normal operations as they are subject to disposal procedures.

Sub-item "A.1 Financial assets" (50.7 million) refers to loans classified as bad and unlikely to pay for which assignment has been approved, which will be finalised during 2026. This amount compares with the amount of 102.0 million recognised as at 31 December 2024, which included loans classified as bad and unlikely to pay, which were sold in 2025.

Sub-item "A.3 Property, plant and equipment" refers to owned properties for which sales negotiations in progress as at 31 December 2025 rendered probable the completion of the sales in the short-term. This item includes the remaining properties of "Project Square" (45.4 million), which will be sold next June. In relation to the latter transaction, in 2025 sales were completed for the other properties classified as held for sale as at 31 December 2024 (172.6 million).

In relation to the interests in Selmabipiemme Leasing S.p.A., Burgos Leasco S.r.l. and Tago LeaseCo and associated liabilities, classified as held for sale as at 31 December 2024, the sales were finalised in 2025.

For assets and liabilities indicated in correspondence with the sub-items "of which at fair value level 1/level 2/level 3", please see that set out in part "A.4 - Fair value disclosure".

12.2 Other information

There is no other information worthy of note.

Section 13 - Other assets – Item 130

13.1 Other assets: breakdown

	Total 31/12/2025	Total 31/12/2024
Receivables due from tax authorities (not classifiable among tax assets)	4,018,757	4,647,575
Receivables for sales of goods and provision of services	16,401	8,631
Other income to be received	18,440	36,726
Cash and other values on hand	6,459	6,326
Items being processed	703,938	660,735
Items in transit between branches	25,899	125,166
Illiquid items for portfolio transactions	803	1,222
Securities and coupons to be settled	54,038	61,422
Other transactions to be settled	-	1,081
Accrued income and prepayments not included under their own item	65,868	53,341
Other items	77,172	99,908
Total	**4,987,775**	**5,702,133**

Item "130. Other assets" as at 31 December 2025 includes receivables due from tax authorities of 4,018.8 million (4,647.6 million as at 31 December 2024).

The main component of this aggregate is represented for 2,953.6 million (3,414.2 million as at 31 December 2024) by tax credits deriving from purchases without recourse completed in 2025 and in previous years, mostly related to building bonuses (Superbonus, Sismabonus, etc.). The portion of the receivables still recognised in the financial statements can be fully recovered by offsetting against tax payables of Banco BPM S.p.A. and by assignment to subsidiaries or third-party purchasers.

Excluding the main component described above, residual receivables due from tax authorities amounted to 1,065.2 million (1,233.4 million as at 31 December 2024) and are mainly represented by:

- receivables deriving from excess advance stamp duty payments and substitute taxes applied to customers which will be recovered through offsetting in the total amount of 484.4 million;

- receivables resulting from claims for the refund of direct taxes totalling 66.2 million, mainly represented by:
  - IRES and IRAP receivables of 48 million relating to 2018, the refund of which, along with the relevant interest, was requested in 2019;
  - receivables for the higher substitute tax for IRES and IRAP paid to realign the tax value to the book value of the properties for 11.5 million;
  - IRES and IRAP receivables of 2.8 million attributed following the liquidation of Group companies;
  - receivables for interest accrued on provisional registrations for 3.1 million;
  - IRES receivable for IRAP deductibility of 0.4 million;
  - receivables for direct taxes of Anima SGR and Anima Holding for 0.4 million;
- receivables recognised as a balancing entry for payments made on a provisional basis pending the final judgement in the outstanding tax disputes, for a total of 14.7 million, of which:
  - 2.1 million relating to the registrations of Banco BPM for disputes relating to the years 2006-2009 strictly related to the 2005 dispute;
  - 0.7 million relating to the provisional registration for a penalty linked to the Veneto Region IRAP tax record for 2006;
  - 1.5 million relating to the provisional registration of Banca Akros for the dispute relating to tax monitoring;
  - 10 million relating to the provisional registrations of Anima SGR for IRES disputes relating to the years 2006-2008;
  - 0.4 million relating to the provisional registration of Banca Aletti for the IRAP dispute for 2018;
- tax credits due to the Group insurance companies against payment of the tax on the life business mathematical reserves (Law no. 265/2002) of 251.2 million and tax credits on insurance of 4.2 million;
- various receivables due from the Tax Authorities of 177.3 million mainly relating to the payment of the advance of substitute tax on capital gains;
- tax credits connected with the interest accrued on loans disbursed to customers resident in areas hit by earthquakes for 43.4 million;
- receivables resulting from claims for the refund of VAT and indirect taxes totalling 17.1 million concerning:
  - 7.4 million relating to interest due for reimbursements of VAT receivables relating to 1998, 1999 and 2000 of the former Banca Italease S.p.A. obtained following the positive outcome of the dispute brought by the bank. In order to recover the aforementioned receivable, a new dispute was brought before the Court of Cassation, the outcome of which is pending;
  - 7.2 million referring to the dispute of the former Mercantile Leasing S.p.A. relating to the partial refusal of the VAT refund for the first and second quarters of 2007. Of this amount, 4.7 million was requested as a refund in the declaration and is not disputed. For the amount of 6.8 million, against the refusal of the reimbursement by the Tax Authorities for the amount of 4.3 million, the Bank prudentially recognised a specific bad debt provision of the same amount in the financial statements of 2021 and in the financial statements of 2025, although filing the dispute in any event;
  - 2.5 million refers to the compliance proceedings against the Municipality of Rome regarding the challenge to a payment injunction for INVIM (tax on increases in value of real estate) purposes relating to a real estate purchase made in 1976; awaiting refund;
- tax credits connected with the VAT payment for 4.5 million;
- tax credits due from foreign tax authorities on dividends paid of 2.2 million.

The sub-item "Items being processed" essentially contains sums awaiting definitive assignment and various suspended items, the amounts to be settled in clearing houses, as well as charges received from external companies relative to the payment of utilities to be settled using customer current accounts.

LIABILITIES

Section 1 - Financial liabilities at amortised cost – Item 10

1.1 Financial liabilities at amortised cost: breakdown by product for amounts due to banks

Transaction type/Amounts	Total 31/12/2025				Total 31/12/2024			
	BV	Fair Value			BV	Fair Value		
		L1	L2	L3		L1	L2	L3
1. Due to central banks	**3,003,852**	X	X	X	**1,784,564**	X	X	X
2. Due to banks	**3,642,203**	X	X	X	**4,599,374**	X	X	X
2.1 Current accounts and demand deposits	821,702	X	X	X	414,165	X	X	X
2.2 Fixed-term deposits	148,105	X	X	X	218,275	X	X	X
2.3 Loans	2,249,319	X	X	X	3,374,393	X	X	X
2.3.1 Repurchase agreements	2,165,103	X	X	X	3,361,454	X	X	X
2.3.2 Other	84,216	X	X	X	12,939	X	X	X
2.4 Payables for commitment to repurchase own capital instruments	-	X	X	X	-	X	X	X
2.5 Lease payables	-	X	X	X	5	X	X	X
2.6 Other payables	423,077	X	X	X	592,536	X	X	X
Total	**6,646,055**	**-**	**-**	**6,646,055**	**6,383,938**	**-**	**-**	**6,383,938**

BV = Book value
L1 = Level 1
L2 = Level 2
L3 = Level 3

Sub-item "1. Due to central banks" is essentially represented by refinancing operations with the European Central Bank for a nominal amount of 3,000 million in EUR (of which 1,500 million for LTRO loans and 1,500 million for MRO loans). As at 31 December 2024, the amount related to refinancing operations with the European Central Bank for a nominal amount of 750 million in EUR and a nominal amount of 1,073 million in USD.

1.2 Financial liabilities at amortised cost: breakdown by product for amounts due to customers

Transaction type/Amounts	Total 31/12/2025				Total 31/12/2024			
	BV	Fair Value			BV	Fair Value		
		L1	L2	L3		L1	L2	L3
1. Current accounts and demand deposits	103,814,790	X	X	X	98,803,182	X	X	X
2. Fixed-term deposits	1,275,069	X	X	X	1,449,612	X	X	X
3. Loans	3,000,770	X	X	X	1,456,511	X	X	X
3.1 Repurchase agreements	2,504,942	X	X	X	960,343	X	X	X
3.2 Other	495,828	X	X	X	496,168	X	X	X
4. Payables for commitment to repurchase own capital instruments	-	X	X	X	-	X	X	X
5. Lease payables	673,347	X	X	X	648,717	X	X	X
6. Other payables	1,178,373	X	X	X	1,050,472	X	X	X
Total	**109,942,349**	**-**	**-**	**109,942,349**	**103,408,494**	**-**	**-**	**103,408,494**

BV = Book value
L1 = Level 1
L2 = Level 2
L3 = Level 3

1.3 Financial liabilities at amortised cost: breakdown by product for debt securities in issue

Type of securities/Amounts	Total 31/12/2025				Total 31/12/2024			
	BV	Fair Value			BV	Fair Value		
		L1	L2	L3		L1	L2	L3
A. Securities								
1. bonds	23,121,850	13,660,788	9,716,855	-	23,372,273	14,279,962	9,311,790	-
1.1 structured	-	-	-	-	-	-	-	-
1.2 other	23,121,850	13,660,788	9,716,855	-	23,372,273	14,279,962	9,311,790	-
2. other securities	796	-	-	796	1,147	-	-	1,147
2.1 structured	-	-	-	-	-	-	-	-
2.2 other	796	-	-	796	1,147	-	-	1,147
Total	**23,122,646**	**13,660,788**	**9,716,855**	**796**	**23,373,420**	**14,279,962**	**9,311,790**	**1,147**

BV = Book value
L1 = Level 1
L2 = Level 2
L3 = Level 3

Debt securities in issue include the Covered Bonds issued by Banco BPM Group with a book value totalling 10,871 million (12,237.8 million as at 31 December 2024).
During the first quarter of 2025, an issue of Covered Bonds was placed on the market for a nominal amount of 750 million. In 2025, three issues were repaid for a nominal amount of 2,000 million.

1.4 Breakdown of subordinated debt/securities

At the reporting date, Tier 2 subordinated liabilities issued by the Group, classified in the financial statements under debt securities in issue at amortised cost, refer to 6 issues of securities for a book value of 2,577.4 million (2,572.4 million as at 31 December 2024), of which 5 issues for a value of 2,216.6 million calculated in the Group's own funds.

Trading of own subordinated instruments was eliminated, as a consequence of the rules introduced under Delegated Regulation no. 241/2014 of the European Commission and the latest authorisation granted by the ECB to Banco BPM Group.

The features of subordinated liabilities used in calculations for regulatory purposes are indicated in the document "Disclosure to the Public by Entities - Pillar III", to which reference should be made.

Also note the presence of subordinated liabilities, not in the form of securities, issued by Vera Vita S.p.A. for approximately 60 million.

1.5 Breakdown of structured debt

As at 31 December 2025, and likewise in the previous year, there were no payables which required the separation of embedded derivatives ("structured debt").

1.6 Lease payables

Breakdown of flows from lease contracts based on contractual duration	31/12/2025		31/12/2024	
	Due to banks	Due to customers	Due to banks	Due to customers
Up to 3 months	-	29,351	5	30,286
From 3 months to 1 year	-	86,666	-	78,979
From 1 year to 5 years	-	371,432	-	362,313
Over 5 years	-	280,489	-	218,642
Total	**-**	***767,938***	**5**	**690,220**
Time effect	-	(94,591)	-	(41,503)
Present value of lease payables	-	673,347	5	648,717

Section 2 - Financial liabilities held for trading – Item 20

2.1 Financial liabilities held for trading: breakdown by product

Transaction type/Amounts	Total 31/12/2025					Total 31/12/2024				
	NV	Fair Value			Fair Value*	NV	Fair Value			Fair Value*
		L1	L2	L3			L1	L2	L3	
A. On-balance sheet liabilities										
1. Due to banks	11,501,470	1,035,630	9,739,021	-	10,774,651	15,372,855	280,903	13,888,219	-	14,169,122
2. Due to customers	9,926,821	1,512,672	8,210,611	-	9,723,283	6,622,754	372,908	5,921,414	-	6,294,321
3. Debt securities	444,102	-	462,694	-	455,651	953,884	-	956,874	-	938,809
3.1 Bonds	-	-	-	-	-	-	-	-	-	-
3.1.1 Structured	-	-	-	-	X	-	-	-	-	X
3.1.2 Other bonds	-	-	-	-	X	-	-	-	-	X
3.2 Other securities	444,102	-	462,694	-	455,651	953,884	-	956,874	-	938,809
3.2.1 Structured	444,102	-	462,694	-	X	953,884	-	956,874	-	X
3.2.2 Other	-	-	-	-	X	-	-	-	-	X
Total (A)	**21,872,393**	**2,548,302**	**18,412,326**	**-**	**20,953,585**	**22,949,493**	**653,811**	**20,766,507**	**-**	**21,402,252**
B. Derivative instruments										
1. Financial derivatives	-	112,800	1,143,641	-	-	-	89,105	1,384,585	-	-
1.1 Held for trading	X	112,800	1,143,579	-	X	X	89,105	1,384,583	-	X
1.2 Connected with the fair value option	X	-	-	-	X	X	-	-	-	X
1.3 Other	X	-	62	-	X	X	-	2	-	X
2. Credit derivatives	-	-	4,511	-	-	-	-	2,639	-	-
2.1 Held for trading	X	-	4,511	-	X	X	-	2,639	-	X
2.2 Connected with the fair value option	X	-	-	-	X	X	-	-	-	X
2.3 Other	X	-	-	-	X	X	-	-	-	X
Total (B)	**X**	**112,800**	**1,148,152**	**-**	**X**	**X**	**89,105**	**1,387,224**	**-**	**X**
Total (A+B)	**X**	**2,661,102**	**19,560,478**	**-**	**X**	**X**	**742,916**	**22,153,731**	**-**	**X**

NV = nominal or notional value
L1 = Level 1
L2 = Level 2
L3 = Level 3
Fair value = Fair value calculated excluding changes in value due to changes in the issuer's credit risk with respect to the issue date*

Sub-items "1. Due to banks" and "2. Due to customers" refer to technical overdrafts on securities listed on active markets, classified as level 1, and repurchase agreements classified as level 2, and to Repurchase agreements, classified as level 2. With regard to the latter, note that these transactions were substantially performed with Central Counterparties.
Sub-item "3.2.1 Other securities - structured", which as at 31 December 2025 totalled 462.7 million, is substantially represented by certificates which include protection for the premium paid by the customer or a portion of it, unconditional with respect to the trend in the financial parameters to which they are indexed. As at 31 December 2024, the balance of these issues was 956.9 million.
For those issues, the change in the Group's credit risk compared to the issue date resulted in the recognition of cumulative capital losses of around 7.0 million (corresponding to the difference between the fair value in the financial statements and the figure indicated in the column "Fair Value*"). As at 31 December 2024, the recognition of cumulative capital losses came to 18.1 million.
In addition, it should be noted that there are certificates classified under financial derivatives for an amount of 157 million as at 31 December 2025. Specifically, these are conditionally protected certificates or certificates with a portion of protection of less than 50% of the premium paid.

2.2 Breakdown of "Financial liabilities held for trading": subordinated liabilities

As at 31 December 2025, there was one security in technical overdraft of 0.1 million (two securities for 0.4 million as at 31 December 2024).

2.3 Breakdown of "Financial liabilities held for trading": structured debt

As at 31 December 2025, and likewise in the previous year, there were no payables which required the separation of embedded derivatives. As previously reported, the payables classified in point "3.2.1 Other securities: Structured", are represented by the certificates issued.

Section 3 - Financial liabilities designated at fair value – Item 30

3.1 Financial liabilities designated at fair value: breakdown by product

Transaction type/Amounts	Total 31/12/2025					Total 31/12/2024				
	NV	Fair value			Fair value*	NV	Fair value			Fair value*
		L1	L2	L3			L1	L2	L3	
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
- financial guarantees given	-	X	X	X	X	-	X	X	X	X
2. Due to customers	**4,005,177**	**5,777**	**3,999,400**	**-**	**4,005,177**	**3,344,058**	**-**	**3,325,763**	**18,295**	**3,429,418**
2.1 Structured	-	-	-	-	X	-	-	-	-	X
2.2 Other	4,005,177	5,777	3,999,400	-	X	3,344,058	-	3,325,763	18,295	X
of which:										
- commitments to disburse funds	-	X	X	X	X	-	X	X	X	X
- financial guarantees given	-	X	X	X	X	-	X	X	X	X
3. Debt securities	**4,132,924**	**-**	**4,323,985**	**-**	**4,240,133**	**4,796,729**	**5,759**	**4,938,165**	**-**	**4,874,405**
3.1 Structured	4,132,924	-	4,323,985	-	X	4,790,882	-	4,938,077	-	X
3.2 Other	-	-	-	-	X	5,847	5,759	88	-	X
Total	**8,138,101**	**5,777**	**8,323,385**	**-**	**8,245,310**	**8,140,787**	**5,759**	**8,263,928**	**18,295**	**8,303,823**

FV = Fair Value
FV = FV calculated excluding changes in value due to changes in the issuer's credit risk with respect to the issue date*
NV = nominal value
L1 = Level 1
L2 = Level 2
L3 = Level 3

The total amount of "Financial liabilities designated at fair value" as at 31 December 2025 was 8,329.2 million (8,288.0 million as at 31 December 2024) and is attributable for 4,324.0 million to the "Banking Group" and for 4,005.2 million to "Insurance companies"; these amounts as at 31 December 2024 were equal to 4,956.4 million and 3,331.6 million, respectively.

Sub-item "2. Due to customers" of 4,005.2 million (3,325.8 million as at 31 December 2024) refers essentially to the liabilities of the insurance companies for the issue of Unit-linked policies, as illustrated below in the section "Other information". The increase compared to the previous year is mainly due to the higher premium income on the Unit-Linked contracts of BBPM Life classified according to IFRS 9. As at 31 December 2025, no amount was recognised at level 3 fair value hierarchy, while as at 31 December 2024, the same field amounted to 18.3 million referring to liabilities recognised against assets sold and not derecognised in relation to the "Wolf Project", as described in "Part E - Information on risks and related hedging policies, 1.1 Credit risk, C. Securitisation transactions" of these Notes to the financial statements.

Sub-item "3. Debt securities" refers to several bond issues and protected capital certificates, the latter recognised under sub-item 3.1 "Debt securities: structured", as illustrated in "Part A – Accounting policies, A.2, 16 –Other information, Financial liabilities designated at fair value" of these Notes to the consolidated financial statements.
For those issues, the change in the Group's credit risk compared to the issue date resulted in the recognition of cumulative capital losses of 83.9 million (equal to the difference between the fair value in the financial statements and the figure indicated in the column "Fair value*"), mainly referring to certificates. Cumulative capital losses as at 31 December 2024 were equal to 69.5 million.

The following tables provide the breakdown of the item in question by "Banking Group" and "Insurance companies".

3.1 Financial liabilities designated at fair value: breakdown by product (of which: Banking Group)

Transaction type/Amounts	Total 31/12/2025					Total 31/12/2024				
	NV	Fair value			Fair value*	NV	Fair value			Fair value*
		L1	L2	L3			L1	L2	L3	
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
- financial guarantees given	-	X	X	X	X	-	X	X	X	X
2. Due to customers	**-**	**-**	**-**	**-**	**-**	**18,295**	**-**	**-**	**18,295**	**18,295**
2.1 Structured	-	-	-	-	X	-	-	-	-	X
2.2 Other	-	-	-	-	X	18,295	-	-	18,295	X
of which:										
- commitments to disburse funds	-	X	X	X	X	-	X	X	X	X
- financial guarantees given	-	X	X	X	X	-	X	X	X	X
3. Debt securities	**4,132,924**	**-**	**4,323,985**	**-**	**4,240,133**	**4,790,882**	**-**	**4,938,077**	**-**	**4,868,524**
3.1 Structured	4,132,924	-	4,323,985	-	X	4,790,882	-	4,938,077	-	X
3.2 Other	-	-	-	-	X	-	-	-	-	X
Total	**4,132,924**	**-**	**4,323,985**	**-**	**4,240,133**	**4,809,177**	**-**	**4,938,077**	**18,295**	**4,886,819**

FV = Fair Value
FV = FV calculated excluding changes in value due to changes in the issuer's credit risk with respect to the issue date*
NV = nominal value
L1 = Level 1
L2 = Level 2
L3 = Level 3

3.1 Financial liabilities designated at fair value: breakdown by product (of which: Insurance companies)

Transaction type/Amounts	Total 31/12/2025					Total 31/12/2024				
	NV	Fair value			Fair value*	NV	Fair value			Fair value*
		L1	L2	L3			L1	L2	L3	
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
- financial guarantees given	-	X	X	X	X	-	X	X	X	X
2. Due to customers	**4,005,177**	**5,777**	**3,999,400**	**-**	**4,005,177**	**3,325,763**	**-**	**3,325,763**	**-**	**3,411,123**
2.1 Structured	-	-	-	-	X	-	-	-	-	X
2.2 Other	4,005,177	5,777	3,999,400	-	X	3,325,763	-	3,325,763	-	X
of which:										
- commitments to disburse funds	-	X	X	X	X	-	X	X	X	X
- financial guarantees given	-	X	X	X	X	-	X	X	X	X
3. Debt securities	**-**	**-**	**-**	**-**	**-**	**5,847**	**5,759**	**88**	**-**	**5,881**
3.1 Structured	-	-	-	-	X	-	-	-	-	X
3.2 Other	-	-	-	-	X	5,847	5,759	88	-	X
Total	**4,005,177**	**5,777**	**3,999,400**	**-**	**4,005,177**	**3,331,610**	**5,759**	**3,325,851**	**-**	**3,417,004**

FV = Fair Value
FV = FV calculated excluding changes in value due to changes in the issuer's credit risk with respect to the issue date*
NV = nominal value
L1 = Level 1
L2 = Level 2
L3 = Level 3

3.2 Breakdown of item 30 "Financial liabilities designated at fair value": subordinated liabilities

As at 31 December 2025, as in the previous year, there were no subordinated liabilities.

Section 4 - Hedging derivatives – Item 40

4.1 Hedging derivatives: breakdown by hedge type and by level

	Fair value 31/12/2025			NV 31/12/2025	Fair value 31/12/2024			NV 31/12/2024
	L1	L2	L3		L1	L2	L3	
A. Financial derivatives	**-**	**614,825**	**-**	**25,977,440**	**-**	**869,068**	**-**	**27,278,651**
1) Fair value	-	544,880	-	25,602,440	-	798,445	-	27,103,651
2) Cash flows	-	69,945	-	375,000	-	70,623	-	175,000
3) Foreign investments	-	-	-	-	-	-	-	-
B. Credit derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**614,825**	**-**	**25,977,440**	**-**	**869,068**	**-**	**27,278,651**

NV = notional value
L1 = Level 1
L2 = Level 2
L3 = Level 3

4.2 Hedging derivatives: breakdown by portfolio hedged and type of hedge

Operations/Hedge type	Fair Value						Cash flows			
	Micro hedging									
	Debt securities and interest rates	Equity instruments and share indices	Currencies and gold	Credit	Commodities	Other	Macro hedging	Micro hedging	Macro hedging	Foreign investments
1. Financial assets measured at fair value through other comprehensive income	66,853	-	-	-	X	X	X	-	X	X
2. Financial assets at amortised cost	68,067	X	-	-	X	X	X	-	X	X
3. Portfolio	X	X	X	X	X	X	107,171	X	69,945	X
4. Other transactions	-	-	-	-	-	-	X	-	X	-
Total assets	**134,920**	**-**	**-**	**-**	**-**	**-**	**107,171**	**-**	**69,945**	**-**
1. Financial liabilities	19,887	X	-	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	282,902	X	-	X
Total liabilities	**19,887**	**-**	**-**	**-**	**-**	**-**	**282,902**	**-**	**-**	**-**
1. Expected 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 - Fair value change of financial liabilities in macro fair value hedge portfolios – Item 50

5.1 Fair value change of hedged financial liabilities

Fair value change of hedged liabilities/Group components	31/12/2025	31/12/2024
1. Positive fair value change of financial liabilities	52,558	135,890
2. Negative fair value change of financial liabilities	(540,091)	(539,760)
Total	**(487,533)**	**(403,870)**

Section 6 - Tax liabilities – Item 60

Tax liabilities are included in "Section 11 - Tax assets and liabilities – Item 110 of assets and Item 60 of liabilities" in Part B - Assets.

Section 7 - Liabilities associated with assets classified as held for sale – Item 70

For details of the liabilities associated with assets held for sale, please refer to "Section 12 - Non-current assets and disposal groups held for sale and associates liabilities - Item 120 of assets and Item 70 of liabilities" in Part B - Assets.

Section 8 - Other liabilities – Item 80

8.1 Other liabilities: breakdown

	31/12/2025	31/12/2024
Due to tax authorities (not classifiable under tax liabilities)	540,413	432,601
Due to personnel	93,122	72,669
Due to social security institutions	60,603	60,970
Due to suppliers	246,545	216,845
Items in transit between branches not attributable to specific accounts	13,611	15,512
Sums on hand to be paid to third parties	174,447	229,308
Bank transfers for clearance	726,543	740,315
Items related to securities transactions	156,327	52,480
Other items being processed	783,761	990,839
Adjustments for illiquid items in portfolio	1,182,472	1,055,059
Accrued expenses and deferred income not included under their own item	64,540	66,040
Other items	299,675	511,935
Total	**4,342,059**	**4,444,573**

Sub-item "Due to tax authorities (not classifiable under tax liabilities)" includes net tax liabilities such as VAT payable, substitute tax on loans, withholdings on interest expense and income from employed work and similar, withholdings and other tax items not recognised under item "60. Tax liabilities".

"Due to social security institutions" is mainly composed of charges relating to mandatory social security contributions.

"Bank transfers for clearance" mainly regards bank transfers to be credited.

"Items related to securities transactions" is comprised of securities cash purchase and sale transactions made between the end of one year and the beginning of the next, and amounts awaiting final allocation.
"Other items being processed" relates to transactions pending clearing or settlement.
"Adjustments for illiquid items in portfolio" mainly includes changes in commercial collection orders and direct remittances, as well as mismatches of bills in the portfolio ("portfolio of non-controlling interests" and "own portfolio").

"Other items" is mainly comprised of liabilities relating to collections of F24 tax form mandates and other residual items linked to normal banking operations.

Section 9 - Provisions for employee severance pay – Item 90

9.1 Provisions for employee severance pay: annual changes

	Total 31/12/2025	Total 31/12/2024
A. Opening balance	**237,783**	**246,192**
B. Increases	**14,532**	**12,406**
B.1 Allocations for the year	7,530	8,376
B.2 Other changes	7,002	4,030
- of which business combinations	6,090	801
C. Decreases	**(58,519)**	**(20,815)**
C.1 Settlements	(52,379)	(16,568)
C.2 Other changes	(6,140)	(4,247)
- of which business combinations	(178)	(801)
D. Closing balance	**193,796**	**237,783**
Total	**193,796**	**237,783**

Sub-item "B.1 Allocations for the year" mostly refers to charges recognised in item "190 a) Personnel expenses, 1.e) provisions for employee severance pay" in the income statement.

The increases in sub-item "B.2 Other changes" include the actuarial losses of 0.3 million (2.7 million as at 31 December 2024), while decreases, in sub-item "C.2 Other changes", include actuarial gains of 5.1 million (2.1 million as at 31 December 2024). Actuarial gains and losses are recognised as a balancing entry to the related valuation reserve of shareholders' equity "Actuarial gains (losses) on defined benefit pension plans" and are reported in the statement of comprehensive income.

9.2 Other information

As described in "Part A - Accounting policies", section A.2 paragraph 16 "Other information - Provisions for employee severance pay and other employee benefits", following the reform of supplementary pension plans, the provisions for employee severance pay recognised in the present item refer only to the portion accruing since 31 December 2006, for companies with an average of at least 50 employees in 2006, which refers to almost all Group companies.
For said companies, the provision does not include benefits that, as a result of said reform, have been paid into supplementary pension plans or the INPS Treasury Fund. The employee severance pay accruing from 1 January 2007 is considered a "defined benefit plan" and is recognised in personnel costs, in the sub-item "severance indemnities", without actuarial calculations, as a balancing entry to the balance sheet item "Other liabilities" or for the outflow of cash, regardless of whether the amounts have been paid to the INPS Treasury fund or to supplementary pension funds.

Main actuarial assumptions

Actuarial measurement of provisions for employee severance pay is performed by independent external actuaries, on the basis of "accrued benefit" methodology, using the Projected Unit Credit criteria, as established in IAS 19. The table below indicates the main demographic and economic-financial assumptions used as the basis for the measurement of the provisions for employee severance pay of the Parent Company Banco BPM (93% of total provisions) as at 31 December 2025, compared to those utilised as at 31 December 2024.

Main demographic and actuarial assumptions for measuring provisions for employee severance pay	
Demographic assumptions (2025-2024)	
Probability of death of active employees	IPS55 with Age-Shifting
Frequency of advances on employee severance pay	0.50%
Frequency of turnover	1.50%
Probability of retirement	According to the latest legislative provisions
Financial assumptions (2025-2024)	
Yearly discount rate	weighted average of the rates in the Eur Composite AA curve (*) 31/12/2025: 3.24% 31/12/2024: 2.97%
Yearly inflation rate	weighted average of the rates in the European Zero-Coupon Inflation-Indexed Swap curve (**) 31/12/2025: 1.80% 31/12/2024: 1.90%

(*) weighted average of the rates of the Eur Composite AA curve on the reporting date, using as weights the ratios of the amount paid and advanced for each maturity to the total amount to be paid and advanced up to the discharge of the population considered.
(**) weighted average rate taken as the weighted average of the rates of the European Zero-Coupon-Inflation-Indexed Swap curve on the reporting date, using as weights the ratios of the amount paid and advanced for each maturity to the total amount to be paid and advanced up to the discharge of the population considered (with reference to all the Companies in Banco BPM Group).

Actuarial gains/losses recognised in the statement of comprehensive income

As illustrated in paragraph 9.1 above, the changes in some of the actuarial assumptions for the valuation of the provision for employee severance pay as at 31 December 2025, compared to the previous year, resulted in a total decrease in the provision of 4.8 million, almost exclusively due to changes in financial assumptions, which recorded actuarial gains of 4.0 million due to the change in the discount rate and of 0.8 million due to the change in the inflation rate.

With regards to the discount rate, which is one of the most important assumptions used in measuring obligations associated with defined benefit plans, reference was made to the returns for companies with an "AA" rating, considered to be the best expression of returns for high quality companies. In fact, the reference accounting standard IAS 19 specifies that this rate must reflect the time value of money, but not the specific credit risk of the entity, nor the actuarial or investment risk, nor the risk that, in the future, the actual figures may differ with respect to the actuarial assumptions used. Additionally, the standard states that this rate must be calculated in reference to market yields of the securities of primary companies in the country in which the entity operates (or, the High Quality Corporate Bond yield), as at the annual reporting date, and alternatively, if there is no market for such securities, with reference to market yields on government securities. Banco BPM Group uses the Eur Composite AA curve as the discount rate, using as weighting the ratios of the amount paid and advanced for each maturity to the total amount to be paid and advanced up to the discharge of the population considered. In detail, only securities issued by corporate issuers included in the "AA" rating class, issued by companies in various sectors, including Utilities, Telephony, Financial, Banking and Industrial companies, were considered. As regards geographical area, reference was made to the Eurozone. The curve was taken from the information provider Bloomberg.

The increase of the discount rates is therefore attributable solely to changes in the market, since the reference parameter as at 31 December 2025, for equal plans, was the same as that seen the previous year and reflected the overall interest rate trend.

Sensitivity Analysis

As required under IAS 19, a sensitivity analysis was performed for the obligation relative to the provisions for employee severance pay of the Parent Company Banco BPM (93% of total employee severance pay provisions), with the hypothesis of a 50 basis point increase or decrease in the discount rate and the inflation rate. The purpose of the

analysis is to identify how much the liability would vary in relation to reasonably possible fluctuations in this actuarial assumption.

	Change in employee severance pay in absolute terms (*)	Change in employee severance pay in percentage terms
Discount rate +0.5%	(5,220)	(2.89%)
Discount rate -0.5%	5,462	3.03%
Inflation rate +0.5%	3,395	1.88%
Inflation rate -0.5%	(3,320)	(1.84%)

(*) the amounts in parentheses indicate a decrease in the provision

Section 10 - Provisions for risks and charges – Item 100

10.1 Provisions for risks and charges: breakdown

Items/Components	Total 31/12/2025	Total 31/12/2024
1. Provisions for credit risk relating to commitments and financial guarantees given	38,395	39,606
2. Provisions for other commitments and guarantees given	65,214	81,722
3. Company pension funds	73,003	83,467
4. Other provisions	490,657	546,047
4.1 legal and tax disputes	71,230	59,858
4.2 personnel expenses	348,507	361,731
4.3 other	70,920	124,458
Total	**667,269**	**750,842**

10.2 Provisions for risks and charges: annual changes

	Provisions for other commitments and guarantees given	Pension funds	Other provisions	Total
A. Opening balance	**81,722**	**83,467**	**546,047**	**711,236**
B. Increases	**2,719**	**3,859**	**220,919**	**227,497**
B.1 Allocation for the year	2,719	130	196,791	199,640
B.2 Changes due to the passage of time	-	2,313	1,620	3,933
B.3 Changes due to discount rate variations	-	-	13	13
B.4 Other changes	-	1,416	22,495	23,911
- of which business combinations	-	-	20,430	20,430
C. Decreases	**(19,227)**	**(14,323)**	**(276,309)**	**(309,859)**
C.1 Use during the year	-	(10,864)	(246,933)	(257,797)
C.2 Changes due to discount rate variations	-	(1,272)	(52)	(1,324)
C.3 Other changes	(19,227)	(2,187)	(29,324)	(50,738)
D. Closing balance	**65,214**	**73,003**	**490,657**	**628,874**

Sub-item "C.1 Use during the year" includes uses made as a balancing entry to payments relating to personnel expenses (payments for solidarity funds and incentive systems) and other provisions for risks and charges (legal disputes and other cases for which specific provisions had been allocated as described in paragraph "10.6.3 Other provisions - other").

Sub-item "C.3 Other changes" in other provisions for risks and charges is mainly attributable to recoveries relating both to personnel expenses (recognised in item "190. a) Personnel expenses") and to other provisions for legal disputes

or for contractual commitments on contracts to sell interests and business units (included in item "200. b) Net provisions for risks and charges – other net provisions").

10.3 Provisions for credit risk relating to commitments and financial guarantees given

	Provisions for credit risk relating to commitments and financial guarantees given				
	Stage 1	Stage 2	Stage 3	Acquired or originated impaired	Total
Commitments to disburse funds	6,386	8,988	13,390	377	29,141
Financial guarantees given	473	2,501	6,280	-	9,254
Total	**6,859**	**11,489**	**19,670**	**377**	**38,395**

10.4 Provisions for other commitments and guarantees given

Provisions for other commitments and guarantees given amounted to 65.2 million (81.7 million at the end of the previous year) and mainly refer to commercial sureties issued for customers.

10.5 Defined benefit company pension funds

Pension funds identified in the financial statements represent the liabilities relative to defined benefit plans for a value of 73.0 million and all relate to external funds.

1. Illustration of fund characteristics and associated risks

For defined benefit supplementary pension funds, determination of actuarial values, as required in application of IAS 19 "Employee Benefits", is performed by an independent actuary, as illustrated in "Part A – Accounting Policies, section A.2, paragraph 16 – Other Information, Provisions for employee severance pay and other employee benefits".

As at the reporting date, the funds in question amounted to 73.0 million (83.5 million as at 31 December 2024). Charges for the year totalled 0.4 million and were allocated:

- as an increase to the fund by 2.4 million as a balancing entry to item "190. a) Personnel expenses" in the income statement;
- as a decrease to the fund by 2.0 million as a balancing entry to the increase in the valuation reserve for shareholders' equity "Actuarial gains (losses) on defined benefit pension plans".

Below are pension funds, identifying those of the former Banco Popolare Group and former Banca Popolare di Milano Group.

Internal funds refer to:

- Funds included under "Banco Popolare Group defined benefit pension fund", which as of 1 April 2017 was identified as the "container" of the defined benefit pension funds relative to the former Banco Popolare Group, with guarantees from the Bank. The rules governing the amounts transferred are, nonetheless, specific details of each form:
  - commitments pursuant to the former Banca Popolare Italiana (BPI) Fund, now the Banco Popolare Group's defined benefit pension fund: this represents the value of commitments relative to 88 beneficiaries of the former Banca Popolare di Lodi, consisting of pension payments in addition to those required by law for their personnel. This fund is governed by the Regulation of 17 June 1992. As a result of the provisions of Italian Legislative Decree 124/1993, the Bank transformed the Fund with an agreement on 6 October 2000, in order to allow adhesion by personnel hired after 27 April 1993, and from 1 April 2017 the Fund was identified as the "container" for the defined benefit pension funds relative to the former Banco Popolare Group with guarantees from the Bank;
  - commitments pursuant to the former Cassa di Risparmio di Lucca Fund: this represents a supplementary fund in addition to INPS payments and is governed by the regulation of 2 October 1986, subsequently amended on 16 December 1988. As at the reporting date, there were 35 beneficiaries;
  - commitments pursuant to the former Banca Popolare Cremona pension fund: this represents social security payments in addition to those required under the law for employees of the former Banca Popolare di

Cremona, as established under the regulations of 17 June 1972. As at the reporting date, there were 4 beneficiaries;
- commitments pursuant to the former Bipielle Adriatico Fund: this is a fund integrating INPS payments for obligatory payments for invalidity, old age and heirs relative to employees of Bipielle Adriatico (former Cassa di Risparmio di Imola), established with Regulation of 29 December 1954, later amended on 29 July 1997. As at the reporting date, there were 4 beneficiaries of the treatment;
- commitments pursuant to the former Banca Industriale Gallaratese (BIG) Fund: this represents commitments to the personnel of the former Banca Industriale Gallaratese. It was established on 25 February 1986 and guarantees additional payments with respect to those required under the law in favour of those who were working for the former B.I.G. as of the stated date and is governed by the Regulations issued at the time the fund was established. On 21 August 1992, the former B.I.G. was merged by incorporation with Banca Popolare di Lodi and subsequently, those registered with the fund were given the option to transfer their position to the Banca Lodi pension fund or keep it with the original fund. As at the reporting date, there were 45 beneficiaries of the treatment;
- commitments pursuant to the former Chiavari Fund: the fund was established through an agreement with the trade union on 11 December 1986, and ensures its participants and their heirs a payment in addition to pensions provided by INPS. As at the reporting date this fund had 2 beneficiaries;
- commitments pursuant to the former Cassa di Risparmio di Livorno Fund: this represents a supplementary fund in addition to INPS payments and is governed by the regulation of 3 April 1991. As at the reporting date, there were 49 beneficiaries;
- commitments pursuant to the Cassa di Risparmio di Pisa Fund: this involves the commitments associated with the fund providing supplementary social security payments, governed with regulations of 20 April 1959. As at the reporting date, there were 15 beneficiaries;
- commitments relative to 29 former employees of the former ICCRI-BFE, the Bank guarantees supplementary benefits in addition to INPS payments for general obligatory invalidity, old age and heir insurance pursuant to the Agreement of 19 April 1994;
- commitments to 16 former employees relative to the supplementary fund in addition to INPS payments for obligatory invalidity, old age and heir insurance for retired personnel of the former Banca S. Geminiano e S. Prospero, established with an agreement of 30 July 1976, with the aim of granting a supplementary pension to Bank employees;
- commitments to 11 former employees relative to the defined benefit fund for retired personnel of the former Banca Popolare di Verona – Banco S. Geminiano e S. Prospero, governed by the Articles of Association - Regulation pursuant to the collective understandings in effect from 1 January 1999, with the aim of providing a supplementary over that of the general obligatory insurance for Bank personnel;
- commitments to 91 beneficiaries of the former Credito Bergamasco for the provision of pension payments defined under company agreements previously stipulated with the company union representatives (additional company payment - TIA);
- commitments pursuant to the former BPL Fund Regulation 1961 and 1973: this represents the additional social security payment for personnel of the former Banca Popolare di Lodi, as established under the regulations of 18 April 1961 and 12 December 1973. As at the reporting date, the beneficiaries respectively totalled 2 and 8;
- commitments to 27 beneficiaries of the supplementary fund in addition to INPS payments for obligatory invalidity, old age and heir insurance for the former Banca Italease.

- Other former Banco Popolare Group funds:
  - commitments to 95 pensioners retiring prior to 1 January 1988, relative to adjustment cheques in favour of retired personnel of the former Banca Popolare di Verona e Novara and a former executive;
  - commitments to 4 former executives relative to the supplementary fund in addition to INPS payments for obligatory invalidity, old age and heir insurance for retired executives of the former Banca S. Geminiano e S. Prospero, established with a company agreement of 10 October 1996, with the aim of granting a supplementary pension over that of the general obligatory insurance to its employees;
  - commitments to 3 former executives relative to the supplementary fund in addition to INPS payments for obligatory invalidity, old age and heir insurance for retired executives of the former Banca Popolare di Verona, established with an agreement of 30 July 1976, with the aim of granting a supplementary pension to Bank employees;
  - commitments to employees and pensioners of the former Credito Bergamasco: this represents the value of commitments relative to 1 former employee, who receives a social security payment established under a

company agreement of 10 October 1996 and company donations approved by the Board of Directors on 29 April 1985.

- Former Banca Popolare di Milano Group funds:
  - Supplementary social security scheme for the former Banca Popolare di Milano: in application of the supplementary social security payment regulations, the commitment consists of: the recognition of a supplementary pension to former retired employees whose INPS pension is lower than a pre-established percentage of their salary at the same level of service (referred to as employees with supplementary pensions); or, in the case the INPS pension exceeds this percentage, a monthly payment to all pensioners of 50% of a scale frozen at the values of 31 December 1991. These benefits are not paid to employees who began service after 28 April 1993 and those hired in the context of mergers. As at the reporting date, there were 4,741 beneficiaries;
  - Former Cassa di Risparmio di Alessandria Pension Fund: this is a defined benefit fund without legal personality and capital independence, supplementary (substituting only in certain special situations) to the INPS pension payment. Those enrolled with the Fund consist solely of former employees who are now retired or their heirs. As at the reporting date, there were 176 beneficiaries;
  - Former Banca Popolare di Bologna e Ferrara Pension Fund: this is a defined benefit fund associated with the commitment made by the merged entity, former Banca Popolare di Bologna e Ferrara, to pay a defined benefit to employees retiring as of 31 December 1995, in line with their level of service. As at the reporting date, there were 62 beneficiaries;
  - Former Banca Agricola Milanese Pension Fund: this represents the commitment made by the merged entity, former Banca Agricola Milanese, to provide a supplementary pension to employees retiring as of 31 December 1972. As at the reporting date, there was only one beneficiary.

Internal funds also include the liability relating to S.I.PRE. for 0.1 million.

Statements for Banco BPM's internal funds are annexed to the Parent Company's separate financial statements.

2. Changes during the year in net defined benefit liabilities (assets) and in repayment rights

	31/12/2025
A. Opening balance	**83,467**
B. Increases	**3,859**
B.1 Social security costs relative to past work provided (CSC)	130
B.2 Financial charges due to the passage of time	2,313
B.3 Other actuarial losses	1,416
B.4 Losses due to discount rate variations	-
B.5 Other increases	-
C. Decreases	**(14,323)**
C.1 Use during the year	(10,864)
C.2 Gains due to discount rate variations	(1,272)
C.3 Other actuarial gains	(2,187)
C.4 Other decreases	-
D. Closing balance	**73,003**

Net actuarial gains totalled 2.1 million and were attributable to the following:

- the change in the discount rate, as illustrated in "Section 9 – Provisions for employee severance pay – Item 90" above, which led to an actuarial gain of 1.3 million, corresponding to sub-item "C.2 Gains due to discount rate variations";
- the change in the inflation rate, which led to an actuarial gain of 0.3 million, included under item "C.3 Other actuarial gains";
- other actuarial assumptions that led to an actuarial gain of 0.5 million recognised for 1.9 million under sub-item "C.3 Other actuarial gains", net of the 1.4 million recognised under sub-item "B.3 Other actuarial losses".

3. Fair value disclosure on plan assets

Based on IAS 19, plan assets are those held by an entity (a fund) that is legally separate from the entity which prepares the financial statements (external fund) and which can be used solely to pay or fund employee benefits and which are therefore not available to the creditors of the entity which prepares the financial statements. On the basis of this definition, as at 31 December 2025, and likewise as at 31 December 2024, there were no plan assets.
For the sake of completeness, note that certain insurance policies exist, classified under item "20. c) Financial assets at fair value through profit and loss – Other financial assets mandatorily measured at fair value", with the objective of providing the funding needed to pay the indemnities of the plans entered into with certain executives (known as the "S.I.PRE. Plan"), for which the fair value as at 31 December 2025 totalled 0.8 million.

4. Description of main actuarial assumptions

Below are the demographic, financial and economic actuarial assumptions used for the main funds.

Main demographic and actuarial assumptions used to measure pension funds	
Demographic assumptions (2025-2024)	
Probability of death of retired or active employees	IPS55 with Age-Shifting
Financial assumptions (2025-2024)	
Yearly discount rate	weighted average of the rates in the Eur Composite AA curve (*): 31/12/2025: from 2.76% to 3.42% depending on the plan 31/12/2024: from 2.75% to 3.08% depending on the plan
Yearly inflation rate	weighted average of the rates in the European Zero-Coupon Inflation-Indexed Swap curve (**): 31/12/2025: 1.80% 31/12/2024: 1.90%

(*) Weighted average of the rates of the Eur Composite AA curve on the reporting date, using as weights the ratios of the amount paid and advanced for each maturity to the total amount to be paid and advanced up to the discharge of the population considered.
(**) Weighted average rate taken as the weighted average of the rates of the European Zero-Coupon-Inflation-Indexed Swap curve on the reporting date, using as weights the ratios of the amount paid and advanced for each maturity to the total amount to be paid and advanced up to the discharge of the population considered (with reference to all the Companies in Banco BPM Group).

5. Information on amounts, timing and uncertainties of cash flows

As required under IAS 19, a sensitivity analysis was performed for the obligation relative to provisions for employee severance pay, with the hypothesis of a 50 basis point increase or decrease in the discount rate and the inflation rate. The purpose of the analysis is to identify how much the liability would vary in relation to reasonably possible fluctuations in this actuarial assumption.

	Changes in defined benefit funds in absolute terms (*)	**Changes in defined benefit funds in percentage terms**
discount rate +0.5%	(1,972)	(2.70%)
discount rate -0.5%	2,048	2.81%
inflation rate +0.5%	1,184	1.62%
inflation rate -0.5%	(1,134)	(1.55%)

(*) the amounts in parentheses indicate a decrease in the provision.

6. Multi-employer plans

There are no plans of this type.

7. Defined benefit plans that share risks between entities under common control

There are no plans of this type.

10.6 Provisions for risks and charges - other provisions

10.6.1 Other provisions - legal and tax disputes

The Group operates in a legal and regulatory context that exposes it to a wide range of legal disputes, connected, for example, with the terms and conditions applied to its customers, to the nature and characteristics of the financial products and services provided, administrative errors, bankruptcy clawback actions and labour law disputes.

Banco BPM, the companies whose merger gave rise to the Group, the incorporated subsidiaries and the subsidiaries also underwent various audits by the Tax Authorities. Those activities regarded the determination of the taxable income reported for the purposes of income taxes, VAT, registration tax and, more generally, the methods of applying tax regulations in force at the specific time. As a result of those audits, Banco BPM Group is involved in several disputes.

Furthermore, during its standard business activities, the Group has been subject to inspections conducted by various Supervisory Authorities. More specifically, within the European system of banking supervision (Single Supervisory Mechanism), the Group is subject to the prudential supervision and, following the acknowledgement of financial conglomerate status, to the supplementary supervision of the European Central Bank (ECB); with regard to specific matters, supervision is the direct responsibility of the Bank of Italy and CONSOB and, as regards the Group's insurance companies, of the Institute for Insurance Supervision (IVASS).
As part of its operations, the Group is also subject to proceedings by public authorities, including the Supervisory Authorities mentioned above, the outcome of which is uncertain and which could lead to the possible imposition of sanctions, the amount of which cannot be reliably estimated, especially in the early stages of proceedings.
During 2025, the Group was not subject to any significant sanctions.

Legal and tax disputes are specifically analysed by the Group, in order to distinguish those whose settlement is expected to require the use of resources embodying economic benefits and, as a result, will require the recognition of provisions, from the rest of the "contingent liabilities". "Contingent liabilities" are those disputes which correspond to the following, for which no provisions are recognised:

- possible obligations, meaning that it has not been confirmed whether the entity has a current obligation that may result in the use of resources embodying economic benefits;
- actual obligations which, however, do not meet all the conditions for recognition set out in IAS 37 (because it is not likely that resources embodying economic benefits will be required to settle the obligation, or because no sufficiently reliable estimate may be made of the amount of the obligation).

It is noted that the information provided below regarding the claims connected with the main disputes represent the maximum risk exposure, irrespective of the opinion expressed by the Group regarding the relative degree of adverse outcome. For several of these disputes, the Group deems that there are limited risk profiles and, thus, as these are contingent liabilities, it has not allocated any provisions.

For disputes for which the entity is retained to have a current obligation that may lead to the use of resources embodying economic benefits, the disclosure on the amount of the allocation to provisions for risks and charges is not provided for single dispute in order not to cause harm to the Group in the evolution of the dispute with the counterparty, either in court or by way of settlement. In any event, the total amount of the allocations broken down by type of dispute is provided where the disputes can be grouped into categories of similar nature.
Furthermore, as permitted by paragraph 92 of the reference international accounting standard (IAS 37), the disclosure set out below does not include the information that could harm the position of the Group banks involved in the actions to protect their position in the case and in the pending disputes.
As indicated in "Part A - Accounting policies, A.1, Significant accounting policies and uncertainties regarding the use of estimates in the preparation of consolidated financial statements" in these Notes, to which reference is made, the complexity of the situations and corporate transactions that form the basis of the disputes entail significant elements of judgement which may involve the existence and the amount, and the related timing for the liabilities to arise. In that regard, to the extent that the estimates made by the Group are deemed reliable and compliant with the reference accounting standards, it cannot be ruled out that the charges which may arise from the settlement of disputes may differ, also by significant amounts, from the amount of the provisions allocated.

The provisions allocated against all existing legal and tax disputes, including cases associated with clawback actions, total 71.2 million.

Legal disputes with customers

The high number of disputes prevents us from providing a detailed list, while their diverse nature makes it extremely difficult, if not impossible, to group them into categories of similar nature.

Below, a brief description is provided of the main legal disputes pending as at 31 December 2025, whose settlement is deemed could entail a probable or possible use of financial resources:

- On 5 March 2019, Barberini Hotel S.r.l. filed proceedings in order to obtain an order for Banco BPM to pay the amount of 19.5 million, as a result of the termination of some lease agreements on the initiative of the defendant and the obligation to proceed with the repayment of the instalments received and, secondly, the reduction of the contractual penalty. The Milan Court of Appeal confirmed the ruling in favour of the Bank made by the Court of Milan. The Court of Cassation, by order published on 30 December 2025, rejected the appeal of Barberini Hotel, ordering it to pay the litigation costs in favour of Banco BPM S.p.A.;
- On 20 December 2019, Banco BPM was summoned before the court, together with a pool of banks, by the receivership of the company Privilege Yard for allegedly abusive lending. The receivership requested that the liability of the banks be verified for collusion in the mala gestio (poor management) by the directors of Privilege Yard, ordering them to jointly pay compensation for the damages of around 97 million (Banco BPM share 27 million). With a ruling dated 11 October 2022, the Court of Rome ordered the banks, jointly and severally, to pay 57.1 million. Banco BPM complied with the ruling for its own amount due. The appeal filed by Banco BPM together with the other banks involved is still pending;
- On 4 February 2020, Malenco S.r.l. summoned Banco BPM before the court, together with another bank that led the pooled operations, in relation to the granting of loans for the construction and completion of a property complex. The company requested that the invalidity of the loans be ascertained for allegedly exceeding the usury threshold rate and the invalidity of the derivative contracts taken out to hedge the loans granted, with a request to order Banco BPM to pay the sum of 31 million, 10 million of which together with the other bank. The Court of Rome, with ruling of 21 November 2022, fully rejected the claims of Malenco. The appeal proceedings are pending;
- On 23 December 2022, the extraordinary receivers of Società Italiana per Condotte d'Acqua S.p.A. summoned the members of its Management and Supervisory Boards, the auditing firm and the banking class, including Banco BPM, and some insurance companies to court, to obtain a joint and several sentence of all defendants to pay the sum of over 389 million. The amount is requested by way of compensation for the alleged damages also caused by the abusive granting of credit by the banking class, which would have allowed the company to continue to operate despite the crisis situation, also causing the serious impoverishment of the company's net assets. The lawsuit is still pending in the initial stage before the Court of Rome;
- In 2020 Atlantia S.p.A. and Autostrade per l'Italia S.p.A. initiated a compensation claim against Astaldi S.p.A. on their own behalf and with a mandate to represent a grouping of companies, of the former subsidiary Bipielle Real Estate and of S.C.C. S.r.l. as assignees of the original contractors in the construction of some motorway sections in the province of Genoa by virtue of a contract signed in 1991. The case originates from the sentence of the above plaintiffs in a parallel dispute still pending before the Court of Cassation, brought by the defendants in 1993 for partial non-fulfilment of the contract. The compensation claim was made jointly and severally against only the three defendant companies convened with the exclusion of the other participants in the consortium. The Rome Court of Appeal ruling of 10 January 2025 upheld the claim for reimbursement proposed by Atlantia S.p.A. and Autostrade per l'Italia S.p.A., ordering the defendants, jointly and severally, to reimburse approximately 29.2 million plus interest. The Rome Court of Appeal rejected the application for suspension of the effectiveness of the ruling presented by the Bank while the appeal proceedings before the Court of Milan and the Court of Cassation rulings brought by Banco BPM are still pending;
- On 19 June 2023, AD Casa S.r.l. challenged Banco BPM for its failure to finalise the sale, in its favour, of a real estate complex in Florence, with a consequent request for an order to contract at the lower price of 21.9 million, compared to the 35.1 million agreed, in addition to compensation for damages quantified at 3.8 million. The initial agreement was questioned by the prospective purchaser in light of the new operational plan approved by the Municipality of Florence. On 10 January 2026, the Court of Milan declared the case terminated following an agreement between the parties, which had no negative financial and economic impacts for the Bank;
- On 11 November 2016, the extraordinary receivers of Impresa S.p.A. summoned the members of its Management and Supervisory Boards, the auditing firm and the banking community, moreover belonging to

the pool of the loan granted, with the bank participating to the extent of 8%, including Banco BPM, to obtain a joint and several order for all defendants to pay the sum of over 167 million. The amount is requested by way of compensation for the alleged damages caused by the abusive granting of credit by the banking class, which would have allowed the company to continue to operate despite the crisis situation, causing the serious impoverishment of the company's net assets. The case is pending before the Court of Rome, awaiting the findings of the court-appointed expert witness; in the meantime, the lawyer is verifying the possibility of the procedure to settle the pending case;

- The subsidiary Partecipazioni Italiane in liquidation, as the former owner of land located in Pavia that was the industrial site of the former Necchi S.p.A., (which ceased business operations many years ago), was the subject of an order of the Province of Pavia which requested that the subsidiary, as the party "historically" responsible, along with another party, carry out the reclamation and containment of that area, which for many years now has been owned by third parties outside Banco BPM Group.
  This order became final on 4 September 2024, following the rejection by the Council of State of the appeal filed by the subsidiary.
  With regard to one of the portions of the site, on 7 March 2022, a settlement agreement was finalised with one of the current owners, regarding the reclamation of the portion of the former Necchi area it owns. The agreement envisages, inter alia, the contribution of Partecipazioni Italiane to bearing the reclamation costs for an amount of 1.4 million plus VAT (half of which already paid at the time of finalisation of the agreement and half to be paid to the counterparty on announcement of the start of the reclamation activities), already accounted for in the financial statements as at 31 December 2021. In order to present the risk analysis and the operational project for reclamation and permanent securing by the counterparty, additional checks and additions to the project are underway, also following the launch by the Office for the Protection of Cultural Heritage of a procedure for the declaration of cultural interest for a property located in the former Necchi area.
  Lastly, note that in December 2025, the technical consultant WSP Italia S.r.l. provided an update on the estimate of the costs necessary for the reclamation of areas included in the former Necchi site in Pavia, excluding the part for which the aforementioned settlement agreement was finalised. The updated estimate provides for an additional cost that entailed an additional allocation of approximately 0.4 million in the financial statements of the investee company as at 31 December 2025.

In light of the successful outcomes in the courts of first instance and/or the existence of valid grounds on which to challenge the claims made by the claimants with regard to proceedings underway, the claims classified as possible but unlikely amount to a total of 819.9 million.

Claims classified as probable amount to a total of 310.2 million, against which 71.2 million has been allocated under the item Provisions for risks and charges.

Tax disputes

On 16 January 2025, the Court of Cassation filed its ruling that ended the dispute initiated by the Bank to obtain cancellation of the notices of assessment issued on 19 December 2011 to the former Banco Popolare and concerning the 2005 tax period of the former Banca Popolare Italiana. The notices of assessment concerned the alleged non-deductibility for IRES and IRAP purposes of costs and value adjustments to receivables relating to facts or actions classified as offences (offences of false corporate reporting, obstructing supervision and market disturbance alleged to have been committed by Banca Popolare Italiana in relation to the attempted takeover of Banca Antonveneta). The appeals against the notices of assessment had been rejected by the Provincial Tax Commission of Milan with a ruling filed on 15 October 2014. The appeal before the Lombardy Regional Tax Commission was also rejected with a ruling filed on 19 May 2015. As a result of the aforementioned rulings, the Bank had been required to pay the tax demands issued for a total amount, including interest and tax collection fees, of 199.8 million. This amount, given its nature as a security deposit and pending the final ruling on the appeal filed with the Court of Cassation on 18 December 2005, was recorded under the asset item "Other assets". The Court of Cassation, through the aforementioned ruling, acknowledged the validity of the reasons for the appeal filed by the Bank and set aside the ruling of the Lombardy Regional Tax Commission, and upheld the original appeal filed, definitively cancelling the notices of assessment. Since it cannot be challenged by ordinary means, the aforementioned ruling is final and, as a result of the same, the Bank has obtained full repayment of the 199.8 million provisionally paid pending the final judgement, in addition to 35.9 million in interest that was credited to the income statement for the first quarter of 2025.

On 16 July 2025, the Office of the Attorney General, on behalf of the Revenue Agency, nevertheless notified the Bank of the appeal submitted to the Court of Cassation for the revocation of the aforementioned ruling. An appeal for revocation of a judgement, provided for by Article 391-bis of the Code of Civil Procedure (CPC), is exceptional and its eligibility is limited to specific cases, including when the judgement is the result of an error as to the facts resulting from the deeds or documents of the case.
Based on the analysis conducted, the Bank retains that the notified appeal is unfounded and inadmissible. The Bank therefore filed its counter-appeal on 24 September 2025.
Relating to the above-indicated dispute, there are also claims still pending deriving from the notices of assessment for the 2006-2009 tax periods, these too concerning the alleged non-deductibility for IRES purposes of the costs considered attributable to events or acts qualifying as offences. More specifically, they regard value adjustments on loans already disputed with reference to tax year 2005. Said value adjustments, although recognised by Banca Popolare Italiana in its financial statements for 2005, were deductible on a straight-line basis over the following 18 financial years pursuant to the version in effect at the time of Art. 106, paragraph 3 of Italian Presidential Decree no. 917 of 22 December 1986. Therefore, the notices of assessment challenge the claimed non-deductibility of the portions of those adjustments to loans deducted in 2006, 2007, 2008 and 2009. Total claims amount to 15.8 million. The appeal filed by the Bank before the Tax Justice Commission of Venice of the first instance against these notices is still pending, as the aforementioned Commission had suspended proceedings until the final ruling of the Court of Cassation on the notices of assessment relating to 2005. Following the application for reinstatement submitted by the Bank at the hearing of 9 October 2025, the Commission postponed the discussion of the case to 5 March 2026.
In light of the positive outcome relating to 2025, it is believed that the risk of a negative outcome of the proceedings relating to subsequent years can be considered remote. In relation to the aforementioned disputes, the amount of 2.1 million already paid as a security deposit against the tax demands issued is recorded under the item "Other assets".

The total claims made by the Tax Authorities as part of the tax disputes initiated involving Banco BPM and its subsidiaries amounted to 42.6 million as at 31 December 2025[1] (23.3 million as at 31 December 2024). The increase compared to 31 December 2024 is attributable to the entry of Anima Holding and its subsidiaries into Banco BPM Group from 11 April 2025.

Below, a description is provided of the main disputes pending as at 31 December 2025, whose settlement is deemed could entail a probable or possible use of financial resources:

- Banca Akros - Formal notification received in December 2021 relating to the alleged infringement of the transmission obligations to the Italian Revenue Agency envisaged by Article 1, of Italian Decree Law 167 of 1990 with the application of the minimum sanction envisaged by Art. 5, paragraph 1. On 30 November 2022, the Office served a decision to impose penalties with which it rejected the defensive arguments made by the Bank and imposed a penalty of 2.3 million against it. Considering the reasons contained in the decision contradictory and unfounded, on 30 January 2023, the Bank filed an appeal to the Milan Tax Court of first instance. On 16 January 2024, the ruling confirming the imposition of sanctions was filed. The Bank, fully convinced that its reasons have not been adequately taken into consideration in the first instance proceedings, filed an appeal on 2 August 2024 with the competent Tax Court of Lombardy requesting annulment of the ruling. In relation to the aforementioned dispute, the amount of 1.6 million already paid as a security deposit against the tax demand issued is recorded under the item "Other assets". In light of the assessments carried out, in the consolidated financial statements as at 31 December 2025, no provision is recognised against a potential negative outcome of the dispute;
- Banca Aletti - At the end of an assessment relating to tax year 2018, on 30 July 2024, the Italian Revenue Agency - Regional Directorate of Lombardy, served a report on findings that contains a single charge in relation to the IRAP tax treatment of the economic result of the Corporate & Investment Banking business unit, which was spun off in favour of Banca Akros in 2018. On 3 March 2025, the Italian Revenue Agency issued the notice of assessment requiring the Bank to pay a total of 1.9 million, including interest. With a ruling issued on 10 December 2025, filed on 22 January 2026, Milan Tax Court of first instance upheld the appeal filed by the Bank, cancelling the notice of assessment. Also in light of the positive outcome of the first instance

[1] Amount that includes the claims deriving from the notices of assessment for the 2006-2009 tax periods, regarding the alleged non-deductibility for IRES purposes of the costs considered attributable to events or acts qualifying as offences for an amount equal to 15.8 million, as previously described.
Note that the total amount of the claims does not include the disputes with an immaterial unit amount, mainly comprised of local taxes. Also note that the estimate of contingent liabilities relating to the notices of assessment does not include any interest payable in the event of loss. The estimate of contingent liabilities relating to formal reports on findings served or being served other than those classified as probable does not include interest or fines.

ruling, no provision is recognised in the consolidated financial statements as at 31 December 2025 for a possible unfavourable outcome of the dispute, while, under the item "Other assets", a provisional amount of 0.4 million was recorded;

- Anima SGR — The tax disputes still not settled relate to the notices of assessment relating to the years from 2006 to 2008 and referring to the IRES tax issued by the Italian Revenue Agency — Regional Department of Lombardy following the outcome of the audit carried out in 2010 on Prima SGR, later incorporated into Anima SGR. With these notices, advancing a violation of the accrual principle, the Italian Revenue Agency recovered the amounts paid by Prima SGR to its employees as bonuses in 2006, 2007 and 2008, and for 2006 alone costs deemed to be not pertinent. The higher taxes claimed amounted to approximately 8.3 million, plus interest and penalties of 11.5 million.
  Anima SGR challenged the notices of assessment before the Milan Tax Commission. After two levels of proceedings concluded differently[1], in 2018, the proceedings were brought before the Court of Cassation, where they are still pending.
  In the financial statements as at 31 December 2025, no provision was recognised against a potential negative outcome of the dispute. In this regard, it should be noted that in this case, for the years 2006, 2007 and partially for 2008, the indemnity clauses envisaged by the agreements signed between Banca Monte dei Paschi di Siena and Anima Holding for the purchase of the interest in Prima SGR would be applicable[2].
  The item "Other assets" includes the provisional amount paid of 10 million, while the item "Other liabilities" includes the provisional amount paid by Banca Monte dei Paschi di Siena, of 5.5 million.

Auditing activities

In 2025, two separate inspections by the Italian Revenue Agency began and ended with the imposition of negligible sanctions on Banco BPM and the subsidiary Banca Aletti, the common subject of which was the control of CRS (Common Reporting Standard) communications.

There are no further assessments in progress.

10.6.2 Other provisions - personnel expenses

These amounted to 348.5 million and include a total of 179.1 million for: i) provisions (net of disbursements made during 2025) allocated in 2024 for the charges envisaged for the use of extraordinary benefits from the Solidarity Fund and for early retirement incentives following the agreements reached with the trade unions on 19 December 2024 for voluntary retirement arrangements of approximately 1,100 total resources, ii) the residual provisions relating to the Solidarity Fund allocated in 2020 and iii) the additional provisions made in 2025 for voluntary redundancy incentive schemes for personnel close to qualifying for pension rights.

In addition to the above, the item also includes: i) the estimated expense deriving from the expected payment of variable remuneration in compliance with the provisions of the Group's incentive systems; and ii) the estimate relating to other disbursements planned in favour of the staff (e.g., loyalty bonuses, non-competition agreements, etc.).

10.6.3 Other provisions - other

This residual category of provisions amounted to a total of 70.9 million and mainly includes allocations against the following liabilities:

a) risks associated with disputes and claims, both pending and expected, associated with operations with customers and possible developments in the interpretation of certain regulations governing banking activities (13.6 million);
b) estimate of probable reimbursements of fees consequent to the possible early termination of insurance policies by customers (24.7 million);

[1] For the year 2006, the Revenue Agency filed an appeal to the Court of Cassation for the rejection of the second instance ruling which, confirming the first instance ruling, had declared the recovery of the tax relating to costs for bonuses to the employees unfounded. In turn, Anima SGR disputed with a counter-appeal and filed a cross-appeal to obtain the overturning of the second instance ruling in the part in which it confirmed the finding relating to the costs allegedly deemed to be not pertinent. Otherwise, for the years 2007 and 2008, the appeal to the Court of Cassation was filed by Anima SGR against the ruling of the Regional Tax Commission which, in rejecting the first instance ruling, had declared, with regard to bonus costs, the violation of the accrual principle.

[2] The possible charge for ANIMA SGR, in the event of an unexpected unfavourable ruling by the Court of Cassation for the year 2008, net of the contractual guarantees received, is estimated as less than 2 million.

c) risks associated with guarantees given for sales of non-performing loans already finalised as at 31 December 2025 (7.2 million);
d) estimate of the probable charges deriving from the execution of agreed works on two properties falling within the scope of the project to streamline the investment property portfolio ("Square" project) for an amount of 7.1 million;
e) estimate of future charges deriving from the commercial network streamlining programme launched at the end of the year (6.0 million).

Category a) includes the provision made against residual risks associated with reporting activities carried out of customers interested in purchasing diamonds to the specialised company Intermarket Diamond Business S.p.A. ("IDB"). Almost all of those reporting activities were carried out from 2003 to 2016 and, thus, prior to the merger that gave rise to Banco BPM. That activity was suspended in the initial months of 2017 and then definitively stopped.

These operations resulted in the receipt of a high number of complaints from the Group customers involved and the launch of civil court disputes. In this regard, also with a view to standing by to its customers, the Group has implemented a large-scale customer care initiative over the last few years, aimed, if necessary, at finalising transactions by providing a free service for assistance to customers in submitting requests to the bankruptcy receiver for the return of stones and, lastly, for the return of diamonds in custody at the vaults managed by the IDB bankruptcy. As at 31 December 2025, 24,511 claims had been received and 1,465 disputes notified (partly preceded by a claim) for total relief sought of around 721.3 million.
At the same date, due to the previously illustrated management and customer care activities, claims and disputes were resolved, through a settlement or the issue of a final ruling, for total relief sought of 681.3 million.
Against the claims and disputes, both those not yet defined and those potentially estimated, the sub-item in question includes the specific provision recognised against the above disputes with customers amounting to 13.6 million as at 31 December 2025.
The total provision made over the years staring from 2017, was 396.0 million, against which drawdowns for refunds to customers of 382.4 million were made.
As at 31 December 2024, the provision amounted to 17.6 million; during 2025, drawdowns for refunds of 7.2 million were made, and a further allocation of 3.2 million was made, to take into account the updated estimates relating to the total relief sought and the percentages of compensation.

Item b) represents the provision allocated in application of that established under accounting standard IFRS 15 against the risk of having to return a portion of commissions received for the placement of insurance policies with customers, in the case that these customers decide to close the insurance coverage in advance.

Item c) refers to the amount allocated to cover probable future financial disbursements for guarantees granted as part of sales of non-performing loans finalised in previous years.

Item d) refers to the amount allocated against the estimate of charges relating to renovation works on two properties falling within the broader scope envisaged as part of the "Square" transaction, finalised in 2024, in view of the streamlining of the segment of properties owned by the Bank but not for use in operations.

Item e) refers to the expected future charges for the streamlining of the branch network at the end of December 2025.

Lastly, it should also be noted that, in the context of the contracts signed at the time of the sale of interests or business units finalised in previous years, as well as any correlated partnership agreements, there are investment protection and guarantee mechanisms for the buyer. In detail, those mechanisms provide for the possible payment of indemnities to the buyer/partner in the event that specific business targets are not reached, setting out limits, deductibles, grace periods and exceptions in favour of Banco BPM Group. Certain protection and guarantee mechanisms shall remain in force until the end of the partnership.
A list is provided below of the main operations finalised for which the sale agreements and/or related partnership agreements envisage obligations for Banco BPM Group to pay potential indemnities:

- sale finalised in 2017 of the controlling interest in Aletti Gestielle SGR to Anima Holding;
- the sale finalised in 2018 of the contracts relating to delegated insurance asset management mandates placed through Banco BPM Group network to Anima SGR;

- the sale of a business unit relative to custodian bank activities to BNP Paribas Securities Services in 2018 and the consequent revision of the obligations established at the time of the sale of the custodian bank business unit of the former Banca Popolare di Milano to the same buyer in 2010;
- sale completed on 14 December 2023 of a 65% stake in the insurance companies Vera Assicurazioni and Banco BPM Assicurazioni to Crédit Agricole Assurances;
- transfer to Numia of the E-Money business unit and resulting partnership agreements finalised on 30 September 2024.

Where, based on the objectives reached and reported and the future projections of their evolution, it is deemed probable that indemnity will be paid to the buyer counterparty, the amount of the estimated liability has been allocated to the provisions for risks and charges in question.

With reference to the agreements with Anima Holding, revised in 2020, a system of penalties was envisaged in the event of failure to achieve the Net Funding targets set for the period January 2020 – February 2025. Considering the final data as at February 2025, group banks paid Anima Holding a total amount of 31.8 million. An allocation of 39.1 million had already been made as at 31 December 2024. Therefore, during the year, the surplus amount of 7.3 million was released to the income statement.

Consequently, as at 31 December 2025, there were no provisions for the sale of interests or business units.

Section 11 - Insurance liabilities – Item 110

Item "110. Insurance liabilities" is represented by:

- insurance contracts issued that are liabilities of 14,167.3 million (12,883.2 million as at 31 December 2024);
- reinsurance liabilities are represented in item 110 b) of liabilities for zero (zero also as at 31 December 2024).

The increase compared to the previous year is mainly due to the higher premium income collected on contracts classified according to IFRS 17 of Banco BPM Vita and BBPM Life.

Insurance liabilities - breakdown by measurement model

Items/Components	Total 31/12/2025	Total 31/12/2024
VFA - Variable Fee Approach	14,156,620	12,873,996
GMM - General Measurement Model (Building Block Approach)	8,797	7,242
PAA - Premium Allocation Approach	1,894	1,963
Total	**14,167,311**	**12,883,201**

It should be noted that the contracts valued with the VFA method refer to basis of aggregation 1 (insurance contracts issued with direct participation features) and that the contracts valued with the GMM method refer to basis of aggregation 2 (insurance contracts issued without direct participation features). No disclosure is provided relating to contracts valued with the PAA method as it is not significant for the Group.

11.1 Trends in the book value of insurance contracts issued - GMM or VFA - liabilities for remaining coverage and for claims

The book value of the insurance contracts recognised using the GMM or VFA methods totals 14,165.4 million (12,881.2 million as at 31 December 2024) and refers to:

- insurance contracts issued with direct participation features - Life business segment for 14,156.6 million (12,874.0 million as at 31 December 2024);
- insurance contracts issued without direct participation features - Life business segment for 8.8 million (7.2 million as at 31 December 2024), whose LRC components is 4.3 million and LIC component is 4.5 million.

The following table shows the changes in the book value relating to contracts issued with direct participation features (basis of aggregation 1) relating to the life business segment.

Due to their insignificance, the table relating to changes in the book value of contracts issued without direct participation features (basis of aggregation 2) is omitted.

There are also no investment contracts issued with discretionary participation features (basis of aggregation 5).

11.1 a) Basis of aggregation 1 = Insurance contracts issued with direct participation features - Life business segment

Items/Liabilities	Liabilities for remaining coverage 31/12/2025		Liabilities for claims 31/12/2025	Total 31/12/2025	Liabilities for remaining coverage 31/12/2024		Liabilities for claims 31/12/2024	Total 31/12/2024
	Net of loss	Loss			Net of loss	Loss		
A. Opening book value								
1. Insurance contracts issued - liabilities	12,724,926	1,856	147,277	12,874,059	12,083,176	1,750	146,987	12,231,913
2. Insurance contracts issued - assets	(63)	-	-	(63)	(53)	-	-	(53)
3. Net book value as at 1 January	**12,724,863**	**1,856**	**147,277**	**12,873,996**	**12,083,123**	**1,750**	**146,987**	**12,231,860**
B. Insurance revenues	**(195,432)**	**-**	**-**	**(195,432)**	**(180,604)**	**-**	**-**	**(180,604)**
C. Costs for insurance services								
1. Claims and other directly attributable costs	-	-	92,474	92,474	4,127	-	99,807	103,934
2. Changes in liabilities for claims	-	-	1,227	1,227	-	-	1,196	1,196
3. Losses and related recoveries on onerous contracts	-	(647)	-	(647)	-	106	-	106
4. Amortisation of contract acquisition costs	7,868	-	-	7,868	7,267	-	-	7,267
5. Total	**7,868**	**(647)**	**93,701**	**100,922**	**11,394**	**106**	**101,003**	**112,503**
D. Profit (loss) on insurance services (B+C)	**(187,564)**	**(647)**	**93,701**	**(94,510)**	**(169,210)**	**106**	**101,003**	**(68,101)**
E. Net costs/revenues of a financial nature								
1. Relating to insurance contracts issued	496,573	-	-	496,573	653,885	-	-	653,885
1.1 Recorded in the income statement	505,562	-	-	505,562	540,433	-	-	540,433
1.2 Recorded in the statement of comprehensive income	(8,989)	-	-	(8,989)	113,452	-	-	113,452
2. Effects associated with changes in exchange rates	-	-	-	-	-	-	-	-
3. Total	**496,573**	**-**	**-**	**496,573**	**653,885**	**-**	**-**	**653,885**
F. Investment components	**(2,004,495)**	**-**	**2,004,495**	**-**	**(2,317,852)**	**-**	**2,317,852**	**-**
G. Total amount recorded in the income statement and the statement of comprehensive income (D+E+F)	**(1,695,486)**	**(647)**	**2,098,196**	**402,063**	**(1,833,177)**	**106**	**2,418,855**	**585,784**
H. Other changes	**(4,884)**	**-**	**2,392**	**(2,492)**	**-**	**-**	**(25,122)**	**(25,122)**
I. Cash movements								
1. Premiums received	3,005,356	-	-	3,005,356	2,595,127	-	-	2,595,127
2. Payments associated with contract acquisition costs	(30,639)	-	-	(30,639)	(29,719)	-	-	(29,719)
3. Claims paid and other cash outflows	-	-	(2,088,656)	(2,088,656)	(89,104)	-	(2,393,443)	(2,482,547)
4. Other movements	(3,071)	-	-	(3,071)	(1,387)	-	-	(1,387)
5. Total	**2,971,646**	**-**	**(2,088,656)**	**882,990**	**2,474,917**	**-**	**(2,393,443)**	**81,474**
L. Net book value as at 31 December (A.3+G+H+I.5)	**13,996,139**	**1,209**	**159,209**	**14,156,557**	**12,724,863**	**1,856**	**147,277**	**12,873,996**
M. Closing book value								
1. Insurance contracts issued - liabilities	13,996,202	1,209	159,209	14,156,620	12,724,926	1,856	147,277	12,874,059
2. Insurance contracts issued - assets	(63)	-	-	(63)	(63)	-	-	(63)
3. Net book value as at 31 December	**13,996,139**	**1,209**	**159,209**	**14,156,557**	**12,724,863**	**1,856**	**147,277**	**12,873,996**

The three Life Companies manage most of their business using the VFA method, the related insurance liabilities for which amounted to 14,156.6 million as at 31 December 2025 (12,874.0 million as at 31 December 2024).
The book value of liabilities for remaining coverage as at 31 December 2025 was 13,996.1 million (12,724.9 million as at 31 December 2024); the increase compared to the previous year is mainly attributable to higher inflows of insurance revenues and to premiums received.
Lastly, the book value of liabilities for claims classified using the same model totalled 159.2 million as at 31 December 2025, slightly up compared to the previous year (147.3 million), due to investment components.

11.2 Trends in the book value of insurance contracts issued - PAA - liabilities for remaining coverage and for claims

The contracts issued, measured using the PAA method, are considered insignificant as regards the non-life non-motor segment, the amount of which was 1.9 million as at 31 December 2025 (2.0 million as at 31 December 2024).
Due to their insignificance, the table relating to the dynamics of these contracts is omitted.

11.3 Trends in the book value of insurance contracts issued broken down by elements underlying the measurement

The book value of insurance contracts accounted for using the GMM or VFA methods amounted to 14,165.4 million (12,881.2 million as at 31 December 2024) as illustrated in detail in the previous paragraph "11.1 Trends in the book value of insurance contracts issued - GMM or VFA - liabilities for remaining coverage and for claims".

The following tables show the changes in the book value, divided by underlying elements, relating to contracts issued with direct participation features (basis of aggregation 1) and without direct participation features (basis of aggregation 2) relating to the life business segment.
There are also no investment contracts issued with discretionary participation features (basis of aggregation 5).

11.3 a) Basis of aggregation 1 = Insurance contracts issued with direct participation features - Life business segment

Items/Elements underlying measurement	Elements underlying the measurement of the book value of insurance contracts issued				Elements underlying the measurement of the book value of insurance contracts issued			
	Present value of cash flows 31/12/2025	Adjustment for non-financial risks 31/12/2025	Contractual service margin 31/12/2025	Total 31/12/2025	Present value of cash flows 31/12/2024	Adjustment for non-financial risks 31/12/2024	Contractual service margin 31/12/2024	Total 31/12/2024
A. Opening book value								
1. Insurance contracts issued - liabilities	12,517,902	28,945	327,212	12,874,059	11,880,105	59,457	292,351	12,231,913
2. Insurance contracts issued - assets	(63)	-	-	(63)	(53)	-	-	(53)
3. Net book value as at 1 January	**12,517,839**	**28,945**	**327,212**	**12,873,996**	**11,880,052**	**59,457**	**292,351**	**12,231,860**
B. Changes relating to current services								
1. Contractual service margin recorded in the income statement	-	-	(80,261)	(80,261)	-	-	(68,408)	(68,408)
2. Change for past due non-financial risks	-	(5,606)	-	(5,606)	-	(9,896)	-	(9,896)
3. Changes related to experience	(9,224)	-	-	(9,224)	9,030	-	(129)	8,901
4. Total	**(9,224)**	**(5,606)**	**(80,261)**	**(95,091)**	**9,030**	**(9,896)**	**(68,537)**	**(69,403)**
C. Changes relating to future services								
1. Changes in the contractual service margin	50,077	23,652	(73,728)	1	206,314	(20,493)	(185,821)	-
2. Losses on groups of onerous contracts and related recoveries	(648)	1	-	(647)	106	-	-	106
3. Effects of contracts initially recognised in the reference year	(99,494)	3,949	95,545	-	(90,370)	1,816	88,554	-
4. Total	**(50,065)**	**27,602**	**21,817**	**(646)**	**116,050**	**(18,677)**	**(97,267)**	**106**
D. Changes relating to past services								
1. Adjustments to liabilities for claims	1,227	-	-	1,227	1,196	-	-	1,196
E. Profit (loss) on insurance services (B+C+D.1)	**(58,062)**	**21,996**	**(58,444)**	**(94,510)**	**126,276**	**(28,573)**	**(165,804)**	**(68,101)**
F. Costs/revenues of a financial nature								
1. Relating to insurance contracts issued	322,328	31	174,214	496,573	460,058	1,128	192,699	653,885
1.1 Recorded in the income statement	322,328	31	183,203	505,562	464,794	750	74,889	540,433
1.2 Recorded in the statement of comprehensive income	-	-	(8,989)	(8,989)	(4,736)	378	117,810	113,452
2. Effects associated with changes in exchange rates	-	-	-	-	-	-	-	-
3. Total	**322,328**	**31**	**174,214**	**496,573**	**460,058**	**1,128**	**192,699**	**653,885**
G. Total amount of changes recorded in the income statement and the statement of comprehensive income (E+F)	**264,266**	**22,027**	**115,770**	**402,063**	**586,334**	**(27,445)**	**26,895**	**585,784**
H. Other changes	**(2,492)**	**(1)**	**1**	**(2,492)**	**(30,022)**	**(3,067)**	**7,966**	**(25,123)**
I. Cash movements								
1. Premiums received	3,005,356	-	-	3,005,356	2,595,127	-	-	2,595,127
2. Payments associated with contract acquisition costs	(30,639)	-	-	(30,639)	(29,719)	-	-	(29,719)
3. Claims paid and other cash outflows	(2,088,656)	-	-	(2,088,656)	(2,482,546)	-	-	(2,482,546)
4. Other movements	(3,071)	-	-	(3,071)	(1,387)	-	-	(1,387)
5. Total	**882,990**	**-**	**-**	**882,990**	**81,475**	**-**	**-**	**81,475**
L. Net book value as at 31 December (A.3+G+H+I.5)	**13,662,603**	**50,971**	**442,983**	**14,156,557**	**12,517,839**	**28,945**	**327,212**	**12,873,996**
M. Closing book value								
1. Insurance contracts issued - liabilities	13,662,666	50,971	442,983	14,156,620	12,517,902	28,945	327,212	12,874,059
2. Insurance contracts issued - assets	(63)	-	-	(63)	(63)	-	-	(63)
3. Net book value as at 31 December	**13,662,603**	**50,971**	**442,983**	**14,156,557**	**12,517,839**	**28,945**	**327,212**	**12,873,996**

With reference to the present value of cash flows as at 31 December 2025, equal to 13,662.6 million (12,517.8 million as at 31 December 2024), the item includes liabilities for remaining coverage and for claims. The adjustment for non-financial risks, on the other hand, equal to around 51 million, up compared to the end of the previous year when it was 28.9 million. Lastly, the contractual service margin amounted to around 443 million as at 31 December 2025 (327.2 million as at 31 December 2024).

11.3 b) Basis of aggregation 2 = Insurance contracts issued without direct participation features - Life business segment

Items/Elements underlying measurement	Elements underlying the measurement of the book value of insurance contracts issued				Elements underlying the measurement of the book value of insurance contracts issued			
	Present value of cash flows 31/12/2025	Adjustment for non-financial risks 31/12/2025	Contractual service margin 31/12/2025	Total 31/12/2025	Present value of cash flows 31/12/2024	Adjustment for non-financial risks 31/12/2024	Contractual service margin 31/12/2024	Total 31/12/2024
A. Opening book value								
1. Insurance contracts issued - liabilities	554	1,581	9,711	11,846	674	6	-	680
2. Insurance contracts issued - assets	(4,604)	-	-	(4,604)	-	-	-	-
3. Net book value as at 1 January	**(4,050)**	**1,581**	**9,711**	**7,242**	**674**	**6**	**-**	**680**
B. Changes relating to current services								
1. Contractual service margin recorded in the income statement	-	-	(1,410)	(1,410)	-	-	(1,590)	(1,590)
2. Change for past due non-financial risks	-	(148)	-	(148)	-	(321)	-	(321)
3. Changes related to experience	(1,101)	-	-	(1,101)	1,006	-	-	1,006
4. Total	**(1,101)**	**(148)**	**(1,410)**	**(2,659)**	**1,006**	**(321)**	**(1,590)**	**(905)**
C. Changes relating to future services								
1. Changes in the contractual service margin	397	(22)	(375)	-	1,178	(1,694)	516	-
2. Losses on groups of onerous contracts and related recoveries	238	-	-	238	5	-	-	5
3. Effects of contracts initially recognised in the reference year	-	-	-	-	5	1	(6)	-
4. Total	**635**	**(22)**	**(375)**	**238**	**1,188**	**(1,693)**	**510**	**5**
D. Changes relating to past services								
1. Adjustments to liabilities for claims	244	-	-	244	(1,277)	-	-	(1,277)
E. Profit (loss) on insurance services (B+C+D.1)	**(222)**	**(170)**	**(1,785)**	**(2,177)**	**917**	**(2,014)**	**(1,080)**	**(2,177)**
F. Costs/revenues of a financial nature								
1. Relating to insurance contracts issued	(312)	-	244	(68)	(318)	-	306	(12)
1.1 Recorded in the income statement	(162)	-	244	82	(285)	-	306	21
1.2 Recorded in the statement of comprehensive income	(150)	-	-	(150)	(33)	-	-	(33)
2. Effects associated with changes in exchange rates	-	-	-	-	-	-	-	-
3. Total	**(312)**	**-**	**244**	**(68)**	**(318)**	**-**	**306**	**(12)**
G. Total amount of changes recorded in the income statement and the statement of comprehensive income (E+F)	**(534)**	**(170)**	**(1,541)**	**(2,245)**	**599**	**(2,014)**	**(774)**	**(2,189)**
H. Other changes	**33**	**(2)**	**2**	**33**	**(7,824)**	**3,589**	**10,485**	**6,250**
I. Cash movements								
1. Premiums received	7,511	-	-	7,511	8,656	-	-	8,656
2. Payments associated with contract acquisition costs	-	-	-	-	(1)	-	-	(1)
3. Claims paid and other cash outflows	(3,744)	-	-	(3,744)	(6,154)	-	-	(6,154)
4. Other movements	-	-	-	-	-	-	-	-
5. Total	**3,767**	**-**	**-**	**3,767**	**2,501**	**-**	**-**	**2,501**
L. Net book value as at 31 December (A.3+G+H+I.5)	**(784)**	**1,409**	**8,172**	**8,797**	**(4,050)**	**1,581**	**9,711**	**7,242**
M. Closing book value								
1. Insurance contracts issued - liabilities	635	1,409	8,172	10,216	554	1,581	9,711	11,846
2. Insurance contracts issued - assets	(1,419)	-	-	(1,419)	(4,604)	-	-	(4,604)
3. Net book value as at 31 December	**(784)**	**1,409**	**8,172**	**8,797**	**(4,050)**	**1,581**	**9,711**	**7,242**

11.4 Trends in insurance revenues and the contractual service margin of insurance contracts issued broken down on the basis of existing contracts at the time of transition to IFRS 17

11.4 a) Basis of aggregation 1 = Insurance contracts issued with direct participation features - Life business segment

	31/12/2025					31/12/2024				
	New contracts and contracts measured at the transition date applying the full retrospective approach	Contracts measured at the transition date applying the modified retrospective approach	Contracts measured at the transition date with the fair value approach	Contracts subject to carve-out	Total	New contracts and contracts measured at the transition date applying the full retrospective approach	Contracts measured at the transition date applying the modified retrospective approach	Contracts measured at the transition date with the fair value approach	Contracts subject to carve-out	Total
Insurance revenues	**15,613**	**-**	**2,901**	**176,918**	**195,432**	**7,547**	**-**	**3,307**	**169,749**	**180,603**
Contractual service margin - Opening balances	**26,649**	**-**	**4,608**	**295,956**	**327,213**	**-**	**-**	**10,487**	**281,864**	**292,351**
Changes relating to current services	**(6,990)**	**-**	**(1,421)**	**(71,850)**	**(80,261)**	**(2,875)**	**-**	**(1,566)**	**(63,967)**	**(68,408)**
- Contractual service margin recognised in the income statement to reflect the services provided	(6,990)	-	(1,421)	(71,850)	(80,261)	(2,875)	-	(1,566)	(63,967)	(68,408)
Changes relating to future services	**49,033**	**-**	**(928)**	**(26,288)**	**21,817**	**13,745**	**-**	**2,953**	**(114,094)**	**(97,396)**
- Changes in estimates that adjust the contractual service margin	28,151	-	(928)	(100,951)	(73,728)	9,283	-	2,953	(198,186)	(185,950)
- Effects of contracts initially recognised in the reference year	20,882	-	-	74,663	95,545	4,462	-	-	84,092	88,554
Revenues/costs of a financial nature										
1. Relating to insurance contracts issued	567	-	107	173,540	174,214	416	-	130	192,153	192,699
2. Effects associated with changes in exchange rates	-	-	-	-	-	-	-	-	-	-
3. Total	567	-	107	173,540	174,214	416	-	130	192,153	192,699
Other movements	-	-	-	-	-	15,363	-	(7,396)	-	7,967
Total changes recognised in the income statement and in the statement of comprehensive income	**42,610**	**-**	**(2,242)**	**75,402**	**115,770**	**26,649**	**-**	**(5,879)**	**14,092**	**34,862**
Contractual service margin - Closing balances	**69,259**	**-**	**2,366**	**371,358**	**442,983**	**26,649**	**-**	**4,608**	**295,956**	**327,213**

11.4 b) Basis of aggregation 2 = Insurance contracts issued without direct participation features - Life business segment

	31/12/2025					31/12/2024				
	New contracts and contracts measured at the transition date applying the full retrospective approach	Contracts measured at the transition date applying the modified retrospective approach	Contracts measured at the transition date with the fair value approach	Contracts subject to carve-out	Total	New contracts and contracts measured at the transition date applying the full retrospective approach	Contracts measured at the transition date applying the modified retrospective approach	Contracts measured at the transition date with the fair value approach	Contracts subject to carve-out	Total
Insurance revenues	**6,401**	**-**	**-**	**-**	**6,401**	**7,058**	**-**	**-**	**-**	**7,058**
Contractual service margin - Opening balances	**9,713**	**-**	**-**	**-**	**9,713**	**-**	**-**	**-**	**-**	**-**
Changes relating to current services	**(1,410)**	**-**	**-**	**-**	**(1,410)**	**(1,590)**	**-**	**-**	**-**	**(1,590)**
- Contractual service margin recognised in the income statement to reflect the services provided	(1,410)	-	-	-	(1,410)	(1,590)	-	-	-	(1,590)
Changes relating to future services	**(375)**	**-**	**-**	**-**	**(375)**	**510**	**-**	**-**	**-**	**510**
- Changes in estimates that adjust the contractual service margin	(375)	-	-	-	(375)	516	-	-	-	516
- Effects of contracts initially recognised in the reference year	-	-	-	-	-	(6)	-	-	-	(6)
Revenues/costs of a financial nature										
1. Relating to insurance contracts issued	244	-	-	-	244	306	-	-	-	306
2. Effects associated with changes in exchange rates	-	-	-	-	-	-	-	-	-	-
3. Total	244	-	-	-	244	306	-	-	-	306
Other movements	-	-	-	-	-	10,487	-	-	-	10,487
Total changes recognised in the income statement and in the statement of comprehensive income	**(1,541)**	**-**	**-**	**-**	**(1,541)**	**9,713**	**-**	**-**	**-**	**9,713**
Contractual service margin - Closing balances	**8,172**	**-**	**-**	**-**	**8,172**	**9,713**	**-**	**-**	**-**	**9,713**

11.5 Elements underlying the measurement of insurance contracts issued recognised during the year

11.5 a) Basis of aggregation 1 = Insurance contracts issued with direct participation features - Life business segment

Items/Groups of contracts	Originated contracts 31/12/2025			Originated contracts 31/12/2024		
	Onerous contracts	Non-onerous contracts	Total	Onerous contracts	Non-onerous contracts	Total
A. Estimate of the present value of future cash outflows						
1. Contract acquisition costs	-	21,933	21,933	-	28,852	28,852
2. Amount of claims and other directly attributable costs	-	2,376,339	2,376,339	-	2,198,040	2,198,040
3. Total	-	2,398,272	2,398,272	-	2,226,892	2,226,892
B. Estimate of the present value of future cash inflows	-	2,497,766	2,497,766	-	2,317,263	2,317,263
C. Estimate of the net present value of future cash flows (A-B)	-	(99,494)	(99,494)	-	(90,371)	(90,371)
D. Estimated adjustment for non-financial risks	-	3,949	3,949	-	1,816	1,816
E. Derecognition of assets/liabilities already recognised against cash flows associated with insurance contracts issued	-	-	-	-	-	-
F. Contractual service margin	-	95,545	95,545	-	88,555	88,555
G. Increase included in liability for insurance contracts issued during the year (C+D+E+F)	-	-	-	-	-	-

The table includes the contribution of new business of the Group's Life companies (Banco BPM Vita, Vera Vita and BBPM Life), which generated a Contractual Service Margin as at 31 December 2025 of 95.6 million (88.6 million as at 31 December 2024).

Insurance contracts issued - Contractual Service Margin broken down by expected timing of recognition in income statement

Basis of aggregation/Expected timing	Up to 1 year	From over 1 year to 2 years	From over 2 years to 3 years	From over 3 years to 4 years	From over 4 years to 5 years	From over 5 years to 10 years	From over 10 years to 20 years	Over 20 years	Total
Life business segment	90,385	57,574	49,849	41,441	35,049	110,375	56,292	10,189	451,154
Non-Life business segment	-	-	-	-	-	-	-	-	-

The table above, which shows the expected timing of recognition in the income statement of the CSM (451.2 million as at 31 December 2025), shows that over 85% of the balance (approximately 385 million) will be released to the income statement over a 10-year time horizon.

11.6 Insurance contracts issued - Development of claims gross of reinsurance (Non-Life business segment)

This case is not relevant to the Group, therefore the relative table has been omitted.

11.7 Insurance contracts issued - Development of claims net of reinsurance (Non-Life business segment)

This case is not relevant to the Group, therefore the relative table has been omitted.

11.8 Insurance contracts issued - Assets connected with the acquisition of insurance contracts - Trends in the book value

This case is not relevant to the Group, therefore the relative table has been omitted.

11.9 Insurance contracts issued - Assets connected with the acquisition of insurance contracts - Expected timing of derecognition

This case is not relevant to the Group, therefore the relative table has been omitted.

Section 12 - Redeemable shares – Item 130

12.1 Redeemable shares: breakdown

The Group has no redeemable shares as at the reporting date, nor did it as at 31 December 2024.

Section 13 - Group equity Items 120, 130, 140, 150, 160, 170 and 180

13.1 "Share capital" and "Own shares": breakdown

The share capital as at 31 December 2025 was 7,100 million and consisted of 1,515,182,126 ordinary shares, fully subscribed and paid up.

"Own shares" are represented by 11,808,522 shares of the Parent Company, fully held by the same, for a book value of 67.5 million.

13.2 Share capital – Number of shares of the Parent Company: annual changes

Items/Types	Ordinary	Other
A. Outstanding shares at the beginning of the year	**1,515,182,126**	**-**
- fully paid-up	1,515,182,126	-
- not fully paid-up	-	-
A.1 Own shares (-)	(13,799,807)	-
A.2 Shares in issue: opening balances	**1,501,382,319**	**-**
B. Increases	**3,355,276**	**-**
B.1 New issues	-	-
- against payment:	-	-
- business combinations	-	-
- conversion of bonds	-	-
- exercise of warrants	-	-
- other	-	-
- free of charge:	-	-
- to employees	-	-
- to directors	-	-
- other	-	-
B.2 Sale of own shares	3,355,276	-
B.3 Other changes	-	-
C. Decreases	**(1,363,991)**	**-**
C.1 Cancellation	-	-
C.2 Purchase of own shares	(1,363,991)	-
C.3 Disposal of companies	-	-
C.4 Other changes	-	-
D. Shares in issue: closing balances	**1,503,373,604**	**-**
D.1 Own shares (+)	11,808,522	-
D.2 Outstanding shares at the end of the year	1,515,182,126	-
- fully paid-up	1,515,182,126	-
- not fully paid-up	-	-

Sub-item B.2 includes shares assigned during the year to employees, implementing remuneration and incentive policies. Sub-item C.2 refers to the shares purchased by Banco BPM during the year to service the share-based compensation plans implemented by the Parent Company, in execution of the resolutions of the Shareholders' Meeting of Banco BPM S.p.A. held on 30 April 2025.
For further details, please refer to "Part I - Share-based payment agreements" of these Notes to the financial statements. Both sub-items also include 1,265 shares purchased and sold with reference to "error account" transactions with customers.

13.3 Share capital: other information

There is no other information worthy of note with respect to that already provided in the previous points of this section.

13.4 Profit reserves: other information

Group Reserves recognised under item 150 of Balance Sheet liabilities amounted to a total of 5,036.1 million, classified as follows:

- Profit reserves of 4,444.8 million;
- Other reserves of 591.3 million.

Please see the "Statement of changes in consolidated shareholders' equity" for evidence of changes in the Reserves during the year, as well as the schedule included in the Notes to Banco BPM separate financial statements for the information required under Art. 2427 of the Italian Civil Code.

Lastly, note that the Parent Company has a "Legal Reserve" within its own capital reserves, established in accordance with the provisions of Art. 2430 of the Italian Civil Code, that corresponds to one fifth of share capital, and amounts to 1,420.0 million.

13.5 Equity instruments: breakdown and annual changes

Additional Tier 1 (AT 1) equity instruments outstanding as at 31 December 2025 amounted to 1,787.1 million (1,608.8 million at the end of the previous year) and are represented by 5 issues of securities for a total nominal amount of 1.8 billion:

- January 2021 issue for 400 million;
- April 2022 issue for 300 million;
- November 2023 issue for 300 million;
- July 2024 issue for 400 million;
- May 2025 issue for 400 million;

of which 4 issues, for a value of 1,389.9 million, calculated in the Group's Own Funds.

Also note that, in January 2025, the Parent Company proceeded with the early redemption of an issue of AT 1 securities, which took place in January 2020 for 400 million and was already subject to partial buyback in July 2024 for 179.5 million.

Such issues are classifiable as equity instruments under the terms of the accounting standard IAS 32. The price received from the issue, after deducting the directly-attributable transaction costs net of the tax effect was recognised in the item "140. Equity instruments".
In line with the nature of the instrument, during the year, they were recognised as a decrease of shareholders' equity (item "150. Reserves"):

- the coupons paid for an amount of 123.8 million (89.7 million, net taxes);
- the negative effects, equal to -1.5 million, relating to the repayment of the residual portion of the January 2020 issue, as highlighted above.

For further details on the accounting treatment of the instruments in question, please refer to "Part A – Accounting policies, A.1, Section 5 – Other Aspects, Other significant aspects relating to Group accounting policies" of these Notes to the financial statements.

13.6 Other information

There is no other information worthy of note with respect to that already provided in previous sections.

Section 14 - Non-controlling interests – Item 190

14.1 Breakdown of item 190 "Non-controlling interests"

Company names	31/12/2025	31/12/2024
Interests in consolidated companies with significant non-controlling interests	80,102	-
Other interests	385	69
Total	**80,487**	**69**

The line "Interests in consolidated companies with significant non-controlling interests" includes the non-controlling interests of the companies of the Anima Group.

In the PPA of the Anima Group, non-controlling interests were measured on the basis of the identifiable net assets of Anima Holding and its subsidiaries; the data shown in the previous table do not therefore reflect the goodwill attributable to minority interests, which was instead considered for the purposes of assessing the significance of the non-controlling interest. For details on how non-controlling interests are measured, please refer to "Part G - Business combinations regarding companies or divisions" of these Notes to the financial statements.

14.2 Equity instruments: breakdown and annual changes

There are no financial instruments issued by companies of the Group not subject to full control.

Other information

1. Commitments and financial guarantees given

	Nominal value of commitments and financial guarantees given				Total 31/12/2025	Total 31/12/2024
	Stage 1	Stage 2	Stage 3	Acquired or originated impaired		
1. Commitments to disburse funds	**47,814,049**	**1,394,445**	**269,758**	**25,150**	**49,503,402**	**49,580,274**
a) Central Banks	-	-	-	-	-	-
b) Public Administrations	1,990,681	150,648	17	-	2,141,346	2,021,154
c) Banks	1,719,648	109,745	-	-	1,829,393	1,744,549
d) Other financial companies	3,827,169	58,262	76	-	3,885,507	3,774,844
e) Non-financial companies	38,141,724	1,021,362	266,273	25,046	39,454,405	39,701,648
f) Households	2,134,827	54,428	3,392	104	2,192,751	2,338,079
2. Financial guarantees given	**479,389**	**45,103**	**10,597**	**-**	**535,089**	**833,927**
a) Central Banks	-	-	-	-	-	-
b) Public Administrations	295	-	-	-	295	1,428
c) Banks	48,028	-	-	-	48,028	49,271
d) Other financial companies	90,327	487	3	-	90,817	128,465
e) Non-financial companies	299,529	40,944	9,674	-	350,147	602,541
f) Households	41,210	3,672	920	-	45,802	52,222

2. Other commitments and guarantees given

	Nominal value	
	Total 31/12/2025	Total 31/12/2024
1. Other guarantees given	**8,857,770**	**8,446,811**
of which: non-performing credit exposures	333,011	373,810
a) Central Banks	-	-
b) Public Administrations	11,671	9,875
c) Banks	267,179	281,643
d) Other financial companies	215,762	153,645
e) Non-financial companies	8,230,901	7,875,513
f) Households	132,257	126,135
2. Other commitments	**8,926,409**	**13,796,541**
of which: non-performing credit exposures	3,290	3,695
a) Central Banks	-	-
b) Public Administrations	14,745	15,356
c) Banks	606,429	454,321
d) Other financial companies	6,097,047	10,909,409
e) Non-financial companies	701,724	704,963
f) Households	1,506,464	1,712,492

3. Assets pledged to secure own liabilities and commitments

Portfolios	Amount 31/12/2025	Amount 31/12/2024
1. Financial assets at fair value through profit and loss	143,668	412,982
2. Financial assets measured at fair value through other comprehensive income	6,667,180	7,078,084
3. Financial assets at amortised cost	49,535,758	55,243,939
4. Property, plant and equipment	-	-
of which: property, plant and equipment classified as inventories	-	-

Assets pledged to secure own liabilities and commitments recognised under balance sheet assets totalled 56,346.6 million and refer to:

- 17,042.9 million (18,005.8 million in 2024) in loans sold to the SPE BP Covered Bond as guarantee for holders of the covered bank bonds. These loans are shown in the financial statements under item "40. Financial assets at amortised cost – b) loans to customers";
- 87.03 million (219 million in 2024) in financial assets referring to mortgages sold to the securitisation SPEs;
- 17,281.9 million (20,863.5 million in 2024) in loans to customers serving as guarantee for financing operations with central banks (Abaco);
- 21,443.7 million (23,088.2 million in 2024) in securities underlying repurchase agreements for funding or cash-backed securities lending;
- 138.6 million (148.4 million in 2024) in securities serving as deposits/guarantees for other operations, mainly associated with refinancing operations with central banks (pooling);
- 62.2 million (19.7 million in 2024) in assets serving as guarantee for financing operations received from Cassa Depositi e Prestiti;
- 290.2 million (390.5 million in 2024) in guarantee deposits for the securitisation of Master Agreements signed by the Bank. These deposits are shown in the financial statements under item "40. Financial assets at amortised cost".

In addition to the above for the guarantees of financing operations with central banks, there is an insignificant exposure, which from an accounting point of view is not represented in the balance sheet assets, used as part of the collateral of the loans received from the ECB and relating to a covered bond issue, repurchased for a nominal value of 0.1 million (0.2 million in 2024).

Lastly, note that at the reporting date there were covered funding operations represented by repurchase agreements payable with underlying securities acquired in the context of reverse repurchase agreements. The book value of these reverse repurchase agreements, recognised among loans to banks and customers, based on the counterparty, amounted to 1,673.8 million (1,340.1 million in 2024), with nominal value of 1,653 million (1,335.5 million in 2024).

4. Breakdown of investments against unit-linked and index-linked policies

Items	Amount 31/12/2025	Amount 31/12/2024
Breakdown of financial assets underlying unit-linked policies:		
- UCIT units	6,169,897	5,234,786
- Equity instruments	87,333	68,468
- Loans and Debt securities	1,021,060	876,570
Total	**7,278,290**	**6,179,824**
of which: Intercompany loans	12,019	(372,209)
Other financial assets mandatorily measured at fair value	**7,266,271**	**5,807,615**
Financial liabilities designated at fair value	**3,999,400**	**3,325,763**

The table above provides the breakdown of investments underlying the unit-linked policies amounting to 7,278.3 million (6,179.8 million as at 31 December 2024). In the consolidated financial statements, the above-mentioned investments are represented in the accounting portfolio of financial assets measured at fair value as described in "Part

A – Accounting policies, A.2 – Key financial statement items". The book value net of intercompany investments amounts to 7,266.3 million (5,807.6 million as at 31 December 2024).

With reference to financial liabilities, it should be noted that the significant difference with respect to the balance of assets is attributable to a different approach in terms of classification of the underlying contracts. Specifically, approximately 3.3 billion in assets (2.5 billion as at 31 December 2024), i.e. those mainly attributable to the liabilities underlying the Unit-Linked products of Vera Vita and BBPM Life, are not immediately included in item "30. Financial liabilities designated at fair value" but under item "110. a) Insurance contracts issued - liabilities", as permitted by IFRS 17.

5. Management and brokering for third parties

Type of services	Amount
1. Execution of customer orders	
a) purchases	151,569,862
1. settled	151,336,871
2. not settled	232,991
b) sales	145,923,710
1. settled	145,682,823
2. not settled	240,887
2. Portfolio management	**173,646,420**
a) individual	74,388,688
b) collective	99,257,732
3. Securities custody and administration	
a) third party securities under custody: associated with custodian bank services (excluding portfolio management)	-
1. securities issued by companies included in the scope of consolidation	-
2. other securities	-
b) third party securities under custody (excluding portfolio management): other	76,095,575
1. securities issued by companies included in the scope of consolidation	4,896,814
2. other securities	71,198,761
c) third party securities under custody with third parties	75,608,979
d) own securities under custody with third parties	56,473,447
4. Other transactions	**10,372,587**

It should be noted that items b) third-party securities under custody (excluding portfolio management): other and c) third-party securities under custody with third parties referred to in point 3. Securities custody and administration also include the fund units issued by Group asset management companies, for which a custody and administration service is provided to depositing customers.

Financial assets and liabilities subject to offsetting in financial statements, or subject to master netting arrangements or similar arrangements

This section provides the information required under standard IFRS 7 relative to "offsetting of financial assets and liabilities" for financial instruments which:

- were offset in the balance sheet pursuant to IAS 32;
- could potentially be offset, given certain conditions, but presented in the balance sheet as open balances, as they are governed by "master netting arrangements or similar arrangements", which do not meet the criteria established in IAS 32 for offsetting.

In providing disclosure on these agreements, the standard also requires that the effects of financial collateral (including guarantees in cash equivalents) received or granted be taken into account.

More specifically, instruments offset in the balance sheet pursuant to IAS 32 refer to certain repurchase agreements entered into by the Parent Company with Banks and some over-the-counter (OTC) financial derivatives entered into with the counterparty London Clearing House (LCH).

In particular, the amounts offset shown in tables 6 and 7 below, corresponding to the columns "Amount of financial liabilities offset in the financial statements (b)" and "Amount of financial assets offset in the financial statements (b)", amounted to 980.4 million, of which 500.3 million relative to repurchase agreements the effect of which decreases the following balance sheet items:

- 40. Financial assets at amortised cost
  - loans to banks, offset for 500.3 million;
- 10. Financial liabilities at amortised cost
  - due to banks, offset for 500.3 million.

The remaining 480.1 million, relating to derivative instruments offset, are represented as a decrease in the following balance sheet items:

- 20. Financial assets at fair value through profit and loss
  - Financial assets held for trading, offset for 302.7 million;
- 50. Hedging derivatives, offset for 177.4 million;
- 20. Financial liabilities held for trading, offset for 279.4 million;
- 40. Hedging derivatives, offset for 200.7 million.

For instruments that could potentially be offset, should certain events occur and that would be presented in tables 6 and 7 below in the column "Related amounts not subject to offsetting in the financial statements", note that the Group has the following agreements in place:

- for derivative instruments: "ISDA Master Agreement" and netting arrangements with clearing houses;
- for repurchase agreements: "Global Master Repurchase Agreements (GMRA)" and netting arrangements with "Cassa di Compensazione e Garanzia (CC&G)" (Euronext Clearing), "LCH SA" and "Eurex Clearing AG";
- for securities lending transactions: "Global Master Securities Lending Agreements (GMSLA)".

With regards to derivatives, whether for trading or hedging, note that:

- those with a positive fair value amount to 2,641.2 million (recognised under items 20 and 50 of the balance sheet assets) of which, net of offsetting, 2,557.7 million (3,037.8 million gross) is supported by netting arrangements (96.8% in percentage terms), as indicated in table 6 (columns c) and a));
- those with a negative fair value amount to 1,875.8 million (recognised under items 20 and 40 of the balance sheet liabilities) of which, net of offsetting, 1,529.0 million (2,009.2 million gross) is supported by netting arrangements (81.5% in percentage terms), as indicated in table 7 (columns c) and a)). Positions not covered by netting arrangements refer to contracts signed by Banco BPM customers for 197.7 million, mostly interest rate swaps for 165.9 million, and unsecured capital certificates issued for 149.2 million.

With reference to securities lending transactions, it should be noted that tables 6 and 7 below include operations which involve the payment of cash guarantees which are fully available to the lender, as these are single operations recognised in the balance sheet. For the purposes of reconciliation with the balance sheet figures for securities lending transactions and repurchase agreements falling under netting or similar arrangements, note that these operations are represented under the items "Reverse repurchase agreements/repurchase agreements" indicated in the tables showing the breakdown of loans to/due to banks and customers and financial assets and liabilities held for trading, based on the type of counterparty and the purpose of the transactions, found in "Part B - Information on the consolidated balance sheet". Note that table 7 shows 9,305.2 million (gross amount) in funding repurchase agreements with the use of its own issues repurchased, which are recognised in the financial statements and in the relative tables of Part B. "Item 10. Financial liabilities at amortised cost – c) Debt securities in issue"; while some securities lending transactions to customers guaranteed in cash without netting arrangements are not reported for 0.4 million, which represent the differences with respect to that shown in the tables in Part B.

For the purposes of creating tables 6 and 7 below, in line with standard IFRS 7 and the instructions contained in Circular 262, note that:

- the effects of potential offsetting of financial statement values for financial assets and liabilities are indicated in column (d) "Financial instruments", together with the fair value of the financial collateral represented by securities;
- the effects of potential offsetting for the exposure with the relative cash guarantees are shown under column (e) "Cash deposits received/given as guarantee".

These effects are calculated for each individual counterparty supported by a master netting arrangement within the limits of the net exposure indicated under column (c).

Based on the methods identified above, netting arrangements between financial instruments and the relative financial guarantees make it possible to significantly decrease the creditor/debtor exposure relative to the counterparty, as indicated in column (f) "Net amount" in tables 6 and 7 below.

6. Financial assets subject to offsetting in financial statements, or subject to master netting arrangements or similar arrangements

Technical forms	Gross amount of financial assets (a)	Amount of financial liabilities offset in the financial statements (b)	Net amount of financial assets presented in the financial statements (c=a-b)	Related amounts not subject to offsetting in the financial statements		Net amount (f=c-d-e) 31/12/2025	Net amount 31/12/2024
				Financial instruments (d)	Cash deposits received as guarantee (e)		
1. Derivatives	3,037,823	480,137	2,557,686	1,293,394	899,095	365,197	111,595
2. Repurchase agreements	11,389,997	500,281	10,889,716	10,861,473	3,618	24,625	363
3. Securities lending	311,080	-	311,080	310,291	-	789	9,000
4. Other	-	-	-	-	-	-	-
Total 31/12/2025	**14,738,900**	**980,418**	**13,758,482**	**12,465,158**	**902,713**	**390,611**	**X**
Total 31/12/2024	**8,907,096**	**1,019,581**	**7,887,515**	**6,879,614**	**886,943**	**X**	**120,958**

7. Financial liabilities subject to offsetting in the financial statements, or subject to master netting arrangements or similar arrangements

Technical forms	Gross amount of financial liabilities (a)	Amount of financial assets offset in the financial statements (b)	Net amount of financial liabilities presented in the financial statements (c=a-b)	Related amounts not subject to offsetting in the financial statements		Net amount (f=c-d-e) 31/12/2025	Net amount 31/12/2024
				Financial instruments (d)	Cash deposits pledged as collateral (e)		
1. Derivatives	2,008,995	480,137	1,528,858	1,293,394	157,968	77,496	96,515
2. Repurchase agreements	32,289,149	500,281	31,788,868	31,269,069	499,451	20,348	14,499
3. Securities lending	135,658	-	135,658	130,466	-	5,192	377
4. Other transactions	-	-	-	-	-	-	-
Total 31/12/2025	**34,433,802**	**980,418**	**33,453,384**	**32,692,929**	**657,419**	**103,036**	**X**
Total 31/12/2024	**35,533,609**	**1,019,581**	**34,514,028**	**33,325,615**	**1,077,022**	**X**	**111,391**

8. Securities lending transactions

The table below provides information about Group securities lending transactions (receivable and payable), broken down by the type of securities (government, bank, other), market counterparty (bank, financial brokers, customers) and the relative technical forms (loan guaranteed by cash or by other securities).
These are mainly carried out by the Parent Company Banco BPM. Securities borrowed are, as a rule, used for mirrored securities lending transactions (where the Group is the lender) or as underlying assets for repurchase agreements for funding.
Note that securities lending transactions that involve the payment of cash guarantees that are fully available to the lender are represented in the balance sheet in the loans to/due to banks or customers, in the technical form of "repurchase agreements". Securities lending transactions with guarantees consisting of other securities or cash, which are not fully available to the lender, are not indicated in the balance sheet, but are included among off-balance sheet exposures with regards to the relative counterparty risk.

The table below provides information about receivables and payables recognised in the financial statements as at 31 December 2025 against cash-backed securities received and given. Transactions not included in the balance sheet, as noted in the previous paragraph, are exposed on the basis of the fair value of the securities received or loaned.

Type of securities lending transaction	Type of securities		
	Government securities	Bank securities	Other securities
Cash-backed loaned securities received - Loans to:			
a) Banks	-	110,132	200,838
b) Financial intermediaries	-	-	110
c) Customers	-	-	-
Total receivables for securities lending	**-**	**110,132**	**200,948**
Security or cash-backed loaned securities received not available to the lender from:			
b) Financial intermediaries	388,669	1,040,373	1,428,436
c) Customers	373	481	1,478
Total (fair value)	**389,042**	**1,040,854**	**1,429,914**
Cash-backed loaned securities given - Due to:			
a) Banks	-	8,330	81,013
b) Financial intermediaries	-	7,001	39,327
c) Customers	-	42	338
Total payables for securities lending	**-**	**15,373**	**120,678**
Security-backed or non-guaranteed loaned securities given:			
a) Banks	803,517	1,088,508	596,452
b) Financial intermediaries	411,834	39,381	147,859
c) Customers	-	-	-
Total (fair value)	**1,215,351**	**1,127,889**	**744,311**

9. Information on joint operations

As at the reporting date, as in the previous year, there were no joint control agreements classifiable as "joint operations" pursuant to accounting standard IFRS 11, on the basis of which the parties holding joint control have rights over the assets and obligations regarding the liabilities relative to the agreement.

PART C – INFORMATION ON THE CONSOLIDATED INCOME STATEMENT

Section 1 – Interest – Items 10 and 20

1.1 Interest and similar income: breakdown

Items/Technical forms	Debt securities	Loans	Other transactions	Total 2025	Total 2024
1. Financial assets at fair value through profit and loss:	92,501	153,587	-	246,088	85,542
1.1 Financial assets held for trading	80,033	140,490	-	220,523	66,554
1.2 Financial assets designated at fair value	-	-	-	-	-
1.3 Other financial assets mandatorily measured at fair value	12,468	13,097	-	25,565	18,988
2. Financial assets measured at fair value through other comprehensive income	654,281	-	X	654,281	548,154
3. Financial assets at amortised cost:	853,856	3,760,869	-	4,614,725	5,973,774
3.1 Loans to banks	89,824	285,541	X	375,365	725,219
3.2 Loans to customers	764,032	3,475,328	X	4,239,360	5,248,555
4. Hedging derivatives	X	X	71,892	71,892	476,210
5. Other assets	X	X	198,454	198,454	144,410
6. Financial liabilities	X	X	X	22	17
Total	**1,600,638**	**3,914,456**	**270,346**	**5,785,462**	**7,228,107**
of which: interest income on impaired financial assets	23,961	57,861	-	81,822	140,032
of which: interest income on finance leases	X	12,301	X	12,301	21,921

Sub-item "4. Hedging derivatives - Other transactions" includes the spreads accrued of the financial hedging derivative contracts for transactions on balance sheet assets.

Sub-item "5. Other assets - Other transactions" amounting to 198.4 million, includes 37 million in interest income on tax credits of the Parent Company, and 149.8 million interest on sales of tax credits.

For the accounting treatment and for further details on the recognition of the interest related to transactions linked to Ecobonus credits, please refer to "Part A – Accounting Policies, A.1, Section 5 – Other aspects, Other significant aspects relating to Group accounting policies" contained in these Notes to the financial statements.

Interest income on impaired assets is recorded according to the methods set out in IFRS 9. In particular, they include the effect attributable to the "time reversal" due to the recoveries from discounting non-performing loans.

1.2 Interest and similar income: other information

1.2.1 Interest income on financial assets in foreign currency

Items	2025	2024
Interest income on financial assets in foreign currency	348,032	354,247

1.3 Interest and similar expense: breakdown

Items/Technical forms	Payables	Securities	Other transactions	Total 2025	Total 2024
1. Financial liabilities at amortised cost	(913,524)	(789,731)		(1,703,255)	(2,331,596)
1.1 Due to central banks	(48,560)	X	X	(48,560)	(281,959)
1.2 Due to banks	(255,459)	X	X	(255,459)	(327,792)
1.3 Due to customers	(609,505)	X	X	(609,505)	(1,058,275)
1.4 Debt securities in issue	X	(789,731)	X	(789,731)	(663,570)
2. Financial liabilities held for trading	(543,370)	-	-	(543,370)	(676,013)
3. Financial liabilities designated at fair value	-	(45,686)	-	(45,686)	(28,919)
4. Other liabilities and provisions	X	X	(10,752)	(10,752)	(2,057)
5. Hedging derivatives	X	X	(66,938)	(66,938)	(471,062)
6. Financial assets	X	X	X	(75)	(7)
Total	**(1,456,894)**	**(835,417)**	**(77,690)**	**(2,370,076)**	**(3,509,654)**
of which: interest expense relating to lease payables	(12,210)	X	X	(12,210)	(9,922)

The sub-item "1.1 Due to central banks", equal to 48.6 million, refers entirely to interest expense on funding transactions performed with the ECB. The figure for 2024 refers mainly to TLTRO III refinancing operations, fully repaid during the same year.

Sub-item "5. Hedging derivatives - Other transactions" include the spreads accrued of the financial hedging derivative contracts for transactions on balance sheet liabilities.

1.4 Interest and similar expense: other information

1.4.1 Interest expense on financial liabilities in foreign currency

Items	2025	2024
Interest expense on financial liabilities in foreign currency	(44,646)	(49,506)

1.5 Hedging spreads

Items	2025	2024
A. Positive hedging spreads:	1,501,013	1,641,190
B. Negative hedging spreads:	(1,496,059)	(1,636,042)
C. Balance (A-B)	**4,954**	**5,148**

Section 2 – Fees and commissions – Items 40 and 50

2.1 Fee and commission income: breakdown

Service type/Amounts	Total 2025	Total 2024
a) Financial instruments	223,410	153,269
1. Placement of securities	72,717	32,518
1.1 With underwriting commitments and/or on the basis of an irrevocable commitment	19,455	2,283
1.2 Without irrevocable commitment	53,262	30,235
2. Receipt and transmission of orders and execution of orders for customers	103,226	84,112
2.1 Receipt and transmission of orders for one or more financial instruments	77,457	58,850
2.2 Execution of orders for customers	25,769	25,262
3. Other fees and commissions relating to activities associated with financial instruments	47,467	36,639
of which: own account trading	-	-
of which: individual portfolio management	40,634	30,691
b) Corporate Finance	6,296	4,422
1. Merger and acquisition advisory services	5,853	3,701
2. Treasury services	443	721
3. Other fees and commissions with corporate finance services	-	-
c) Investment advisory activities	6,744	4,654
d) Offsetting and settlement	-	-
e) Collective portfolio management	978,537	-
f) Custody and administration	17,169	14,758
1. Custodian bank	-	-
2. Other fees and commissions related to custody and administration activities	17,169	14,758
g) Central administrative services for collective portfolio management	-	-
h) Trust activities	1,516	1,585
i) Payment services	405,935	516,697
1. Current accounts	223,790	226,394
2. Credit cards	175	18,385
3. Debit cards and other payment cards	173	72,231
4. Bank transfers and other payment orders	179,603	196,038
5. Other fees and commissions relating to payment services	2,194	3,649
j) Distribution of third party services	552,014	701,204
1. Collective portfolio management	227,909	492,030
2. Insurance products	145,290	81,979
3. Other products	178,815	127,195
of which: individual portfolio management	347	1,355
k) Structured finance	518	595
l) Servicing for securitisation transactions	-	-
m) Commitments to disburse funds	-	-
n) Financial guarantees given	102,908	93,719
of which: credit derivatives	-	-
o) Financing operations	241,475	249,564
of which: for factoring transactions	-	6,995
p) Foreign currency trading	4,039	3,854
q) Commodities	-	-
r) Other fee and commission income	343,227	325,174
of which: for management of multilateral trading facilities	-	-
of which: for management of organised trading facilities	-	-
Total	**2,883,788**	**2,069,495**

Sub-item "e) Collective portfolio management" refers to the commissions for the management of the Investment Funds relating to the companies of the Anima Group, which entered the scope of consolidation starting from April 2025 as illustrated in "Part A - Accounting policies, A.1, Section 5 - Other Aspects, Other significant aspects relating to Group accounting policies" of these Notes to the financial statements.

Sub-item "r) Other fee and commission income" includes fees for making funds available (Credit Availability Fee) of 235.9 million (245.6 million the previous year) and fee and commission income from securities lending of 2.4 million (3.1 million the previous year).

It should be specified that, in relation to Group operations, cash flows associated with fees recognised in the income statement for 2025 involve limited uncertainties, in that these are fees accrued, and largely collected, against the provision of financial services which are now complete. Operating receivables relative to services provided but not yet received are, in fact, of an insignificant amount, as illustrated in "Section 4 – Financial assets at amortised cost – Item 40" of assets in "Part B – Information on the consolidated balance sheet" in these Notes to the financial statements.
For certain revenues associated with the placement of single premium insurance policies, the risk of returning a portion of the commissions received to the insurance company against early termination of said policies by the customers is protected against through the allocation of adequate provisions, as illustrated in "Section 10 – Provisions for risks and charges – Item 100" contained in liabilities in "Part B - Information on the Consolidated balance sheet" of these Notes to the financial statements.
To that end, also note that adjustments in fees recognised in 2025, against services rendered in previous years amounted to a negative 5.4 million, and are due to the difference between the higher revenues of 5.1 million and lower revenues of 10.5 million, mainly relating to the distribution of third-party services.

2.2 Fee and commission expense: breakdown

Type of services/Amounts	Total 2025	Total 2024
a) Financial instruments	(18,106)	(9,841)
of which: financial instrument trading	(14,258)	(7,094)
of which: placement of financial instruments	(2,988)	(2,423)
of which: individual portfolio management	(860)	(324)
- Own	(860)	(324)
- Delegated to third parties	-	-
b) Offsetting and settlement	(3,608)	(3,684)
c) Collective portfolio management	(334,397)	-
1. Own	(334,397)	-
2. Delegated to third parties	-	-
d) Custody and administration	(15,677)	(13,565)
e) Collection and payment services	(8,254)	(47,189)
of which: credit cards, debit cards and other payment cards	-	(37,320)
f) Servicing for securitisation transactions	-	-
g) Commitments to receive funds	-	-
h) Financial guarantees received	(111,546)	(100,551)
of which: credit derivatives	-	-
i) Off-site offer of financial instruments, products and services	(6,271)	(6,125)
j) Foreign currency trading	(10)	(2)
k) Other fee and commission expense	(29,673)	(29,824)
Total	**(527,542)**	**(210,781)**

Sub-item "c) Collective portfolio management" relates to fees and commissions paid to third-party networks for the placement of units of Investment Funds referring to products managed by the companies of the Anima Group.

Line "h) Financial guarantees received" includes 80.6 million (85.2 million in 2024) for the purchase of credit risk protection by the Group as part of the existing synthetic securitisation transactions, as described in "Part A –Accounting policies, A.2, 16 – Other information, Synthetic securitisations" of these Notes to the financial statements.

Section 3 – Dividends and similar income – Item 70

3.1 Dividends and similar income: breakdown

Items/Income	Total 2025		Total 2024	
	Dividends	Similar income	Dividends	Similar income
A. Financial assets held for trading	20,278	332	38,217	464
B. Other financial assets mandatorily measured at fair value	33,859	34,574	25,218	21,099
C. Financial assets measured at fair value through other comprehensive income	106,641	-	8,148	-
D. Interests in associates and joint ventures	-	-	-	-
Total	**160,778**	**34,906**	**71,583**	**21,563**

Section 4 – Net trading income – Item 80

4.1 Net trading income: breakdown

Transactions/Income components	Capital gains (A)	Trading income (B)	Capital losses (C)	Trading losses (D)	Net result [(A+B) - (C+D)]
1. Financial assets held for trading	**57,382**	**160,181**	**(36,951)**	**(84,258)**	**96,354**
1.1 Debt securities	3,587	44,956	(16,645)	(26,261)	5,637
1.2 Equity instruments	53,259	113,002	(20,173)	(57,474)	88,614
1.3 UCIT units	346	975	(118)	(340)	863
1.4 Loans	190	-	(15)	-	175
1.5 Other	-	1,248	-	(183)	1,065
2. Financial liabilities held for trading	**12,326**	**28,930**	**(15,829)**	**(65,841)**	**(40,414)**
2.1 Debt securities	-	-	-	-	-
2.2 Payables	11,354	28,032	(2,752)	(26,780)	9,854
2.3 Other	972	898	(13,077)	(39,061)	(50,268)
3. Financial assets and liabilities: exchange rate differences	**X**	**X**	**X**	**X**	**(96,879)**
4. Derivative instruments	**671,251**	**3,095,894**	**(465,097)**	**(3,012,753)**	**370,858**
4.1 Financial derivatives:	671,251	3,088,423	(462,782)	(3,004,316)	374,139
- On debt securities and interest rates	237,801	1,596,294	(186,087)	(1,537,302)	110,706
- On equity instruments and share indices	432,831	1,108,125	(275,833)	(1,083,620)	181,503
- On currencies and gold	X	X	X	X	81,563
- Other	619	384,004	(862)	(383,394)	367
4.2 Credit derivatives	-	7,471	(2,315)	(8,437)	(3,281)
of which: natural hedges connected with the fair value option	X	X	X	X	-
Total	**740,959**	**3,285,005**	**(517,877)**	**(3,162,852)**	**329,919**

Note that, based on the provisions set out in the Bank of Italy Circular no. 262, the specification regarding "of which: natural hedges associated with the fair value option" refers to a specific type of hedge set out in IFRS 9. In that regard it is noted that there are no amounts to be reported, as Banco BPM Group opted to continue using the hedge accounting regime set out in IAS 39.

Section 5 – Fair value gains/losses on hedging derivatives – Item 90

5.1 Fair value gains/losses on hedging derivatives: breakdown

Income components/Amounts	Total 2025	Total 2024
A. Income relating to:		
A.1 Fair value hedging derivatives	387,291	610,005
A.2 Hedged financial assets (fair value)	1,503,836	2,269,093
A.3 Hedged financial liabilities (fair value)	196,172	173,122
A.4 Cash flow hedging derivatives	12,717	-
A.5 Assets and liabilities in foreign currency	-	-
Total gains on hedging derivatives (A)	**2,100,016**	**3,052,220**
B. Charges relating to:		
B.1 Fair value hedging derivatives	(259,892)	(431,571)
B.2 Hedged financial assets (fair value)	(1,746,939)	(1,998,848)
B.3 Hedged financial liabilities (fair value)	(81,465)	(572,884)
B.4 Cash flow hedging derivatives	(2,638)	(57,061)
B.5 Assets and liabilities in foreign currency	-	-
Total losses on hedging derivatives (B)	**(2,090,934)**	**(3,060,364)**
C. Fair value gains/losses on hedging derivatives (A - B)	**9,082**	**(8,144)**
of which: gains/losses of hedging on net positions	-	-

Section 6 – Gains (losses) on disposal/repurchase – Item 100

6.1 Gains (losses) on disposal/repurchase: breakdown

Items/Income components	Total 2025			Total 2024		
	Gains	Losses	Net result	Gains	Losses	Net result
Financial assets						
1. Financial assets at amortised cost	157,024	(119,393)	37,631	113,040	(174,436)	(61,396)
1.1 Loans to banks	1,803	(805)	998	4,894	(4,690)	204
1.2 Loans to customers	155,221	(118,588)	36,633	108,146	(169,746)	(61,600)
2. Financial assets measured at fair value through other comprehensive income	26,723	(108,316)	(81,593)	49,099	(11,532)	37,567
2.1 Debt securities	26,723	(108,316)	(81,593)	49,090	(11,532)	37,558
2.2 Loans	-	-	-	9	-	9
Total assets (A)	**183,747**	**(227,709)**	**(43,962)**	**162,139**	**(185,968)**	**(23,829)**
Financial liabilities at amortised cost	-	-	-	-	-	-
1. Due to banks	-	-	-	-	-	-
2. Due to customers	-	-	-	-	-	-
3. Debt securities in issue	7,209	(4,976)	2,233	12,450	(380)	12,070
Total liabilities (B)	**7,209**	**(4,976)**	**2,233**	**12,450**	**(380)**	**12,070**

The net result shown for sub-item "1.2 Loans to customers" includes profits of 64.8 million, deriving from the sale of securities classified in the portfolio of loans to customers, the largest part of which relates to Italian and foreign government securities.
Excluding this component, the net loss of that sub-item is 28.2 million due to the disposal of the portfolio of bad and unlikely to pay loans.

For more details of the disposal of HTC securities, please see the section "Part A – Accounting policies, A.1, Section 5 – Other significant aspects relating to Group accounting policies" of these Notes to the financial statements.

The result of the disposal of financial assets measured at fair value through other comprehensive income mainly refers to the sale of Italian and foreign government securities.

Section 7 – Net gains (losses) from other financial assets and liabilities measured at fair value through profit and loss – Item 110

7.1 Net change in value of other financial assets and liabilities measured at fair value through profit and loss: breakdown of financial assets and liabilities designated at fair value

Transactions/Income components	Capital gains (A)	Gains on disposal (B)	Capital losses (C)	Losses on disposal (D)	Net result [(A+B) - (C+D)]
1. Financial assets	**-**	**-**	**(2,822)**	**-**	**(2,822)**
1.1 Debt securities	-	-	(2,822)	-	(2,822)
1.2 Loans	-	-	-	-	-
2. Financial liabilities	**54,884**	**10,159**	**(157,575)**	**(164,045)**	**(256,577)**
2.1 Debt securities in issue	54,884	10,159	(108,420)	(164,045)	(207,422)
2.2 Due to banks	-	-	-	-	-
2.3 Due to customers	-	-	(49,155)	-	(49,155)
3. Financial assets and liabilities in foreign currency: exchange rate differences	**X**	**X**	**X**	**X**	**-**
Total	**54,884**	**10,159**	**(160,397)**	**(164,045)**	**(259,399)**

7.2 Net change in value of other financial assets and liabilities measured at fair value through profit and loss: breakdown of other financial assets mandatorily measured at fair value

Transactions/Income components	Capital gains (A)	Gains on disposal (B)	Capital losses (C)	Losses on disposal (D)	Net result [(A+B) - (C+D)]
1. Financial assets	**337,411**	**82,898**	**(190,625)**	**(70,379)**	**159,305**
1.1 Debt securities	6,858	8,357	(2,510)	(40)	12,665
1.2 Equity instruments	16,563	12,398	(1,318)	(2)	27,641
1.3 UCIT units	281,491	61,927	(147,660)	(69,962)	125,796
1.4 Loans	32,499	216	(39,137)	(375)	(6,797)
2. Financial assets in foreign currency: exchange rate differences	**X**	**X**	**X**	**X**	**(6,557)**
Total	**337,411**	**82,898**	**(190,625)**	**(70,379)**	**152,748**

Section 8 – Net credit impairment losses/recoveries – Item 130

8.1 Net credit impairment losses relating to financial assets at amortised cost: breakdown

Transactions/Income components	Impairment losses (1)						Recoveries (2)				Total 2025 (1)+(2)	Total 2024
	Stage 1	Stage 2	Stage 3		Acquired or originated impaired		Stage 1	Stage 2	Stage 3	Acquired or originated impaired		
			Write-offs	Other	Write-offs	Other						
A. Loans to banks	**(539)**	**(31)**	**-**	**-**	**-**	**-**	**620**	**37**	**-**	**-**	**87**	**93**
- Loans	(3)	-	-	-	-	-	199	34	-	-	230	(119)
- Debt securities	(536)	(31)	-	-	-	-	421	3	-	-	(143)	212
B. Loans to customers	**(22,570)**	**(41,076)**	**(17,816)**	**(589,432)**	**(13)**	**(696)**	**14,611**	**19,693**	**272,151**	**3,293**	**(361,855)**	**(404,218)**
- Loans	(21,758)	(40,223)	(17,816)	(587,447)	(13)	(696)	10,010	16,726	272,151	3,293	(365,773)	(398,042)
- Debt securities	(812)	(853)	-	(1,985)	-	-	4,601	2,967	-	-	3,918	(6,176)
Total	**(23,109)**	**(41,107)**	**(17,816)**	**(589,432)**	**(13)**	**(696)**	**15,231**	**19,730**	**272,151**	**3,293**	**(361,768)**	**(404,125)**

8.2 Net credit impairment losses relating to financial assets measured at fair value through other comprehensive income: breakdown

Transactions/Income components	Impairment losses (1)						Recoveries (2)				Total 2025 (1)+(2)	Total 2024
	Stage 1	Stage 2	Stage 3		Acquired or originated impaired		Stage 1	Stage 2	Stage 3	Acquired or originated impaired		
			Write-offs	Other	Write-offs	Other						
A. Debt securities	(2,575)	(501)	-	-	-	-	971	287	-	-	(1,818)	(1,254)
B. Loans	-	-	-	-	-	-	-	-	-	-	-	-
- To customers	-	-	-	-	-	-	-	-	-	-	-	-
- To banks	-	-	-	-	-	-	-	-	-	-	-	-
Total	**(2,575)**	**(501)**	**-**	**-**	**-**	**-**	**971**	**287**	**-**	**-**	**(1,818)**	**(1,254)**

Section 9 - Gains (losses) from contractual modification without derecognition – Item 140

9.1 Gains (losses) from contractual modification: breakdown

Items/Income components	Total 2025			Total 2024		
	Gains	Losses	Net result	Gains	Losses	Net result
Financial assets at FV trough other comprehensive income						
Contractual modification on Financial assets at FV through other comprehensive income	-	-	-	-	-	-
Financial assets at amortised cost						
Contractual modification on Financial assets at amortised cost	365	(3,032)	(2,667)	1,083	(485)	598
Total	**365**	**(3,032)**	**(2,667)**	**1,083**	**(485)**	**598**

The item, negative by 2.7 million, represents the net impact deriving from contractual modification during the year in relation to types of loans that did not entail total or partial derecognition of the previous credit exposure from the financial statements.

10.1 Insurance revenues and costs deriving from insurance contracts issued - breakdown

Items/Basis of aggregation	Basis A1 2025	Basis A2 2025	Basis A3 2025	Basis A4 2025	Basis A5 2025	Total 2025	Basis A1 2024	Basis A2 2024	Basis A3 2024	Basis A4 2024	Basis A5 2024	Total 2024
A. Insurance revenues deriving from insurance contracts issued valued on the basis of GMM and VFA												
A.1 Amounts associated with changes in liabilities for remaining coverage	**188,433**	**6,403**	**-**	**-**	**-**	**194,836**	**173,338**	**7,058**	**-**	**-**	**-**	**180,396**
1. Claims and other expected costs for insurance services	108,743	4,911	-	-	-	113,654	1,308,593	5,281	-	-	-	1,313,874
2. Changes in the adjustment for non-financial risks	5,606	148	-	-	-	5,754	9,896	320	-	-	-	10,216
3. Contractual service margin recorded in the income statement for services provided	80,260	1,410	-	-	-	81,670	68,408	1,590	-	-	-	69,998
4. Other amounts	(6,176)	(66)	-	-	-	(6,242)	(1,213,559)	(133)	-	-	-	(1,213,692)
A.2 Insurance contract acquisition cost recoveries	**6,998**	**-**	**-**	**-**	**-**	**6,998**	**7,267**	**-**	**-**	**-**	**-**	**7,267**
A.3 Total insurance revenues deriving from insurance contracts issued valued on the basis of GMM or VFA (A.1 + A.2)	**195,431**	**6,403**	**-**	**-**	**-**	**201,834**	**180,605**	**7,058**	**-**	**-**	**-**	**187,663**
A.4 Total insurance revenues deriving from insurance contracts issued valued on the basis of PAA						**3,147**						**3,638**
- Life business segment	X	X	X	X	X	-	X	X	X	X	X	-
- Non-Life business segment – motor	X	X	X	X	X	-	X	X	X	X	X	-
- Non-Life business segment - non-motor	X	X	X	X	X	3,147	X	X	X	X	X	3,638
A.5 Total insurance revenues deriving from insurance contracts issued (A.3 + A.4)	**195,431**	**6,403**	**-**	**-**	**-**	**204,981**	**180,605**	**7,058**	**-**	**-**	**-**	**191,301**
B. Costs for insurance services deriving from insurance contracts issued – GMM or VFA												
1. Claims and other directly attributable costs	(92,473)	(3,742)	-	-	-	(96,215)	(102,276)	(6,155)	-	-	-	(108,431)
2. Changes in liabilities for claims	(1,227)	(243)	-	-	-	(1,470)	(1,194)	1,275	-	-	-	81
3. Losses on onerous contracts and recoveries of such losses	646	(237)	-	-	-	409	(106)	(5)	-	-	-	(111)
4. Amortisation of insurance contract acquisition costs	(7,868)	-	-	-	-	(7,868)	(7,267)	-	-	-	-	(7,267)
5. Other amounts	-	-	-	-	-	-	(870)	-	-	-	-	(870)
B.6 Total costs for insurance services deriving from insurance contracts issued – GMM or VFA	**(100,922)**	**(4,222)**	**-**	**-**	**-**	**(105,144)**	**(111,713)**	**(4,885)**	**-**	**-**	**-**	**(116,598)**
B.7 Total costs for insurance services deriving from insurance contracts issued valued on the basis of PAA						**(2,702)**						**(2,850)**
- Life business segment	X	X	X	X	X	-	X	X	X	X	X	-
- Non-Life business segment – motor	X	X	X	X	X	-	X	X	X	X	X	-
- Non-Life business segment - non-motor	X	X	X	X	X	(2,702)	X	X	X	X	X	(2,850)
B.8 Total costs for insurance services deriving from insurance contracts issued (B.6 + B.7)	**(100,922)**	**(4,222)**	**-**	**-**	**-**	**(107,846)**	**(111,713)**	**(4,885)**	**-**	**-**	**-**	**(119,448)**
C. Total net revenues/costs deriving from insurance contracts issued (+/-) (A.5 + B.8)	**94,509**	**2,181**	**-**	**-**	**-**	**97,135**	**68,892**	**2,173**	**-**	**-**	**-**	**71,853**

Key:
Basis of aggregation 1 = Insurance contracts issued with direct participation features - Life business segment
Basis of aggregation 2 = Insurance contracts issued without direct participation features - Life business segment
Basis of aggregation 3 = Insurance contracts issued without direct participation features - Non-Life Motor business segment
Basis of aggregation 4 = Insurance contracts issued without direct participation features - Non-Life Non-Motor business segment
Basis of aggregation 5 = Investment contracts issued with discretionary participation features - Life business segment

As at 31 December 2025, total net revenues from insurance contracts issued amounted to 97.1 million. Almost all of the amount (approximately 97%) refers to insurance contracts issued with direct participation features.

10.2 Insurance costs and revenues from reinsurance - breakdown

As highlighted in "Section 8 - Insurance Assets - item 80" of assets in "Part B - Information on the consolidated balance sheet" of these Notes to the financial statements, the reinsurance is absolutely marginal in terms of the operations of the insurance companies and, therefore, the relative details have been omitted.

The total amount recorded in the income statement is -0.9 million (-3.2 million in 2024) and is recognised in the following Income Statement items:

- item 160 c) insurance revenues from reinsurance of 2.3 million (2.1 million in 2024);
- item 160 d) costs for services deriving from reinsurance of -3.2 million (-5.3 million in 2024).

10.3 Breakdown of costs for insurance and other services

Costs/Basis of aggregation	Basis A1 - with DPF	Basis A2 - without DPF	Basis A1 + Basis A2	Basis A3	Basis A4	Basis A3 + Basis A4	Other	Basis A1 - with DPF	Basis A2 - without DPF	Basis A1 + Basis A2	Basis A3	Basis A4	Basis A3 + Basis A4	Other
	2025	2025	2025	2025	2025	2025	2025	2024	2024	2024	2024	2024	2024	2024
Costs attributed to the acquisition of insurance contracts	(2,229)	-	(2,229)	-	(297)	(297)	X	(11,457)	-	(11,457)	-	(350)	(350)	X
Other directly attributable costs	(92,588)	(4,097)	(96,685)	-	(515)	(515)	X	(96,997)	(8,878)	(105,875)	(18)	(715)	(733)	X
Investment management expenses	X	X	-	X	X	(37)	(1,655)	X	X	-	X	X	-	(1,655)
Other costs	X	X	(1,400)	X	X	(3,316)	-	X	X	-	X	X	-	(4,202)
Total	**X**	**X**	**(100,314)**	**X**	**X**	**(4,165)**	**(1,655)**	**X**	**X**	**(117,332)**	**X**	**X**	**(1,083)**	**(5,857)**

Key:
Basis A1 – with DPF = Insurance contracts issued with direct participation features – Life business segment
Basis A2 – without DPF = Insurance contracts issued without direct participation features – Life business segment
Basis A1 + Basis A2 = Life business segment
Basis A3 = Insurance contracts issued without direct participation features – Non-Life –Motor business segment
Basis A4 = Insurance contracts issued without direct participation features - Non-Life –Non-Motor business segment
Basis A3 + Basis A4 = Non-Life business segment

Section 11 - Balance of revenues and costs of a financial nature relating to insurance activities – Item 170

11.1 Net costs and revenues of a financial nature relating to insurance contracts issued

Items/Basis of aggregation	Basis A1 2025	Basis A2 2025	Basis A3 2025	Total 2025	Basis A1 2024	Basis A2 2024	Basis A3 2024	Total 2024
1. Interest accrued	-	(5)	-	(5)	-	-	-	-
2. Effects of changes in interest rates and other financial assumptions	-	-	-	-	-	-	-	-
3. Changes in fair value of assets underlying contracts valued on the basis of VFA	(505,563)	-	-	(505,563)	(540,435)	-	-	(540,435)
4. Effects of changes in exchange rates	-	-	-	-	-	-	-	-
5. Other	-	(77)	(66)	(143)	-	(20)	(27)	(47)
6. Total revenues/costs of a financial nature relating to insurance contracts issued recorded in account	**(505,563)**	**(82)**	**(66)**	**(505,711)**	**(540,435)**	**(20)**	**(27)**	**(540,482)**

Key:
Basis A1 = Insurance contracts issued with direct participation features - Life business segment
Basis A2 = Insurance contracts issued without direct participation features - Life business segment
Basis A3 = Insurance contracts issued without direct participation features - Non-Life business segment

The table above shows the net balance of revenues and costs of a financial nature relating to insurance contracts issued, accounted mainly using the VFA method, which as at 31 December 2025 amounted to 505.7 million.

11.2 Net revenues/costs of a financial nature relating to reinsurance

As highlighted in "Section 8 - Insurance Assets - item 80" of assets in "Part B - Information on the consolidated balance sheet" of these Notes to the financial statements, the reinsurance is absolutely marginal in terms of the operations of the insurance companies and, therefore, the relative details have been omitted.

The total amount recorded under item "170 b): net revenues/costs of a financial nature relating to reinsurance" amounted to 103 thousand (98 thousand in 2024).

11.3 Insurance operations - Net financial result of investments broken down by life and non-life business segments

Items\Operating segments	Life business segment 2025		Non-Life business segment 2025	Total 2025	Life business segment 2024		Non-Life business segment 2024	Total 2024
		of which: DPF				of which: DPF		
A. Net financial result of investments	**564,111**	**390,933**	**495**	**564,606**	**626,479**	**519,114**	**444**	**626,923**
A.1 Interest income from financial assets at amortised cost and measured at fair value through other comprehensive income	312,314	294,918	494	312,808	209,312	200,339	444	209,756
A.2 Net gains/losses on assets at fair value through profit or loss	166,960	86,827	-	166,960	261,779	171,517	-	261,779
A.3 Net credit impairment losses/recoveries	(1,223)	(1,220)	1	(1,222)	1,232	1,294	(2)	1,230
A.4 Other net income/costs	99,394	23,742	-	99,394	31,189	22,997	2	31,191
A.5 Net gains/losses of financial assets measured at fair value through other comprehensive income	(13,334)	(13,334)	-	(13,334)	122,967	122,967	-	122,967
B. Net change in investment contracts issued IFRS 9	-	-	-	-	-	-	-	-
C. Total net financial result of investments	**564,111**	**390,933**	**495**	**564,606**	**626,479**	**519,114**	**444**	**626,923**
of which: recorded in the income statement	577,446	404,268	495	577,941	511,286	396,256	444	511,730
of which: recorded in the statement of comprehensive income	(13,334)	(13,334)	-	(13,334)	122,967	122,967	-	122,967

Key:
Of which: DPF = Insurance contracts issued with direct participation features
Investment contracts issued IFRS 9 = Investment contracts issued without discretionary participation features

The net financial result as at 31 December 2025 amounts to 564.6 million and consists of 55% interest income on bonds, 30% net income from trading in financial assets and the remaining 15% from other net income, including losses on financial assets measured at fair value through other comprehensive income.

11.4 Insurance operations - Summary of economic results broken down by life and non-life business segments

Summary of results/Operating segments	2025			2024		
	Life business segment	Non-Life business segment	Total	Life business segment	Non-Life business segment	Total
A. Financial results						
A.1 Amounts recorded in the income statement						
1. Total net financial result of investments	577,356	495	577,851	511,286	444	511,730
2. Net revenues/costs of a financial nature of insurance contracts issued	(505,563)	(44)	(505,607)	(540,363)	(19)	(540,382)
3. Total	**71,793**	**451**	**72,244**	**(29,077)**	**425**	**(28,652)**
A.2 Amounts recorded in the statement of comprehensive income						
1. Total net financial result of investments	(13,334)	-	(13,334)	122,967	-	122,967
2. Net revenues/costs of a financial nature of insurance contracts issued	9,032	-	9,032	(113,349)	-	(113,349)
3. Total	**(4,302)**	**-**	**(4,302)**	**9,618**	**-**	**9,618**
B. Net insurance and financial result						
1. Net profit (loss) on insurance services	96,012	274	96,286	70,711	642	71,353
2. Total net financial result of investments	564,022	495	564,517	634,253	444	634,697
3. Net financial result of insurance contracts	(496,531)	(44)	(496,575)	(653,712)	(19)	(653,731)
4. Total	**163,503**	**725**	**164,228**	**51,252**	**1,067**	**52,319**

Section 12 - Administrative expenses – Item 190

12.1 Personnel expenses: breakdown

Type of expense/Values	Total 2025	Total 2024
1) Employees	**(1,772,570)**	**(1,915,220)**
a) wages and salaries	(1,218,364)	(1,179,063)
b) social security contributions	(315,007)	(310,418)
c) severance indemnities	(76,573)	(74,602)
d) pension expenses	(510)	(425)
e) provisions for employee severance pay	(6,550)	(8,405)
f) provisions for post-employment benefits and similar obligations:	(2,651)	(3,082)
- defined contribution	(208)	(215)
- defined benefit	(2,443)	(2,867)
g) payments to external supplementary pension funds:	(43,423)	(43,869)
- defined contribution	(43,423)	(43,869)
- defined benefit	-	-
h) costs deriving from share-based payment agreements	(14,424)	(11,309)
i) other employee benefits	(95,068)	(284,047)
2) Other personnel in service	**(1,330)**	**(570)**
3) Directors and statutory auditors	**(8,836)**	**(5,646)**
4) Retired personnel	**(304)**	**(251)**
Total	**(1,783,040)**	**(1,921,687)**

12.2 Average number of employees per category

	2025	2024
1) Employees	**18,276**	**18,662**
a) executives	385	290
b) total middle managers	8,126	7,741
of which: 3rd and 4th level	3,720	3,815
c) remaining employees	9,765	10,631
2) Other personnel	**51**	**32**
Average number of personnel	**18,327**	**18,694**

The average number of employees does not include directors and statutory auditors. In the case of employees, part-time is conventionally considered as 70%.

12.3 Defined benefit company pension funds: costs and revenues

	Total 2025	Total 2024
- Social security costs relative to current work provided	(130)	(113)
- Financial expense	(2,313)	(2,754)
- Expected return on plan assets	-	-
- Actuarial gains and losses	-	-
- Social security costs relative to past work provided	-	-
- Gains and losses from reductions or extinctions	-	-
Total	**(2,443)**	**(2,867)**

12.4 Other employee benefits

Other employee benefits, the costs of which are shown in table 12.1 above, under "i) other employee benefits", amounted to 95.1 million (284.0 million in 2024); the reduction compared to the previous year is influenced by the different incidence of charges relating to the solidarity fund and retirement incentives.

This item also includes costs relating to the Group's welfare system, such as - for example - the so-called "welfare" company bonus, luncheon vouchers and costs of managing company canteens, health and injury policies for the benefit of employees, study grants, contributions to corporate social clubs, loyalty bonuses, costs relating to professional training and refresher courses.

12.5 Other administrative expenses: breakdown

Type of expense/Sector	Total 2025	Total 2024
a) Expenses relating to real estate	(68,541)	(63,933)
- condominium expenses	(8,524)	(7,465)
- maintenance of premises	(16,410)	(15,631)
- cleaning expenses	(10,603)	(9,474)
- electricity, water and heating	(33,004)	(31,363)
b) Indirect taxes and duties	(354,087)	(338,645)
c) Postal charges, telephone charges, printed materials and other office expenses	(20,280)	(19,255)
d) Maintenance and fees for furniture, machines and systems	(115,021)	(100,545)
- fees	(38,773)	(20,571)
- maintenance	(76,248)	(79,974)
e) Professional and advisory services	(114,234)	(82,779)
f) Fees for surveys and information	(9,699)	(9,105)
g) Security and armoured cars	(15,530)	(14,687)
h) Services from third parties	(236,996)	(241,188)
i) Advertising, entertainment and gratuities	(21,078)	(16,260)
l) Insurance premiums	(10,658)	(10,548)
m) Transport, hiring and travel	(6,675)	(6,066)
- hiring	(1,397)	(902)
- other expenses	(5,278)	(5,164)
n) Banking industry charges	(14,111)	(105,032)
- ordinary contribution to the Interbank Deposit Guarantee Fund	(7,738)	(98,725)
- ordinary contributions to the IVASS Guarantee Fund	(6,373)	(6,307)
o) Other costs and sundry expenses	(55,326)	(43,896)
Total	**(1,042,236)**	**(1,051,939)**

The sub-items "d) Maintenance and fees for furniture, machines and systems" and "m) Transport, hiring and travel – hiring" include the hiring of software, short-term or low value hiring of machinery and automobiles and support fees relating to hiring.

Contributions to deposit guarantee schemes and resolution mechanisms

Charges related to the banking system

As regards the Single Resolution Fund (SRF), the contribution period ended in 2023 and no requests for extraordinary contributions were received in 2025.

For the Interbank Deposit Guarantee Fund (FITD), the contribution period had ended in 2024, with the charge of 98.7 million; however, on 18 December 2025, the FITD board defined the amount of the total contribution due by the consortium banks for 2025. The portion charged to Banco BPM Group amounts to 7.7 million.

Charges related to the insurance system (Life insurance guarantee fund)

In this regard, it should be noted that for the fund in question, the charge estimated by the Group and charged to the income statement for 2025 amounted to 6.4 million (6.3 million in 2024), mainly attributable to the Group's insurance companies.

The above-indicated amounts are shown in the table above under sub-item "n) Banking industry charges".

For more details on banking industry charges, please refer to "Part A – Accounting policies, A.1, Section 5 – Other aspects, Other significant aspects relating to Group accounting policies" of these Notes to the financial statements.

Fee to guarantee the convertibility of DTAs - legislative changes to Decree Law no. 59/2016

Please note that Art. 11 of Italian Decree Law no. 59 of 3 May 2016, converted with amendments into Italian Law no. 119 of 30 June 2016, introduced an optional regime by virtue of which the guarantee on the convertibility into tax credits of deferred tax assets (DTAs) which meet the requirements laid out in Law no. 214 of 22 December 2011 is subject to the payment of a fee, due for the years starting from 31 December 2015 until 31 December 2029, to be determined on an annual basis.
On 21 February 2017, the law (Law no. 15 of 17 February 2017) converting the "Salva Risparmio" Decree Law was published in the Official Gazette. In detail, Art. 26-bis, paragraph 4 amended Art. 11 of Decree Law 59/2016, postponing the period for which the annual fee is due, which is now from 31 December 2016 until 31 December 2030.
Pursuant to these regulatory references, the exercise of this option, which was carried out in 2016 by both groups involved in the merger, is considered irrevocable.
In more detail, the annual fee to be paid to ensure the convertibility of the above-mentioned deferred tax assets into tax credits must be determined on an annual basis by applying the rate of 1.5% to a base obtained by adding the difference between the convertible deferred tax assets recognised in the financial statements for the previous year and the corresponding deferred tax assets recognised in the 2007 financial statements, to the amount of conversions of the same deferred tax assets carried out from 2008 until the previous year, and subtracting the taxes set forth in the Decree and paid with reference to the above-mentioned tax periods (base also referred to as "type 2 DTAs"). The fees are deductible for both IRES and IRAP purposes in the year in which they are paid.
By virtue of the cited legislative provisions, in the income statement item in question ("190. b) Other administrative expenses"), the charges accruing during 2025 were added, which came to 8.0 million (17.0 million was charged to the income statement in 2024); these amounts are entirely attributable to the Parent Company.

Section 13 - Net provisions for risks and charges – Item 200

13.1 Net provisions for credit risk relating to commitments to disburse funds and financial guarantees given: breakdown

	Allocations	Recoveries	Total 2025	Total 2024
Commitments to disburse funds and financial guarantees given	(5,644)	6,881	1,237	2,074

Net provisions related to credit risk on commitments to disburse funds and financial guarantees given amounted to 1.2 million.
For details of the aforementioned commitments and guarantees, please refer to table 1 of "Other information" in liabilities in "Part B – Information on the Consolidated balance sheet" of these Notes to the financial statements.

13.2 Net provisions for other commitments and guarantees given: breakdown

	Allocations	Recoveries	Total 2025	Total 2024
Other commitments and guarantees given	(2,719)	19,226	16,507	10,400

Net provisions related to credit risk on other commitments and other commercial guarantees given amounted to 16.5 million.
For details of the aforementioned commitments and guarantees, please refer to table 2 of "Other information" in liabilities in "Part B – Information on the Consolidated balance sheet" of these Notes to the financial statements.

13.3 Net provisions for other risks and charges: breakdown

	Allocations	Recoveries	Total 2025	Total 2024
Risks and charges for legal disputes	(36,534)	11,673	(24,861)	(11,042)
Other risks and charges	(11,705)	10,275	(1,430)	(23,624)
Total	**(48,239)**	**21,948**	**(26,291)**	**(34,666)**

Net provisions for other risks and charges amounted to 26.3 million and mainly refer to provisions for legal disputes with customers.
For more details on the allocations made, refer to the disclosure set out in "Section 10 - Provisions for risks and charges – Item 100" of liabilities in "Part B – Information on the Consolidated balance sheet" of these Notes to the consolidated financial statements.

Section 14 - Depreciation and impairment losses on property, plant and equipment – Item 210

14.1 Depreciation and impairment losses on property, plant and equipment: breakdown

Assets/Income components	Depreciation (a)	Impairment losses (b)	Recoveries (c)	Net result (a + b - c)
A. Property, plant and equipment				
1. Used in operations	(156,232)	(722)	-	(156,954)
- Owned	(41,103)	(455)	-	(41,558)
- Rights of use acquired through leases	(115,129)	(267)	-	(115,396)
2. Held for investment purposes	-	-	-	-
- Owned	-	-	-	-
- Rights of use acquired through leases	-	-	-	-
3. Inventories	X	-	-	-
Total	**(156,232)**	**(722)**	**-**	**(156,954)**

Section 15 - Amortisation and impairment losses on intangible assets – Item 220

15.1 Amortisation and impairment losses on intangible assets: breakdown

Asset/Income components	Amortisation (a)	Impairment losses (b)	Recoveries (c)	Net result (a + b - c)
A. Intangible assets				
of which: software	(117,727)	-	-	(117,727)
A.1 Owned	(171,476)	(3,352)	-	(174,828)
- Internally generated	(183)	-	-	(183)
- Other	(171,293)	(3,352)	-	(174,645)
A.2 Rights of use acquired through leases	-	-	-	-
Total	**(171,476)**	**(3,352)**	**-**	**(174,828)**

Value adjustments for impairment, totalling 3.4 million, are attributable for 2.8 million to impairment relating to software no longer used and for 0.6 million to write-downs of the Client Relationship referring to Kairos SGR, recognised as part of the Anima Group PPA, as described in "Section 10 - Intangible assets – Item 100" in "Part B – Information on the Consolidated balance sheet" of these Notes to the financial statements.

Section 16 - Other operating expenses/income – Item 230

16.1 Other operating expenses: breakdown

	Total 2025	Total 2024
Expenses on leased assets	(8,912)	(13,768)
Other	(47,283)	(38,892)
Total	**(56,195)**	**(52,660)**

The sub-item "Expenses on leased assets" relates to the costs incurred on assets used as collateral for non-performing exposures or properties subject to *datio in solutum* for the management, maintenance and resale of assets under finance lease with impact on comprehensive income.

Sub-item "Other" includes legal settlement charges exceeding the provisions allocated of 13.1 million (12.1 million in the previous year), operating losses relative to branch management (robbery, fraud, theft and other damages) of 5.4 million (3.3 million in 2024), as well as contingent liabilities and other contingencies.

16.2 Other operating income: breakdown

	Total 2025	Total 2024
Income on current accounts and loans	5,698	6,269
Tax recoveries	302,763	283,123
Expense recoveries	25,122	24,940
Rental income on real estate	19,768	34,673
Other	29,585	72,939
Total	**382,936**	**421,944**

The sub-item "Income on current accounts and loans" refers to the "commissione di istruttoria veloce" (fast track fee) introduced by Decree Law 201 of 6 December 2011, converted by Law 214/2011.

Section 17 - Gains (losses) of associates and joint ventures – Item 250

17.1 Gains (losses) of associates and joint ventures: breakdown

Income components/Sectors	Total 2025	Total 2024
1) Companies under joint control		
A. Income	**-**	**-**
1. Revaluations	-	-
2. Gains on disposal	-	-
3. Recoveries	-	-
4. Other income	-	-
B. Charges	**-**	**-**
1. Write-downs	-	-
2. Losses on impairment	-	-
3. Losses on disposal	-	-
4. Other charges	-	-
Net result	-	-
2) Companies subject to significant influence		
A. Income	**326,534**	**153,460**
1. Revaluations	120,911	153,460
2. Gains on disposal	205,623	-
3. Recoveries	-	-
4. Other income	-	-
B. Charges	**(2,629)**	**(49,206)**
1. Write-downs	-	(1,771)
2. Losses on impairment	(2,629)	(42,446)
3. Losses on disposal	-	-
4. Other charges	-	(4,989)
Net result	**323,905**	**104,254**
Total	**323,905**	**104,254**

Sub-items "A.1 Revaluations" and "B.1 Write-downs" encompass gains and losses deriving from measurement of interests in companies subject to significant influence using the equity method.
It should be noted that in 2025, the companies valued at equity of the Group recorded exclusively profits. In greater detail, these profits refer for 81.6 million to Agos Ducato, for 15.2 million to the positive result of the first quarter of Anima Holding (i.e. to the contribution before acquisition of control), for 9.0 million to Alba Leasing, for 6.7 million to Numia Group, 3.6 million to PiùVera Assicurazioni, 2.9 million to Gardant Liberty Servicing; the remaining 1.9 million refers to the profits realised by the other Group companies.

Sub-item "A.2 Gains on disposal" includes the effect of the revaluation of the interest (21.973%), held in Anima Holding before the public tender offer, as part of the Purchase Price Allocation, equal to 205.6 million. For more details, please refer to "Part G – Business combinations regarding companies or divisions".

The amount indicated in sub-item "B.2 Losses on impairment" represents the write-down recorded on Gardant Liberty Servicing, as illustrated in "Section 7 - Interests in associates and joint ventures - Item 70" in the assets of "Part B - Information on the Consolidated balance sheet".

Section 18 - Fair value gains (losses) on property, plant and equipment and intangible assets – Item 260

18.1 Fair value (or revalued value) gains (losses) or estimated realisable value gains (losses) on property, plant and equipment and intangible assets: breakdown

Asset/Income components	Revaluations (a)	Write-downs (b)	Exchange rate differences		Net result (a-b+c-d)
			Positive (c)	Negative (d)	
A. Property, plant and equipment	**26,553**	**(33,844)**	**-**	**-**	**(7,291)**
A.1 Used in operations:	7,453	(7,267)	-	-	186
- Owned	7,453	(7,267)	-	-	186
- Rights of use acquired through leases	-	-	-	-	-
A.2 Held for investment purposes:	19,100	(26,577)	-	-	(7,477)
- Owned	19,100	(26,577)	-	-	(7,477)
- Rights of use acquired through leases	-	-	-	-	-
A.3 Inventories	-	-	-	-	-
B. Intangible assets	**-**	**-**	**-**	**-**	**-**
B.1 Owned:	-	-	-	-	-
B.1.1 Internally generated	-	-	-	-	-
B.1.2 Other	-	-	-	-	-
B.2 Rights of use acquired through leases	-	-	-	-	-
Total	**26,553**	**(33,844)**	**-**	**-**	**(7,291)**

This item includes the results of the fair value measurement of "revalued property, plant and equipment used in operations" and "property, plant and equipment held for investment purposes", represented by owned real estate assets and by valuable works of art.

Section 19 - Value adjustments to goodwill – Item 270

19.1 - Value adjustments to goodwill: breakdown

The results of impairment testing on goodwill recorded in the financial statements led to the recognition in the income statement of an adjustment of 1.2 million relating to the goodwill of Oaklins Italy.

For a description of the methods used to perform impairment tests on goodwill, please see "Section 10 - Intangible assets - Item 100" of assets in "Part B - Information on the Consolidated balance sheet" 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

Income components/Sectors	Total 2025	Total 2024
A. Real estate	**3,038**	**1,860**
- Gains on disposal	3,927	3,171
- Losses on disposal	(889)	(1,311)
B. Other assets	**94**	**500,568**
- Gains on disposal	319	500,593
- Losses on disposal	(225)	(25)
Net result	**3,132**	**502,428**

Sub-item "B. Other assets - Gains on disposal" in the previous year had included the effects attributable to the transactions completed on 30 September 2024 for the reorganisation of the payment systems segment equal to 500.0 million.

Section 21 - Taxation charge related to profit or loss from continuing operations – Item 300

21.1 Taxation charge related to profit or loss from continuing operations: breakdown

Income components/Sectors	Total 2025	Total 2024
1. Current taxes (-)	(443,909)	(90,238)
2. Changes in current taxes for previous years (+/-)	4,419	(466)
3. Decreases in current taxes for the year (+)	22,719	145
3.bis Decreases in current taxes for the year due to tax credits pursuant to Italian Law no. 214/2011 (+)	83,374	188,670
4. Change in deferred tax assets (+/-)	(420,307)	(760,583)
5. Change in deferred tax liabilities (+/-)	(5,468)	(13,388)
6. Income taxes for the year (-) (-1+/-2+3+3bis+/-4+/-5)	**(759,172)**	**(675,860)**

21.2 Reconciliation between theoretical tax charge and actual tax charge

IRES	2025	2024
Profit (loss) before tax from continuing operations	**2,861,955**	**2,596,242**
Negative components of gross profit (loss) not definitively significant (+)	**284,980**	**82,452**
Non-deductible interest expense	790	1,920
Capital losses from disposal/valuation of interests in associates and joint ventures/OCI	3,228	1,944
Non-deductible taxes other than income taxes	4,597	9,518
Non-deductible loan losses	432	643
Administrative expenses with limited deductibility	5,078	4,114
Other non-deductible expenses	15,847	37,508
Goodwill impairment	-	-
Losses of foreign companies	183	1,465
Consolidation effects of intragroup equity interests	208,913	-
Allocations	2,402	3,487
Other	43,510	21,853
Positive components of gross profit (loss) not definitively significant (-)	**(683,793)**	**(611,524)**
Insignificant portion of capital gains from disposal/valuation of interests in associates and joint ventures/OCI	(557,354)	(91,585)
Insignificant portion of dividends before consolidation entries	(226,159)	(85,827)
Cancellation of intragroup dividends	130,774	81,464
Consolidation effects of intragroup equity interests	-	(21,913)
Income from foreign companies	(26,740)	-
Other	(4,314)	(493,663)
Definitive increases not associated with gross profit (loss) elements (+)	**646**	**443**
Other	646	443
Definitive decreases not associated with gross profit (loss) elements (-)	**(14,996)**	**(11,082)**
Lump sum 10% IRAP deduction and cost of labour for employees IRAP deduction	(229)	(51)
Other	(14,767)	(11,031)
IRES calculation base, income statement	**2,448,792**	**2,056,531**
IRES nominal rate	24%	24%
Actual IRES	**(587,710)**	**(493,567)**
IRES tax rate	**(20.54%)**	**(19.01%)**

IRAP	2025	2024
Profit (loss) before tax from continuing operations	**2,861,955**	**2,596,242**
Negative components of gross profit (loss) not definitively significant (+)	**469,243**	**258,040**
Non-deductible interest expense	1,296	1,315
Non-deductible portion of amortisation/depreciation of assets used in operations	31,727	29,350
Other non-deductible administrative expenses	134,385	146,379
Personnel expenses net of deductions allowed (tax wedge reduction, disabled, etc.)	54,907	5,456
Other value adjustments pursuant to item 130 of the income statement	1,615	11,392
Net provisions for risks and charges	11,941	23,453
Other operating expenses	440	-
Losses on interests in associates and joint ventures	467	590
Goodwill impairment	-	-
Consolidation effects of intragroup equity interests	208,913	-
Other	23,552	40,105
Positive components of gross profit (loss) not definitively significant (-)	**(682,384)**	**(709,800)**
Gains on interests in associates and joint ventures	(568,673)	(83,393)
Insignificant portion of dividends before consolidation entries	(125,946)	(61,232)
Cancellation of intragroup dividends	130,774	81,464
Other operating income	(26,109)	(43,468)
Profits on disposal of insignificant investments	(240)	(475,500)
Consolidation effects of intragroup equity interests	-	(21,913)
Income from foreign companies	(26,740)	-
Other	(65,450)	(105,758)
Definitive increases not associated with gross profit (loss) elements (+)	**-**	**6,655**
Adjustments to neutralise negative value of production	-	-
Other	-	6,655
Definitive decreases not associated with gross profit (loss) elements (-)	**(3,104)**	**(32,141)**
Other	(3,104)	(32,141)
IRAP calculation base, income statement	**2,645,710**	**2,118,996**
Nominal average weighted IRAP rate	5.57%	5.58%
Actual IRAP	**(147,272)**	**(118,309)**
IRAP tax rate	**(5.15%)**	**(4.56%)**

IRES and IRAP not accruing during the year and other taxes	2025	2024
Total impact	**(24,190)**	**(63,984)**
IRES - Current taxes and deferred tax assets and liabilities from previous years	4,515	(236)
IRES - Additional 3.5% rate	(73,660)	(69,065)
IRAP - Current taxes and deferred tax assets and liabilities from previous years	8,993	6,810
IRAP - Additional 2% rate adjustment	40,215	
Foreign taxes - other	(4,253)	(1,493)
IRES and IRAP tax rate not accruing during the year and other taxes	**(0.85%)**	**(2.46%)**

Total taxes on gross profit (loss)	2025	2024
Total IRES + IRAP + Other taxes	**(759,172)**	**(675,860)**
Total tax rate	**(26.53%)**	**(26.03%)**

It should be noted that the only taxes referring to countries other than Italy amounted to 4.3 million (1.5 million for 2024), as indicated in the previous table, and refer to taxes determined pursuant to Swiss tax regulations for the

subsidiaries Bipielle Bank (Suisse) S.A. in liquidation and Banca Aletti & C. (Suisse) S.A. based in Switzerland and Irish tax regulations for the subsidiary BBPM Life.

Section 22 - Profit (loss) after tax from discontinued operations – Item 320

22.1 Profit (loss) after tax from discontinued operations: breakdown

This item was blank for the current year and the previous year. Therefore, the related table is omitted.

22.2 Breakdown of taxation charge related to profit or loss from discontinued operations

This item was blank for the current year and the previous year. Therefore, the related table is omitted.

Section 23 - Profit (loss) for the year attributable to non-controlling interests – Item 340

23.1 Breakdown of item 340 "profit (loss) for the year attributable to non-controlling interests"

Company names	2025	2024
Interests in consolidated companies with significant non-controlling interests	(20,498)	-
Other interests	(298)	11
Total	**(20,796)**	**11**

The line "Interests in associates and joint ventures consolidated with significant non-controlling interests" includes the profits of the minorities of the companies of the Anima Group.

Section 24 - Other information

There is no other significant information other than that already provided in the above sections.

Section 25 - Earnings per share

	31/12/2025		31/12/2024	
	Basic EPS	Diluted EPS	Basic EPS	Diluted EPS
Weighted average of ordinary shares (number)	1,503,601,934	1,503,601,934	1,505,001,132	1,505,001,132
Attributable profit (loss) (thousands of euro)	2,075,987	2,075,987	1,915,393	1,915,393
EPS (euro)	**1.381**	**1.381**	**1.273**	**1.273**

25.1 Average number of ordinary shares with diluted capital

Note that as at 31 December 2025, the Basic EPS matched the Diluted EPS, as there were no financial instruments with potential dilution effects.

25.2 Other information

There is no other significant information other than that already provided in the above sections.

PART D – STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME

Analytic statement of consolidated comprehensive income

Items		31/12/2025	31/12/2024
10.	**Profit (loss) for the year**	**2,102,783**	**1,920,382**
	Other comprehensive income without reclassification to the income statement	**259,001**	**103,346**
20.	Equity instruments designated at fair value through other comprehensive income:	301,877	72,715
	a) fair value change	299,893	72,522
	b) transfers to other shareholders' equity components	1,984	193
30.	Financial liabilities designated at fair value through profit and loss (changes to its own credit risk):	(42,978)	(18,817)
	a) fair value change	(38,178)	(18,817)
	b) transfers to other shareholders' equity components	(4,800)	-
40.	Hedges of equity instruments designated at fair value through other comprehensive income:	-	-
	a) fair value change (hedged instrument)	-	-
	b) fair value change (hedging instrument)	-	-
50.	Property, plant and equipment	12,270	46,890
60.	Intangible assets	-	-
70.	Defined benefit plans	6,767	(748)
80	Non-current assets and disposal groups held for sale	-	-
90.	Share of valuation reserves related to interests in associates and joint ventures carried at equity	(6,669)	25,245
100.	Revenues or costs of a financial nature relating to insurance contracts issued	-	-
110.	Income taxes relative to other comprehensive income without reclassification to the income statement	(12,266)	(21,939)
	Other comprehensive income with reclassification to the income statement	**205,768**	**(28,730)**
120.	Foreign investment hedges:	270	1,308
	a) fair value changes	270	1,308
	b) reclassification to income statement	-	-
	c) other changes	-	-
130.	Exchange rate differences:	374	(7,474)
	a) changes in value	-	-
	b) reclassification to income statement	-	-
	c) other changes	374	(7,474)
140.	Cash flow hedges:	(12,678)	29,606
	a) fair value changes	(12,678)	29,606
	b) reclassification to income statement	-	-
	c) other changes	-	-
	of which: result of net positions	-	-
150.	Hedging instruments (non-designated items):	-	-
	a) changes in value	-	-
	b) reclassification to income statement	-	-
	c) other changes	-	-
160.	Financial assets (other than equity instruments) measured at fair value through other comprehensive income:	511,180	65,548
	a) fair value changes	155,386	(609)
	b) reclassification to income statement	115,241	(8,405)
	- losses on credit risk	(591)	(345)
	- profit/loss from disposal	115,832	(8,060)
	c) other changes	240,553	74,562

Items	31/12/2025	31/12/2024
170. Non-current assets and disposal groups held for sale:	-	-
a) fair value changes	-	-
b) reclassification to income statement	-	-
c) other changes	-	-
180. Share of valuation reserves related to interests in associates and joint ventures carried at equity:	3,884	(5,463)
a) fair value changes	3,884	(5,463)
b) reclassification to income statement	-	-
- impairment adjustments	-	-
- profit/loss from disposal	-	-
c) other changes	-	-
190. Revenues or costs of a financial nature relating to insurance contracts issued:	(11,616)	(137,369)
a) fair value changes	13,559	-
b) reclassification to income statement	-	-
c) other changes	(25,175)	(137,369)
200. Revenues or costs of a financial nature relating to reinsurance:	-	-
a) fair value changes	-	-
b) reclassification to income statement	-	-
c) other changes	-	-
210. Income taxes relative to other comprehensive income with reclassification to the income statement	(285,646)	25,114
220. Total other comprehensive income	**464,769**	**74,616**
230. Comprehensive income (Items 10+220)	**2,567,552**	**1,994,998**
240. Consolidated comprehensive income attributable to non-controlling interests	34,770	(11)
250. Consolidated comprehensive income attributable to the Parent Company	**2,532,782**	**1,995,009**

PART E – INFORMATION ON RISKS AND RELATED HEDGING POLICIES

This Part E provides information on the Group's risk profiles, relating to the management and hedging policies for (credit, market, liquidity and operational) risks implemented by the Group, including those relating to operations in derivative financial instruments and insurance companies.
For more information on the monitoring and management of risks of Banco BPM Group (capital adequacy, exposure to risks and the general characteristics of the systems set in place to manage and control them) refer to the document "Disclosure to the Public by Entities - Pillar III", in accordance with the applicable external and internal legislation and made available, within the terms provided by the regulations in the Investor Relations section of the website www.gruppo.bancobpm.it.

Section 1 - Risks of the consolidated book

QUANTITATIVE INFORMATION

A. Credit quality

A.1 Non-performing and performing credit exposures: outstanding amounts, value adjustments, changes and economic distribution

A.1.1 Distribution of financial assets by portfolio and by credit quality (book values)

Portfolio/quality	Bad loans	Unlikely to pay	Non-performing past-due exposures	Performing past-due exposures	Performing exposures	Total
1. Financial assets at amortised cost	354,685	1,585,583	39,257	549,044	132,997,298	135,525,867
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	24,999,620	24,999,620
3. Financial assets designated at fair value	-	-	-	-	-	-
4. Other financial assets mandatorily measured at fair value	388	116,152	-	41	1,324,582	1,441,163
5. Financial assets held for sale	18,394	32,307	-	-	-	50,701
Total 31/12/2025	**373,467**	**1,734,042**	**39,257**	**549,085**	**159,321,500**	**162,017,351**
Total 31/12/2024	**548,745**	**1,757,471**	**110,026**	**496,449**	**152,015,730**	**154,928,421**

Information on the portfolio to which forborne credit exposures belong

As at 31 December 2025, net forborne exposures amounted to 2,156.1 million (of which 932.4 million non-performing and 1,223.7 million performing) and were mainly attributable to the portfolio of "Financial assets at amortised cost - loans to customers"; for further information on these exposures, reference should be made to table "A.1.5 Prudential consolidation – On- and off-balance sheet credit exposures to customers: gross and net values" below.

A.1.2 Distribution of financial assets by portfolio and by credit quality (gross and net values)

Portfolio/quality	Non-performing				Performing			Total (net exposure)
	Gross exposure	Total value adjustments	Net exposure	Total partial write-offs*	Gross exposure	Total value adjustments	Net exposure	
1. Financial assets at amortised cost	3,023,121	(1,043,596)	1,979,525	47,251	134,006,161	(459,819)	133,546,342	135,525,867
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	25,004,768	(5,148)	24,999,620	24,999,620
3. Financial assets designated at fair value	-	-	-	-	X	X	-	-
4. Other financial assets mandatorily measured at fair value	221,045	(104,505)	116,540	-	X	X	1,324,623	1,441,163
5. Financial assets held for sale	235,730	(185,029)	50,701	1,992	-	-	-	50,701
Total 31/12/2025	**3,479,896**	**(1,333,130)**	**2,146,766**	**49,243**	**159,010,929**	**(464,967)**	**159,870,585**	**162,017,351**
Total 31/12/2024	**4,231,709**	**(1,815,467)**	**2,416,242**	**98,179**	**152,194,162**	**(459,651)**	**152,512,179**	**154,928,421**

(*) Value to be shown for disclosure purposes

Portfolio held for trading and derivatives

The following table shows the credit quality of credit exposures classified as financial assets held for trading (securities and derivatives) and hedging derivatives (not shown in the table above):

Portfolio/quality	Assets of evident poor credit quality		Other assets Net exposure
	Cumulative capital losses	Net exposure	
1. Financial assets held for trading	(763)	546	11,105,437
2. Hedging derivatives	-	-	834,792
Total 31/12/2025	**(763)**	**546**	**11,940,229**
Total 31/12/2024	**(1,183)**	**351**	**5,806,473**

B. Disclosure of structured entities (other than the companies for securitisation)

B.1 Consolidated structured entities

During the year, the "Anima Valore Obbligazionario" and "Private Equity Opportunities (PEO)" funds entered the scope of accounting consolidation (but not for regulatory purposes).
For details on the consolidation of these funds, please refer to "Part A - Accounting Policies, A.1, Section 3 - Scope of consolidation and methods" of these Notes to the financial statements.

During the year, no form of financial support was provided to the aforementioned structured entities.

B.2 Unconsolidated structured entities

B.2.1 Prudentially consolidated structured entities

As at 31 December 2025, there were no structured entities prudentially consolidated in the accounts, included in the scope of Banco BPM Banking Group.

B.2.2 Other structured entities

The Group's overall exposure in other structured entities is represented by investments in UCIT units (funds and SICAVs). As at 31 December 2025, this exposure amounted to 8,972.1 million (6,831.9 million as at 31 December 2024) and was classified for 8.1 million in the portfolio of financial assets held for trading and for 8,964.0 million in the portfolio of financial assets mandatorily measured at fair value.

The above-mentioned interests are held by the Group to meet its investment needs, following the multi-originator sales of non-performing loans, as well as assets underlying the insurance products issued by the Group.

For further details please refer to:

- the information provided in the tables breaking down items 20 a) and 20 c) of the balance sheet assets, contained in "Part B – Information on the consolidated balance sheet" of these Notes to the financial statements;
- the information provided in table 4 of "Part B - Information on the consolidated balance sheet, Other information" of these Notes to the financial statements;
- "Section 2 - Risks of prudential consolidation, D.3 Sale transactions, Financial assets sold and fully derecognised" below.

The structured entities in which the Group's involvement goes beyond the mere holding of units, refer to the funds and SICAVs established and managed by the Asset Management Companies of the Anima Group, whose total Net asset value amounts to approximately 81 billion. In addition to the receivables due from the aforementioned entities for fees and commissions to be collected, the Group has asset and liability relations with the same, mainly referring to current accounts, loans and derivative contracts, as detailed in the following table.

(thousands of euro) **Accounting portfolios of assets**	**Total assets (A)**	**Accounting portfolios of liabilities**	**Total liabilities (B)**	**NET BOOK VALUE (C=A-B)**	**Maximum exposure to risk of loss (D)**	**Difference between exposure to risk of loss and book value (D)**
Total assets	**102,941**	**Total liabilities**	**14,618**	**88,323**	**106,320**	**17,997**
of which: Financial assets held for trading	13,856	of which: Liabilities at amortised cost - Due to customers	6,177			
of which: Financial assets mandatorily measured at fair value	8,737	of which: Financial liabilities held for trading	8,440			
of which: Assets at amortised cost Loans to customers	80,347					

The maximum exposure to risk includes the Group's commitments, not yet called up by the fund, to subscribe additional units.
It should be noted that during the year no form of financial support was provided to the aforementioned structured entities.

For the UCIT units managed by the Group, net management fees amounted to 644 million (zero in 2024); for UCIT units managed by third-party companies with respect to the Group, distribution fees amounted to 228 million (492 million in 2024), as shown in the tables in "Part C - Information on the consolidated income statement, Section 2 - Fees and Commissions - Items 40 and 50". The change compared to the previous year is justified by the acquisition of control of the Anima Group in April 2025.

Section 2 - Risks of prudential consolidation

Group Risk Appetite Framework (RAF)

During the first quarter of 2025, the Board of Directors of the Parent Company Banco BPM approved the Risk Appetite Framework (hereinafter also "RAF") for the material risk areas, which the Group and the individual Legal Entities, relevant for RAF purposes (including insurance companies) are or could be exposed to. Through this instrument, the Body with Strategic Supervision Functions approves the level of risk that the Group is willing to assume in pursuing its strategic objectives.

The framework comprises the following basic elements:

- governance, which defines the roles and responsibilities of the parties involved and the information flows between them, including the escalation process if the thresholds are exceeded;
- the system of metrics, which summarises risk exposure;
- the system of thresholds, through which the risk appetite is defined;
- the instruments and procedures, which support the representation and operational management of the RAF, including "Most Significant Transactions (MST)".

The RAF is the tool that makes it possible to establish, formalise, communicate, approve and monitor the risk objectives that the Group and the individual relevant Legal Entities intend to assume. To this end, it is divided into thresholds and risk areas that make it possible to identify in advance the levels and types of risk that the Group intends to assume, stating the roles and responsibilities of the Corporate Bodies and Functions involved in the process of managing these risks. The RAF indicators are structured by risk area and make use of the risk identification process, taking into account regulatory indications regarding Risk Governance. All relevant risks identified during this process are considered when defining the Risk Appetite Framework, and specific indicators are identified to monitor them. The Group's RAF perimeter made it possible to identify a set of indicators divided into the main risk areas: Capital adequacy, Credit/asset quality & structure, Liquidity/funding & IRRBB, Profitability, Operational/conduct/ICT, cyber, ESG-specific and Other relevant topics. With regard to the risk areas, in 2025 the "ESG Specific" area was introduced, referring to ESG indicators linked to the Strategic Plan guidelines and NZBA targets. The additional RAF indicators related to ESG issues (called KSI - Key Sustainability Indicators) for which the Group has not defined specific objectives in the Plan, are included in the risk areas referring to them.

The indicators that summarise the Group's risk profile for the above risk areas are divided into three levels, as shown below:

- Strategic Indicators: a limited and comprehensive number of metrics, which express the risk appetite approved by the Board of Directors, which represent the summary performance of the overall risk profile. These indicators, which include most of the indicators used to define the RAF Guidelines, are functional to the definition of the Budget and Strategic Plan objectives;
- Operational Indicators: metrics that integrate, breaking down the strategic indicators and anticipating the evolution of the risk profile. These metrics enable specific aspects of the main business processes to be encompassed and are usually monitored with greater frequency with respect to the strategic indicators, in line with their task of anticipating critical situations;
- Early Warning Indicators: metrics used for the implementation of strategies and/or predicting signs of deterioration of the strategic and operational indicators.

The system of thresholds is structured as follows:

- Target: the level of risk (overall and by type) to which the Group is willing to be exposed to pursue its strategic medium and long-term objectives, in line with the Group Strategic Plan;
- Trigger: a threshold which, if exceeded by the strategic and operational indicators, triggers the various escalation processes envisaged by the Framework. The trigger is also determined with stress tests. The system of limits used for operational purposes is defined in accordance with the Trigger values ("Risk Limits");
- Tolerance (tolerance threshold): is the maximum permitted deviation from the Risk Appetite. The tolerance threshold is set in such a way as to in any event guarantee the Group sufficient margins to be able to operate, also in stress conditions, within the maximum risk it can assume;
- Capacity (maximum risk that can be assumed): this is the maximum level of risk that the Group is able to assume without infringing regulatory requirements or other restrictions imposed by the shareholders or by the Supervisory Authority;
- Alert: this is the threshold defined for the Early Warning indicators, in order to anticipate the dynamics of higher level indicators and/or intercept potential critical issues.

In the event that the monitoring activity shows that the Trigger and Tolerance thresholds are exceeded or further deviated with respect to the last available figure, assisted by the structures under their responsibility, the Chief Risk Officer starts the escalation process with the preparation of an information note that illustrates the causes of the indicator dynamics and the potential intervention levers, to be sent to the pertinent Corporate Bodies and Committees (Chief Executive Officer or Board of Directors, supported by the internal Committees).

This framework is extended to the relevant Group companies[1], including the Group's insurance companies, with specific indicators referring to their respective risk areas. If the thresholds relating to these companies are exceeded, in addition to the process described above, a report is made to the respective Bodies and Committees of the Parent Company. In addition, all preparatory activities were carried out with the aim of formalising and defining an adequate RAF, a guiding tool for collecting and constantly monitoring the objectives set by Top Management, contextualised through suitable KPIs with dimensions closely linked to the specific company business in order to continuously pursue a path of environmental and social sustainability that supports the traditional economic sustainability of the Bank.

From an operating perspective, ex-ante risk management activities are also found in the process to manage the Most Significant Transactions - MST (relating to credit, finance, disposal of loans, etc.), which primarily involve the Risk Function, which must express a prior and non-binding opinion on all transactions categorised as such based on criteria established and regulated internally. In the credit area, the scope of application of the ex-ante opinions of the Risk Function envisages the issue of a prior opinion also for Transactions defined as Significant (ST), allowing the preventive assessment of a significantly higher number of loan transactions, both in the disbursement phase - with reference also to the SME portfolio - and in the phase of classification from higher to lower risk, and vice versa. The scope of the MSTs was expanded from the first quarter of 2025, including assessments relating to additional transactions that are particularly relevant for the management of reputational and operational risks; in addition, starting from the second quarter of the year, the Risk function expanded the assessments in the area of Leveraged Transactions on credit proposals that provide for the increase, modification or renewal of operating credit lines not already included among the transactions qualified as MST/ST.

[1] A Legal Entity relevant for RAF purposes is defined as a Group Company that meets defined qualitative and quantitative criteria, and for which a system of metrics and limits consistent with the company's business model is established. The materiality criterion used to define the RAF scope applies to both the prudential banking and insurance scopes.

Banco BPM Group promotes the dissemination of a solid risk culture. In light of the evolution of risks, the regulatory framework and the tools adopted to monitor them, training programmes are activated to support the Group's main projects and the development and updating of personnel skills and/or specific targets.
Every year, in collaboration with the competent Control Functions and Central Structures, the Academy unit prepares Training Plans on the Administrative Liability of Entities, Privacy-GDPR, Product Governance (POG) and Transparency, IVASS, Mifid2 and Anti-Money Laundering, in addition to Physical Security and Cybersecurity.
Note that courses were published on the prevention and governance of the risk of crime (Italian Legislative Decree 231/01), on the attention to be paid to the processing of personal data (Privacy-GDPR) and on ICT risk scenarios and security in the Banking Group.
With regard to Italian Legislative Decree 231, the training programme on Whistleblowing is continuing to help understand the value of the tool for the person and for the company, and increasingly promoting cultural evolution in terms of risk management and prevention. The programme involved the Branch Managers and will be progressively extended to the entire company population.
As further reinforcement of the risk culture, an initiative dedicated to Middle Management was set in place, to improve their knowledge and understanding of the RAF and its implications on the Group's operations. Management training activities were also launched to encourage listening and open communication and promote continuous improvement.
Note that training was provided following the entry into force of the AI Act and to support the adoption of AI, which promoted an understanding of new technological trends and an in-depth analysis of the regulatory and ethical aspects related to the introduction of new technologies and the man-machine relationship.
In the Cybersecurity area, initiatives continued to strengthen the skills of specific personnel. In addition to the tools traditionally used, Banco BPM has launched a training and professional development programme for IT personnel, with contributions from leading universities and institutions at international level.
Deanonymised simulated phishing campaigns were also launched, followed by training activities dedicated to specific targets, based on the results of the tests.
With regard to investment services, Banco BPM is continuing with its commitment to guaranteeing transparent and qualified relations with customers and promoting quality of service and the adoption of conduct consistent with investor protection. From this perspective, the courses on the rules governing inducement and good operating normal practice in financial consulting are worth mentioning. A further area of focus was assessing the potential negative effects of some investment decisions on sustainability factors.
The Corporate, Large Corporate and Third-Sector Entities structures were involved in updating activities on the regulatory changes introduced by Basel III Final and their impacts on RWA calculation and monitoring.
In the ESG area, in-depth training activities were provided on SLL - Sustainability Linked Loan products, addressed to the Commercial Network. A specialised course was also set in place for the Compliance and Audit functions, focusing on the regulatory framework and the evolution of the SFDR (Sustainable Finance Disclosure Regulation).

Monitoring and reporting activities

The risk monitoring and control activities performed by the Risk Function seek to ensure, at Group and individual Legal Entity level, the harmonised supervision of risks, by guaranteeing appropriate and timely information to the Corporate Bodies and Organisational Units involved in managing said risks, as well as ensuring the development and continuous improvement of the methods and models adopted for their measurement.

To this end, the Parent Company prepares periodic reports for the Corporate Bodies in line with the Group's internal policies. As part of integrated risk reporting prepared at Group and individual Legal Entity level, the Risk Function analyses the main risks to which the Group and the individual Legal Entities are exposed, and conducts a periodic assessment of the risk profile of the RAF indicators on the basis of the indicator's positioning with respect to the thresholds defined in the framework and/or the trend recorded, highlighting any areas for attention and improvement, for which specific analyses are provided which explain the relative trend. It should be noted that, at Insurance Company level, monitoring is carried out directly by the Company's Risk Function; the Parent Company's Risk Function integrates this information in its periodic reporting, in order to provide complete information on the Group's performance. Starting from RAF reporting on August 2025 data, information relating to the RAF positioning of the Anima Group indicators was also incorporated, which is monitored directly by the Risk Function of Anima Holding. Furthermore, at least on a quarterly basis an update is provided in integrated reporting on Recovery Plan indicator trend, with the support of the Recovery and Resolution Planning Function.
Positioning analyses (benchmarks) provide the Corporate Bodies of the Parent Company and top management with an at least six-monthly update on the Group's positioning, representing different comparisons on the main indicators with respect to the banking system identified by the EBA Risk Dashboard, or a significant European sample comparable

with Banco BPM Group, making use of the main findings and the risk metrics reported in the EBA Risk Dashboards, ECB Supervisory Banking Statistics and in the information contained in the Market Disclosure (Pillar III) documents, therefore enabling any opportunities for improving risk management to be identified.
A synthetic dashboard has also been prepared, which provides an overall view of the Group's positioning and of reference samples on the 10 main risk indicators of the EBA heatmap. In the insurance sector, positioning analyses consider the main solvency metrics posted in the Solvency and Financial Condition Reports (SFCR) published annually by insurance companies and groups, in line with Pillar III of the Solvency II regime, as well as the data in the Quantitative Reporting Templates (QRTs), produced by the companies and available on the ANIA InfoQRT portal.
A verification of current and forward-looking capital adequacy, both from a Pillar I (regulatory) perspective and from a Pillar II (economic) perspective, in accordance with the provisions of the ECB ICAAP Guidelines, is also reported periodically to the Committees and Corporate Bodies.

Pillar I and Pillar II capital adequacy

In order to provide its management team and the Supervisory Authority with a complete and informed disclosure, which confirms the adequacy of its own funds, the first defence against the risks assumed, Banco BPM Group assesses its capital situation from a current and future perspective, both as regards Pillar I and Pillar II, based on the external reference regulations.

As regards Pillar I, the Group's capital adequacy entails continuously monitoring and managing the capital ratios, calculated on the basis of the information provided by the Administration and Budget Function through the application of the rules established by Supervisory Regulations, in order to verify compliance with regulatory limits and to ensure that the minimum capitalisation levels required are maintained.
As regards Pillar II, the Risk Function is tasked with coordinating the internal process to determine the Group's capital adequacy, in accordance with regulatory provisions, and with making estimates, reported to the Corporate Bodies and included annually in the ICAAP (Internal Capital Adequacy Assessment Process) package submitted to the Supervisory Authorities.

Within ICAAP, capital adequacy is assessed by verifying compliance with both Pillar I and Pillar II capital constraints (capital reserve calculated as the ratio between Available Financial Resources (AFR) and capital requirements – Economic Capital (ECAP), calculated using advanced methods developed internally and validated by the competent corporate function), using the Risk Appetite Framework, as well as qualitative elements.
As regards Pillar II, monitoring is carried out every six months and reported to the Corporate Bodies.
Such activity guarantees the continuous performance of the autonomous assessment process required by the Supervisory Authority, enabling any vulnerable areas and/or elements relating to the Group to be identified, and at the same time defining the potential actions deemed most appropriate, with a view to maintaining adequate capital buffers to guarantee that the medium/long-term company strategies and objectives can be pursued.

Outcomes of internal validation activities

The Internal Validation Function conducts qualitative and quantitative analyses to assess the soundness and accuracy of Pillar I and Pillar II risk estimates.
It expresses an opinion on the regular functioning, on the predictive capacity, on the performance and on the prudence of the internal risk measurement methods.
From the analyses conducted in 2025, no significant gaps emerged in the methodologies used by the Group for risk measurement.

Pillar I and Pillar II liquidity adequacy

Banco BPM Group manages the adequacy of the liquidity profile both from a current and forward-looking perspective, with regard to Pillar I and Pillar II, on the basis of the regulatory framework of Basel III and the guidelines of the Supervisory Authority.

As regards Pillar I, the Group's liquidity adequacy is continuously monitored by two indicators: (i) the Liquidity Coverage Ratio (LCR), which seeks to enhance the short-term resilience of the Bank's liquidity risk profile by ensuring that it has sufficient high quality liquid resources to overcome an acute situation of stress that lasts for one month; (ii) the Net Stable Funding Ratio (NSFR), which seeks to improve longer-term resilience by providing the Bank with greater

incentives to fund its own activities by drawing from more stable sources of funding on a structural basis. This structural indicator has a timeline of one year and has been drawn up to guarantee that assets and liabilities have a sustainable structure by maturity. As part of the Pillar II, these indicators are supplemented by metrics developed internally, complementary to the regulatory liquidity indicators, and by stress tests.
The Group has also set in place an Internal Liquidity Adequacy Assessment Process (ILAAP) and strategy. In fact, the ILAAP is the internal process through which Banco BPM Group manages and monitors liquidity risk at Group level and assesses liquidity adequacy in both the short and medium/long-term. The ILAAP also includes an annual internal self-assessment of its overall liquidity risk management framework, aimed at continuous improvement of the same.

Other risks considered by the Group

The Risk Identification process identifies the current and future risks to which the Conglomerate is or could be exposed in normal and adverse conditions, and is functional to the main strategic processes (RAF, ICLAAP, Strategic Plan, Recovery Plan). This represents a structured and dynamic process that is carried out annually at Group level by the Risk Function, with the involvement of top management and business and control functions, including the main Group companies. The output of the process takes the form of the preparation and/or updating of:

- Long-list: represents the list of potential risks and risk factors to which the Financial Conglomerate is or may be exposed;
- Risk Inventory: represents the list of major risks to which the Financial Conglomerate is or could be exposed, including those that can be quantified and those managed through organisational controls;
- Risk Map: represents the list of only the major risks for the Financial Conglomerate, quantified through internal models or quantifiable with other regulatory measures.

The Parent Company, Banco BPM, guarantees the measurement, monitoring and management of the capital requirements for each type of significant risk and guarantees the supervision and quantification of the capital resources available to the Group to cover risk exposure, in order to fulfil the regulatory obligations of the First and Second Pillar.

For more details, please refer to the document "Public Disclosure - Pillar III", prepared in accordance with the applicable external and internal regulations and made available, in accordance with the law, in the Investor Relations section of the website www.gruppo.bancobpm.it.

Climate and environmental risks

As part of the periodic update of the Risk Identification process, Banco BPM Group has identified and analysed the various ESG risk factors, breaking them down between those specifically linked to climate/environmental aspects and those concerning governance and social sustainability.

Risk management is one of the fundamental components of Banco BPM Group's operating activities. The approach to risk management has evolved considerably in recent years, when the risk related to the effects of climate change was fully integrated as a driver for the development of medium/long-term business strategy, stimulating the various interested parties, including Banco BPM, to take proactive steps to meet the growing interest of the various stakeholders in this issue.
This need emerged in particular following the international commitment stated with the 2015 Paris Climate Agreement and with the European Climate Law (EU Regulation no. 1119 of 30 June 2021), which sets out a binding objective of climate neutrality in the European Union by 2050 and an interim target for reduction of greenhouse gas emissions by at least 55% by 2030 with respect to the levels recorded in 1990, extended in 2025 to the further objective of a reduction of at least 90% in greenhouse gas emissions by 2040 compared with the levels recorded in 1990.

In addition to all of the other activities undertaken as regards the analysis, management and mitigation of the risks relating to climate change, Banco BPM's decision to join the Task Force on Climate-Related Financial Disclosures (TCFD) further confirms the Group's awareness of playing a prominent role in action taken against climate change. For further details on the management and mitigation of climate and environmental risks, please refer to the content of Sustainability statement, included in the Report on operations of these Consolidated financial statements, and in the Pillar III Disclosure.

Integrated approach to the measurement of climate and environmental risk drivers

The Bank's approach to the measurement of climate and environmental risk drivers is in line with the expectations of the European Central Bank, which has a prominent role in guiding the players in the banking and credit sector towards the management and disclosure of risks related to climate change and to issues related to nature.

Specifically, environmental factors and risks have been integrated into the following macro-areas, the main elements of which are summarised below:

- Business Model and Strategy: to take strategic decisions that are consistent with and respect the context in which it operates, Banco BPM Group needs to understand the impact of climate-related and environmental risks. To this end, in the Group's Strategic Plan, the main strategic objectives as regards the management of climate and environmental risks are indicated, as well as the ways they can be integrated into the business and operations;
- Governance and Risk Appetite: when drawing up business strategy and when establishing business objectives, Banco BPM Group considers the impact of climate and environmental risks, by including specific indicators that summarise the exposure to the risk in these areas in its Risk Appetite Framework (RAF), to allow the Corporate Bodies, Management Committees and the main corporate functions involved, to take informed decisions relating to the management of these risks;
- Risk Management: to be able to consider climate-related and environmental risks in the risk management framework, the physical and transition risks that the loan and security portfolio of Banco BPM Group is exposed to were identified, for example by integrating such factors also within the definition and assessment of customer creditworthiness and in loan origination, monitoring and pricing processes. The environmental and climate-related risk components are also adequately considered in processes for defining business continuity plans and in the implementation of operational, reputational, market and liquidity risk management frameworks;
- Disclosure: Banco BPM Group publishes the information and results related to climate and environmental risks deemed relevant by developing reporting in line with the expectations established by specific legislation on the subject.

The main initiatives implemented in 2025

During 2025, Banco BPM Group continued to develop and implement the many initiatives aimed at analysing and managing climate and environmental risks in response to the expectations of the ECB Guide on the matter.
With regard to risk management, climate risk drivers have been formalised in the risk inventory since 2021 and have been fully integrated into the RAF, which includes a new area dedicated to ESG from 2025, the ICAAP and stress tests. Climate and environmental factors were also considered for the purpose of calculating the expected credit loss of the IFRS 9 model. In addition, activities are underway aimed at adjustment with respect to the requirements of the EBA guidelines on ESG risk drivers, in particular as regards prudential transition.
The Group has undertaken to support its customers in complying with a robust and scientific net-zero transition plan, aligning credit and investment portfolios on the most material carbon-intensive sectors for Banco BPM in order to achieve the Paris Climate Agreement goal of zero net emissions by 2050. In August 2024, the 2030 reduction targets for the most material sectors for Banco BPM (Automotive, Cement, Coal, Oil & Gas and Power Generation) were announced, while in May 2025 the net-zero transition plans outlining the short-term actions already in place and medium-/long-term actions to be activated to achieve targets were published. In the meantime, Banco BPM is also working on other "carbon-intensive" sectors with a view to setting internal objectives to define and apply the net-zero strategy.

By virtue of the entry into force of the Corporate Sustainability Reporting Directive (CSRD), Banco BPM Group has prepared Sustainability Statement since FY 2024, as an integral part of the consolidated Report on operations. As illustrated in more detail in the Sustainability Statement, Banco BPM Group has developed a double materiality analysis to assess the impacts, risks and opportunities associated with ESG sustainability issues.

During the year, the Group continued to support companies and individuals in their climate change mitigation and adaptation activities, guaranteeing the necessary liquidity to those counterparties that need financial support to bear costs and/or make investments required by the climate transition and/or to contain the effects of adverse climate phenomena, providing ESG consultancy at the same time with a view to integrating credit policies, as well as providing concrete training initiatives for both current and potential customers.

Banco BPM has further strengthened its framework for assessing climate and environmental risk drivers, which currently consists of three closely interconnected elements: (i) the materiality analysis of ESG drivers, in particular C&N (Climate & Nature), with respect to transmission channels on traditional risks (credit, market, operational, liquidity, etc.) (Materiality Assessment of ESG drivers), (ii) analysis of the operating context (Business Environment Scan) expected in the short-/medium-long-term, documents whose consistency must be ensured and correlated in turn with (iii) the prudential transition plans required by the EBA guidelines on the matter.
With regard to the Materiality Assessment of ESG drivers, the Bank applies its own scoring methodology, developed with a leading Italian consultant and data provider, which makes it possible to assess the materiality (i) of climate risk areas, which are composed of acute physical risk drivers (floods, droughts, landslides, fires, etc.), chronic physical risk drivers (sea level rise, soil or coastal erosion, etc.) and transition risk drivers (greenhouse gas emissions, energy performance, costs/investments in energy efficiency or in new technologies for the decarbonisation of production processes, etc.); (ii) environmental risk areas (linked, for example, to water stress, resource scarcity, loss of biodiversity and pollution); (iii) areas of social risk (for example, population ageing, relocation and poverty thresholds); (iv) governance risk areas (for example, violation of regulations, board structures and remuneration policies).
The Bank determines the materiality of the risk areas taking into account its operations in the management segments (Corporate, SME and Individuals portfolios), in the sectors of economic activity (NACE/ATECO codes) and in the territories where its customers operate, considering the location both of production assets and of real estate as collateral and owned. The output of the activities described feeds the KPI and KRI estimation models, through which the Bank determines the potential impacts of the manifestation of material ESG risk factors on the business model (products sold and services offered), performance (profitability and financial) and exposure to risks (business, credit and counterparty, banking and trading book market, operational and legal, liquidity, funding and reputational). This analysis therefore makes it possible to identify the most effective actions (for example, the launch of targeted products) to be carried out to mitigate any negative impacts in a timely manner and to seize any business opportunities.
As at 31 December 2025, the weighted average assessment of exposure to ESG drivers, in terms of both exposures and operating income, stood, on a five-level scale from "very low" to "very high", at "medium" level for Climate and Governance factors, and "low" for Environmental and Social factors; therefore, on the whole, Banco BPM Group's exposure to ESG factors is not very concentrated. The analysis carried out is completed by the analysis of the counterparties with "high" and "very high" scores before mitigation measures, in order to identify the clusters characterised by greater relevance - in terms of overall exposure and operating income - that are limited to specific areas of operation for each driver analysed, but are particularly focused on the business processes impacted.
The Business Environment Scan, on the other hand, represents a process aimed at monitoring climate and environmental risks, assessing their impact on the Group's operations, in order to support the strategic and credit decisions initiated by Banco BPM Group. More specifically:

- it contains an analysis of the external context (sectors, geographical areas, products/services) aimed at identifying risks and opportunities related to Climate & Environmental risks (C&E);
- it is reciprocally informed with the materiality analysis of the ESG drivers, which in turn inform the prudential transition plans under development and all impacted business processes including the Risk Appetite Framework and the ICAAP and ILAAP self-assessment exercise;
- it is based on an integrated methodology, which combines: (i) qualitative analysis, through sectoral narratives on the main drivers (macro, competitive, regulatory, technological, socio-demographic) and (ii) quantitative analysis, through physical, transition and prospective risk scores; the integration of the results makes it possible to identify risks and opportunities by sector, geographical area and company size, to support planning and capital allocation decisions.

The results of the analysis showed that:

- the energy-intensive and emission-intensive sectors have the highest levels of transition risk;
- most sectors show balanced or opportunity-oriented positions, thanks to technological adaptation and alignment with ESG policies;
- in relation to physical risks, there is a high territorial differentiation, with greater exposure to physical risks in Emilia-Romagna and Tuscany, while sectoral differentiation is not very significant;
- in relation to size classes, retail companies show greater vulnerability to physical risks than corporate companies;
- for the Residential Real Estate segment, the strong impact of regulatory/legislative aspects emerges (in particular, due to the need for widespread energy efficiency measures).

For an illustration of the impacts of ESG factors on credit processes, please refer to the content of the paragraph entitled "Information on the inclusion of ESG factors in credit processes" in Section "1.1 Credit risk" below.

Wealth Risk Management control framework

During 2025, Banco BPM Group refined its Product Testing model, with changes concerning the measurement of the erosion of the expected return for structured products issued or structured by the Group, against costs, and the extension to Banca Aletti Portfolio Management of a Product Testing model to monitor the risk of offering products with a risk/return profile that is not able to absorb costs. The data quality framework was extended to ESG risks, with the introduction of dedicated controls in particular on the indicators and data used in the financial instrument classification model. Management and control activities also continued with regard to the companies of the conglomerate, in particular in the area of Product Governance, with a focus on the models and the results of quantitative product tests. Lastly, standard measurement and monitoring analyses were carried out related to the macro-processes of Product Governance, Pricing and Best Execution for the individual legal entities (Banca Aletti, Banca Akros, Banco BPM Invest SGR), as well as the standard calibration of models relating to investment services. Lastly, an analysis was carried out on the risk management framework for Anima's asset management companies, with the aim of assessing models and processes relating to the measurement of risks relating to the issue and management of asset management products/services, preparatory to the subsequent integration phases.

Data Quality & Aggregation

The Data Quality framework covers all first pillar risk categories (market risk, credit and counterparty risk and operational risk), interest rate and liquidity risks, as well as the DoD - New Definition of Default area and the data relating to the IFRS 9 Suite to calculate collective impairment. Specific activities were also carried out concerning the tables (Data Requests) needed for the development of internal models for credit risk, supporting the application process (Next Application AIRB 2025 and 2026 on Corporate and Retail models respectively).
During the year, second-level audit activities were carried out on the extension of the BCBS239 principles outside the risk area also as regards ESG, and to the scope of Supervisory Reporting (FINREP/COREP reporting templates), also extending to the Pillar III disclosure. In addition, the audit on a set of metrics of the RAF 2025 on part of the Pillar II models was completed, and an initial assessment was carried out on the adequacy of the first-level controls on the Credit data warehouse. Lastly, in view of the extension of the Data Governance framework to insurance companies, the second-level control function was supported in carrying out the first audit.

Second-level monitoring of data quality was carried out using the structured KQI-2L (Key Quality Indicator - second level) approach on the focus areas mentioned above, to the extent that this approach is applicable depending on the characteristics of the individual area. In addition, during the year, the methodology was defined for assessing the compliance of the Data Governance framework and the practices of aggregation and reporting of risk data with respect to the "Principles for effective risk data aggregation and risk reporting" (BCBS 239) and the "Guide on effective risk data aggregation and risk reporting" (ECB, May 2024).
Particular attention will therefore be paid to second-level control activities with a view to an Independent Validation Function, in line with the defined scope of application (Risk Data Aggregation and Risk Reporting - RDARR).

IT Risk and CyberRisk

During 2025, the ICT & Security Risk operating unit continued its second-level control activities in the ICT and Security area, and carried out quarterly reporting to the Management Committees and Corporate Bodies.
In particular, the preparation of the annual reports "Payment services: results of the analysis of operational and security risks" and "Summary report on the ICT and security risk situation" for 2024 was completed, in collaboration with the competent functions, as required by Bank of Italy Circular no. 285.
The ICT and Security risk analysis method was updated with respect to regulatory and market standards, with the inclusion of the risk analysis of the ICT third parties and ICT projects perimeter.
The ICT and security risk analysis and management methodologies were adjusted during 2025 to respond to the updates introduced by the DORA regulation. Their adoption envisages the progressive analysis of the risk related to ICT supplies, both at the time of signing the contract and on an ongoing basis, and the analysis of the risk related to change initiatives, respectively. The adoption was preceded by a test of the same on a subset of significant ICT Third Parties and ICT Projects. Starting from June 2025, the ICT and Security risk analysis methodology for third parties has

been adopted for the risk measurement component of EIF-type supplies, i.e. relating to essential and important functions.
The methodology for the performance of second-level controls in the ICT and Security area was also confirmed and the control framework was refined, adding the following areas for the first time: Operational Incidents, Artificial Intelligence and Anti-fraud. These controls were distributed in an annual schedule, divided by quarter and, where possible, starting from the fourth quarter were replaced by automatic controls, examined further in the event that the thresholds are surpassed.
Following the OSI-2023-ITBPM-0220761 inspection on IT and cybersecurity risk in 2023, the preparation of the remediation plan for the findings by the IT and Logical and Physical Security units and the progressive remediation activities continued to be monitored. With regard to regulatory matters, the monitoring of remediation activities that emerged from the ECB Cyber Resilience Stress Test exercise continued.
During the year, developments were proposed, in collaboration with Risk Governance & Insurance and with the IT and Security functions, for the RAF indicators in the ICT and Security area for 2025, with subsequent expansion in 2026.
As part of the broader Group project, the gradual adoption of the requirements of the DORA regulation and the strengthening of the controls linked to ICT risk were implemented.
The process to streamline and consolidate the supplier base, launched in 2020, continued, which, on the one hand, led to a reduction in suppliers considered non-essential and, on the other hand, made it possible to take advantage of new partnerships in the areas of digital innovation and cybersecurity.
Over the same period of time, controls on outsourced services were also strengthened, both within and outside the Group, to ensure adequate control over the stability and quality of services offered by suppliers.
In this regard, in order to implement the measures to combat and maintain the security levels acquired, the cybersecurity strategy continued, in line with the multi-year plan, through cross-functional interventions to develop security measures.
Efforts continued to develop the tools to support the IT risk analysis model, including a tool to support the collection of impacts in the field of strategic and reputational risk.
With a view to the development of human capital and the skills of IT resources, in consideration of process and technological innovation, a development programme is underway to support IT transformation and strengthen the role of Data Quality and IT Security of the Group with a view to up-skilling and re-skilling professional and cross-functional skills.

With regard to the 2025 IT Risk Questionnaire, for the period in question, pending the completion of the assessment process, the first indicators point to confirmation of the results of the previous year. As illustrated in the "Significant events during the year" of the Consolidated report on operations, note that the activities envisaged by the remedial plan activated by the Bank in response to the 5 requirements contained in the decision relating to the OSI inspection on IT and Cybersecurity risks are still underway.

Stress testing

Banco BPM Group has implemented a detailed stress testing framework, meaning the set of quantitative and qualitative techniques used by the Bank to assess its vulnerability to exceptional, but plausible events. As part of the framework, guidelines have also been established regarding the application of stress scenarios as well as the roles and responsibilities of the corporate functions and the Corporate Bodies. The framework for long-term forecasting and for stress testing adopted by Banco BPM therefore represents a coordinated set of methods, processes, controls and procedures that establish the main variables to use for forecasting purposes for estimates in ordinary and adverse conditions, with a view to both planning and risk management processes and regulatory, operational and accounting purposes.
Stress tests seek to verify the effects on the Bank's risks due to specific events (sensitivity analysis) or joint changes in a series of economic-financial variables in cases of adverse scenarios (scenario analysis), with reference to individual risks (specific stress tests) or in an integrated manner on several risks (joint stress tests).
The process of analysis is based on quantifying the impacts relating to form-wide stress tests, which enables a global assessment of the Group's risk profile to be made.
These tests allow identification of the risk factors that contribute more than others to this negative result and consequently allow loss-limiting strategies to be implemented when these scenarios occur.
The Scenario Council, set up in 2019, is tasked with confirming or proposing a review of the scenarios used in Group processes, in light of external events or the Group's specific vulnerabilities, also taking account of any considerations from top management deriving, for example, from substantial changes in the risk and profitability estimates, changes in the market or reference context, the introduction of new regulatory standards or specific indications of the Supervisory Authority, also identifying the related processes impacted and assessing their potential update. The

updates of macroeconomic scenarios made by different external providers are examined continuously, at least on a quarterly basis, assessing on each occasion whether to transpose them into the related strategic processes.
To better enhance and structure the activity performed by the Scenario Council, from 2021, the Group has defined a framework to update the macroeconomic scenarios, also supported by the definition of a method to identify materiality triggers for scenario changes, which if surpassed require the Scenario Council to be convened for an in-depth analysis of the causes that originated said overruns and a technical assessment of their adoption in the Group's strategic processes.
In 2025, the Scenario Council met 12 times to continuously assess the changes in the external macroeconomic scenario and the impacts on the Group's strategic and management processes.

Consistent with the aims of analysis and with the principle of proportionality, the Group periodically performs stress tests with specific objectives associated with the main company processes, specifically:

- Risk Identification, as regards defining the materiality of risks, which is verified under ordinary and stressed conditions;
- Drafting the Risk Appetite Framework (RAF);
- Strategic and operational planning;
- Quantifying operational limits in stress scenarios (where envisaged);
- Calculation of IFRS 9 ECL;
- Internal Capital Adequacy Assessment Process (ICAAP);
- Internal Liquidity Adequacy Assessment Process (ILAAP);
- Liquidity Contingency Plan;
- Recovery Plan.

Vertical stress tests are also included in these tests and conducted at the portfolio and individual risk level, based on sensitivity or scenario analyses, also aimed at identifying potential concentrations of risks.

Specific stress tests are also conducted for management and regulatory purposes. Known as Supervisory Stress Tests, they are conducted in accordance with the timescales dictated regularly by the Supervisory Authority.

The Group uses these tools to support other risk management and measurement techniques, with a view to:

- providing a forward-looking vision of risk, of the relative economic and financial impacts, evaluating the overall solidity of the Bank in the event that adverse scenarios or alternative ones with respect to those of reference occur, therefore providing support to the preparation of the budget and of the business plan;
- contributing to the most important planning and risk management processes, as regards setting RAF thresholds and establishing the Group's risk/return objectives;
- assessing the development of risk mitigation and recovery plans in certain stressed situations. In fact, the stress tests are used to establish specific internal trigger thresholds, which once reached trigger the resolution plans as envisaged by the BRRD (Bank Recovery and Resolution Directive) regarding the prevention and management of banking and investment company crises.

Furthermore, note that in the first half of 2025, the Group was involved in the 2025 EU-wide Stress Test conducted by the European Banking Authority (EBA) in collaboration with the European Central Bank (ECB), the European Systemic Risk Board (ESRB) and the European Commission, intended to test the resilience of the European banking sector in the current uncertain and changing macroeconomic scenario, on the basis of two scenarios, baseline and adverse, developed by the Regulator. The results of the banks that participated in the exercise under the guidance of the EBA were published by the same EBA on 1 August 2025.

The internal risk control system

The following paragraphs contain a description of the structure and the duties of the internal control functions of Banco BPM Group. The main corporate functions of the Parent Company, Banco BPM, responsible for controlling risk, are as follows:

- Audit Function;
- Risk Function;
- Compliance Function;
- Anti-Money Laundering Function.

The Audit Function reports directly to the Board of Directors, it performs the Internal Auditing activities envisaged by Supervisory Provisions by conducting auditing and monitoring exercises - on site and remotely - at the Group Banks and Product Companies, under a specific outsourcing agreement, namely as Parent Company. The head of the Audit Function has direct access to the Body in charge of the control function and enjoys unrestricted communication with the same, without the need for mediation.
On the one hand, the Audit Function of the Parent Company is responsible for monitoring the regular performance of operations and the evolution of risks, with a view to third-level controls, including on-site and off-site checks, and, on the other hand, it strives to assess the efficiency and effectiveness of the Internal Control System overall, reporting the results of its activities to the corporate bodies, as well as the measures that management needs to implement to achieve the full adequacy of the control system and its processes.
The Audit Function is responsible for the internal audit activities relating to all the central and peripheral units of the Italian companies of the banking Group. For the only foreign entity belonging to the Group (Banca Aletti Suisse), it conducts its own audits, in addition to those conducted by the local unit assigned internal audit activities, and coordinates with the same where necessary. The Audit Function of the Parent Company also carries out the role of guidance, coordination and control of the Internal Audit Functions of the insurance companies belonging to the Financial Conglomerate and, from 2025, of the Internal Audit Functions of Anima Holding and of the subsidiary SGRs.
In addition to that envisaged by internal regulations, when performing its duties, the Audit Function takes the provisions of international professional standards into account.
In addition to the usual internal audit activity, the Audit Function provides advisory services, offering its experience mostly by participating in projects and working groups, with specific reference to aspects relating to the internal control structure.

The Risk Function reports directly to the Chief Executive Officer of Banco BPM S.p.A.; the head of the function has direct access to the Body with strategic supervision functions and the Body in charge of the control function and communicates with them without restrictions or intermediaries.
The Parent Company's Risk Function is assigned the role of control function pursuant to Circular no. 285/2013 of the Bank of Italy, it guarantees the functional coordination of risk control measures of Group Companies and oversees - at Group level and in an integrated manner - the governance and control (Enterprise Risk Management), development and risk management (Risk Models) processes and the validation process of internal risk measurement models (Internal Validation).
The Risk Function and its internal structures are independent from operational functions and activities. In particular, they are responsible for:

- proposing and developing guidelines and policies regarding the management of the relevant risks, in accordance with the company's strategies and objectives;
- coordinating the implementation of the guidelines and the policies regarding the management of the relevant risks by the units assigned by the Group, also in different corporate areas;
- guaranteeing the measurement and control of the Group's exposure to the different types of risk and of the relative capital absorption, verifying the implementation of the guidelines and the policies established for the management of the relevant risks and the compliance with the thresholds established within the Group's Risk Appetite Framework;
- guaranteeing the development and continuous improvement of models and metrics for the measurement of risk (of the First and Second Pillar, under ordinary and stressed conditions) also through projects to implement and apply advanced models, to align with the standards that are gaining recognition at international level on each occasion, to implement supervisory regulations and directives, and to develop increasingly effective controls;
- overseeing the validation process of the internal models used to calculate capital requirements;
- overseeing the process to verify, through second level controls, that the trends of individual exposures are being correctly monitored, as well as to assess the consistency of the classifications, the appropriateness of provisions and the adequacy of the recovery process;
- ensuring that the information used for measurement, monitoring and reporting of the risks under their responsibility were subject to a robust Data Quality and Aggregation framework;
- formulating mitigation proposals, specifically through the use of insurance or financial cover, in order to externalise the risk, assigning the assessment and execution thereof to the functions in charge, monitoring the performance;
- to carry out second-level controls relating to the monitoring of the IT and logical and physical security functions, which are of increasing importance to company strategy, as well as verifying the compliance of ICT operations with the risk management system.

The head of the Risk Function is also responsible for assisting the Corporate Bodies in performing their respective duties in terms of the Internal Control System, by:

- intercepting all the relevant information required to quantify and manage risk promptly and in a coordinated manner;
- ensuring a more integrated ability to process, organise and contextualise the information acquired and to make assessments (both in terms of risk and asset value) separately from other cases;
- drawing up a summarised (integrated) report on company risks and, therefore, enabling the Corporate Bodies to gain a better understanding of the main problems identified by the second-level internal control system;
- promptly implementing corrective measures, in accordance with the problems and the relative priorities indicated by the second-level Internal Control Functions.

The Internal Validation Function, which reports directly to the Chief Risk Officer (CRO), independently oversees the internal validation processes of the risk measurement and management systems. The Function assesses the model risk implicit in the methods used to measure risk and conducts tests to validate the calculation of capital requirements with reference to the application of internal validated models.
The Group's Compliance Function carries out its activities, reporting directly to the Chief Executive Officer, both for the Parent Company and for the Group companies that have outsourced the service, and has direct access to the Corporate Bodies, communicating with them without any restrictions or intermediation.
The Function oversees, according to a risk-based approach, the management of compliance risk with regard to all company activities, verifying - during both the start-up and operating phases - that internal procedures are adequate to prevent that risk.
For rules relating to the exercise of banking and brokerage activities, the management of conflicts of interest, transparency towards customers and, more generally, regulations for consumer protection, the Compliance Function - as required by the Supervisory Provisions - is directly responsible for managing the compliance risk.
With reference to other regulations that provide for specific forms of specialised oversight, the duties of the Compliance function, based on an assessment of the adequacy of the specialised controls to manage the compliance risk profiles, are tiered and the Compliance function itself is, in any case, responsible (in collaboration with the delegated specialised departments) for: i) defining the methodologies for assessing the compliance risk; ii) identifying the relative procedures; iii) verifying the adequacy of the procedures themselves to prevent the compliance risk.
For the areas directly supervised by the other second-level control functions of the Parent Company, or by the Manager responsible for preparing the Company's financial reports, or by the Compliance function of Group companies that have not outsourced this function to the Parent Company, the monitoring of compliance risk is implemented by those functions limited to the aspects falling within their specific responsibilities and operational scope. For areas not directly supervised by the Compliance function, coordination mechanisms and information flows to the same are envisaged.
This exchange of information flows also represents a fundamental tool through which the Compliance function of the Parent Company carries out its functions of guidance, coordination and control for the compliance structures of the companies belonging to the Group that have not outsourced the function to the Parent Company.
The Compliance Manager of the Parent Company also acts as the Data Protection Officer pursuant to Article 37, paragraph 7, Regulation (EU) 679/2016 (GDPR) regarding privacy.

The Group's Anti-Money Laundering Function carries out its activities, reporting directly to the Chief Executive Officer, both for the Parent Company and for the Group companies that have outsourced the service, with full autonomy to oversee the risk of money laundering and terrorist financing, as well as reports of suspicious transactions, and has direct access to the Corporate Bodies, communicating with them without any restrictions or intermediation. The function also carries out the activities envisaged by the regulations for the Head of the Anti-Money Laundering function and for the Suspicious Transaction Reporting Officer (SOS); the roles and responsibilities of the Sanction Compliance Officer are outlined in the same Function in order to guarantee the adequacy of the controls with respect to countries and counterparties subject to restrictive measures.
The activities are performed according to a risk-based approach, conducting audits and checks in order to assess exposure to the risk of money laundering and terrorist financing, the effectiveness of the organisational and control oversight measures, when setting them in motion and when established, and any corrective measures to be implemented to remedy the vulnerabilities found.

Improvement activities for the risk control and management system

Over time, Banco BPM Group has launched numerous projects to improve its risk management and control system. Specifically, to date the Group has been authorised to use its internal models to calculate regulatory capital absorption with regard to the following Pillar I risks:

- credit risk (starting with the measurement at 30 June 2012): the scope concerns advanced internal ratings-based models (PD, for both monitoring and acceptance and LGD) relating to loans to Banco BPM enterprises and retail. The standard regulatory approach will continue to be adopted, for prudential reasons, for loan portfolios that are not included in the scope of first validation A-IRB. In 2017, Banco BPM Group submitted a request to the European Central Bank for the extension of the advanced internal models (A-IRB) to the Corporate and Retail portfolio of BPM S.p.A. and the use of the EAD model limited to the Retail scope, for the relative calculation of the capital requirement for credit risk, together with a model change for the definition of default and updating of time series. In this context, the Group was authorised by the ECB to use these templates for reporting purposes in the first quarter of 2018, starting from January 2018.
  From March 2021, the Regulator authorised the Bank to use a more updated IRB framework with the introduction within the various areas of application (regulatory and operational) of new PD, LGD and EAD parameters for retail customers and corporate customers. The effects of these new parameters incorporate the new regulatory definition of default (EBA/GL/2016/07) and anticipate a range of aspects regarding the EBA guidelines on the estimation of PD, LGD and downturn (EBA/GL/2017/16 and EBA/GL/2019/03, respectively).
  In 2021, the Bank launched an important project to review the A-IRB system, with the aim of completing the process to align the current credit risk models with the regulatory requirements originating from the EBA Guidelines on the development of PD and LGD models (EBA/GL/2017/16), estimation of downturn (EBA/GL/2019/03, EBA/RTS/2018/04) and Credit Risk Mitigation techniques (EBA/GL/2020/05). The projects to review credit risk models, the assessment criteria of the same (backtesting framework) and the adaptation of the various Bank processes, led to the submission of an A-IRB model change application to the Regulator in the first quarter of 2022, in response to which authorisation was received in December 2023 from the ECB to use the above-mentioned models for reporting in the first quarter of 2024.
  In addition, in May 2023 the Bank started the formal authorisation request process for the use of the Slotting Criteria on Specialised Lending exposures (as per the provision of Art. 147-8 of Regulation (EU) no. 575/2013) originated and managed by structured finance. At the same time, authorisation was requested to extend standardised A-IRB models to Specialised Lending exposures originated and managed by the commercial network. The inspection process ended in the fourth quarter of 2023 with the receipt of authorisation from the ECB for the use of the aforementioned models for reporting purposes in the second quarter of 2024.
  During 2024, the Bank launched a project to redevelop the A-IRB PD and LGD Corporate models, with the aim of adapting them to the current regulations deriving from Basel III finalised, the ECB guidelines (ECB guide to internal models), as well as to resolve the findings reported by the ECB for the Corporate segment. This initiative led to an A-IRB model change application limited to the corporate segments carried out in July 2025 for which, now that the inspection activities have been completed, the Group is awaiting validation by the Regulator;
- market risk: the perimeter currently validated with the internal model for the calculation of the capital requirement for supervisory purposes is the generic and specific risk of equity instruments, the generic interest rate risk, the specific credit risk of debt securities and exchange rate risk for both the trading book and the banking book, while commodity risk is measured using the standard method.

1.1 CREDIT RISK

QUALITATIVE INFORMATION

1. General aspects

Banco BPM Group pursues lending policy objectives that seek to:

- support the growth of business activities in the areas it operates in, with the goal of overseeing and managing the development of the Group's positioning, in line with RAF policies and budget and business plan objectives, focusing on the support and development of customer relationships;
- diversify its portfolio, limiting loan concentration on single counterparties/groups and on single sectors of economic activity or geographical areas;
- adopt a uniform and unique credit management model based on rules, methods, processes, IT procedures and internal regulations harmonised and standardised for all Group banks.

To optimise credit quality and minimise the global cost of credit risk for the Group and the individual companies, under the organisational model the Parent Company's Loans Function is in charge of lending policy guidelines for Group banks.
Guidelines have also been set at Group level, defining conduct with respect to assuming credit risk, to avoid excessive concentrations, limit potential losses and guarantee credit quality. In particular, in the loan approval phase, the Parent Company exercises the role of management, direction and support for the Group.
The above Function monitors the loan portfolio, and focuses on analysing the risk profile performance of economic sectors, geographical areas, customer segments and types of credit lines granted, as well as on other dimensions of analysis, which enable any corrective actions to be defined at a central level.
The role of the Parent Company's Risk Function is to support Top Management in planning and controlling the risk of exposure and capital absorption, in order to maintain the stability of the Group, verifying forward-looking capital adequacy and under stressed conditions, as well as compliance with the RAF thresholds, the Group's risk limits and its risk appetite. In particular, the Function's task is to develop, manage and optimise internal rating models (Pillar I) and the loan portfolio model (Pillar II) over time, and to supervise - as part of second level controls - the calculation of risk-weighted assets using advanced methods.
Credit risk monitoring at portfolio level is based on an internal portfolio VaR risk estimation model that is applied on a monthly basis to credit exposures of Banco BPM Group.
For an examination of the main initiatives and adjustments made to factor in uncertainties in the reference macroeconomic context and other risk factors not intercepted by expected loss calculation models, please refer to the section below "2.3 Measurement methods for expected losses".

2. Credit risk management policies

2.1 Organisational aspects

The Group governs credit risk by assigning specific responsibilities to the Bodies, functions and Committees of the Parent Company and its Subsidiaries, in line with its Internal Control System and on the basis of an organisational model that provides for the centralised control within the Parent Company to convey a consistent policy and governance when managing the risks.
The credit risk management policies represent the reference framework for the operations of the structures allocated with risk management, they are updated annually as part of the RAF and they guide credit policies in terms of the evolution of the company's activities, the expected risk profile and the external scenario.
As required by supervisory regulations, the Group has drawn up an internal ex-ante management process for Most Significant Transactions (MST) and for the supervision of large exposures, controlled by specific company regulations in this regard.
The Parent Company draws up Group credit policies, in parallel with the budget process and in line with the strategies, the risk appetite and the economic objectives approved by the Board of Directors.

To measure the different aspects and components of credit risk, the Group adopts models and metrics developed in accordance with supervisory regulations, with a view to guaranteeing the sound and prudent management of the risk

positions assumed and to comply with regulatory requirements, also assessing the effect of changes in the scenario to which the loan portfolio is exposed.
These models must periodically undergo backtesting and stress testing in order to guarantee their statistical and prudential robustness, validated by an operational unit that is independent to the function responsible for developing them, reviewed at least annually by the Audit Function.

From a regulatory perspective, risk-weighted assets (RWA) are calculated by a method based on internal ratings (A-IRB and F-IRB Approach or Slotting Criteria method in the event of specialised loans) on risk segments/parameters validated by the Supervisory Authorities and using the Standardised Approach for the other exposures, in accordance with the Group's roll-out plan. As regards the scope of Banca Akros and Banca Aletti, the standardised regulatory approach is applied.

The risk parameters of the models are periodically calibrated.
The development and updating "model change" process for the rating models entails a series of activities and procedures, the aim of which is to define, initially or when updated, the rating models applicable to credit exposures, namely statistical or empirical models to confirm the credit assessments made by the Companies of the Banking Group and to enable the capital requirements of the same against the risk of unexpected losses to be calculated.

With regard to the segments validated, these include:

- five rating models (4 for Business customers, 1 for Private customers), which use financial statement, performance and qualitative information (Business) and sociological/performance information (Private), calibrated adopting a long-term approach (Through-the-Cycle), in order to neutralise the possible impacts of an expansive or recessive phase of the economic cycle;
- two LGD performing models (1 for Business, 1 for Private customers);
- two LGD non-performing ELBE (Expected Loss Best Estimate) and Defaulted Asset models, separate for Business and Private customers;
- two EAD models for Corporate customers and for the Private customer portfolio respectively.

From an operational perspective, the unexpected loss on credit risk is measured by quantifying the economic capital through the application of an internal Credit VaR portfolio model.

The key component of the credit risk measurement models is the Rating System, namely a structured and documented set of methods, organisational and control processes and procedures to organise databases, which enables the relevant information to be collected and processed, to reach summary assessments of the risk level of a counterparty and of individual credit transactions.
The rating system is incorporated in the decision-making processes and in the management of the company's operations, playing an important role in the following Group processes:

- Lending policies;
- Business planning;
- Capital planning;
- Risk Appetite Framework;
- Product pricing;
- Granting loans;
- Monitoring and managing loans;
- Provisioning;
- Risk measurement and control;
- ICAAP and ILAAP;
- Management of the bonus system;
- A.Ba.Co. (other funding instruments).

The procedures for the operational use of the rating system in the various company processes are regulated by regulations issued over time in the above-mentioned areas. The regulatory framework set in place to oversee credit risk, developed in accordance with company standards, is based on specific Regulations and Process Rules, specifically the Regulations on counterparty credit risk and the Regulations for Limits of Autonomy and powers in the granting and management of loans.
The principles established in the Regulations issued have been applied and included in the wording of the regulations, for the processes included in company taxonomy.

The processes for the granting of loans guarantee an adequate, objective and harmonised assessment of creditworthiness and of risk, through the use of the rating system to guide the decision-making steps.
More specifically, the ratings are used to define the scope of decision-making, by means of a weighting method based on an assessment of the creditworthiness of each counterparty, summarised by the rating, as well as on the measures to mitigate the risk assumed.
An assessment of the risks already assumed or to be assumed is conducted for each individual customer and Risk Group, namely the set of parties related through the ties considered for the registration of Economic Groups, as well as joint account holders and those with a joint-obligation, as regards the entire Banking Group.
The criteria for the allocation of responsibilities to the various parties/organisational units that take part in the loan granting process are based on principles of separation in order to guarantee independence of judgement and prudence in the assumption of risk.
To this end, with regard to the activities envisaged in the loan granting process, the roles of "Proponent", of "Decision-maker" and of any "Intermediate body that gives an opinion" are clearly separated.
In the case of "non-resident" customers, compliance with the authorised maximum limit for "Country Risk" must first be checked, before the assumption of "Credit Risk", "Delivery Risk", "Placement Risk" and "Evidence Risk".
The "Authorisation, monitoring and management of overdrafts and/or past due loans" Rules establish the continuous monitoring activities that the Manager must perform when managing the account, with regard to overdrafts, past due instalments not paid and drawdowns on expired or reduced loans.
The management of overdrafts is accompanied by a specific procedure that has made access to data regarding positions classified as "becoming past due" more efficient, enabling both current and historical information available to be consulted, right down to the details of an individual account, as well as obtaining lists based on selection criteria entered by the user.
Forborne exposures are identified as part of the loan granting process and, therefore, through the ELA (Electronic Loan Application) function.
The identification of forborne exposures is carried out for both performing loan positions included in the watchlist, and for those classified as non-performing loans, for which a status of financial difficulty has been found (said status is objective for the positions classified as non-performing) and the granting of a tolerance.
The Account Manager, in the role of "Proponent", is responsible for:

- assessing the customer's situation of financial difficulty. To reach an opinion, all of the information from the preliminary check used to analyse creditworthiness in the ELA, including a specific additional checklist that differentiates between Business and Private customers;
- assessing the proposed award of forbearance measures;
- entering the Account Manager's assessment of the customer's situation of financial difficulty or otherwise in the information system and identifying award or otherwise of the proposed forbearance measures.

The Intermediate Body that gives an opinion is required to share the Proponent's assessments.
The Decision-making Bodies are responsible for ascertaining the consistency or otherwise of the assessment made by the Proponent.

The evidence expressed at the time of the decision on the individual line of credit automatically identifies all accounts related to it as "forborne".
Once classified as forborne, the exposures are managed in accordance with the relevant processes ("Monitoring and managing non-performing loans" for "Forborne non-performing exposures" and "Monitoring and managing loans: watch list" for "Other forborne exposures").
Decisions regarding situations in which the exposure is no longer forborne, or the reclassification of "Forborne non-performing exposures" as "performing" are assisted by the information system.
In this regard, all positions that surpass the objective parameters established by EBA regulations are automatically highlighted and the proposals are subject to a structured process which enables all of the available assessment elements to be examined and historicised.
The reclassification of a "performing" exposure, already the subject of forbearance measures, to a higher risk category, is automatic if the events established by EBA regulations occur.
Country Risk, which identifies the risk factors relating to the political, macroeconomic, institutional and legal situation of a foreign country, is considered, with regard to all business and financial transactions, if the counterparty is resident or has registered offices in a foreign country. Country risk is based on two main elements:

- political risk, namely the set of factors regarding the political and institutional system that may influence the country's willingness to honour its commitments;

- transfer risk, namely the set of economic factors that can influence the possibility that a certain country may establish, as an element of its economic policy, limits to the transfer of capital, dividends, interest, commission or royalties to foreign creditors and/or investors.

In the case of "non-resident" customers, compliance with the authorised maximum limit for "Country Risk" must first be checked, before the assumption of "Credit Risk", "Delivery Risk", "Placement Risk" and "Evidence Risk".
With regard to Transfer Risk, note that this risk is included in the credit portfolios that use ECAI ratings (exposures towards Governments and Central Administrations, Supervised Intermediaries and non-resident Corporate customers). The residual limited scope (non-resident customers without ECAI), is monitored periodically by the Parent Company's Risk Function.
The organisational structures of the Loans Function and of Loans of the Territorial Departments are defined in accordance with the credit granting, monitoring and management processes.
Furthermore, the Head of the Loans structure of the Territorial Departments reports functionally to the Head of the Loans Function and the Head of Loans for the Business Area, who, in turn, reports functionally to the Head of the Loans structure of the Territorial Department.
In terms of procedures and tools to support the processes, attention is drawn to the following:

- in "Loan Granting" processes, the Electronic Loan Application (ELA) procedure provides support to the Network in the preliminary examination, proposal, approval and finalisation stages and automatically calculates decision-making scope;
- the web-based Electronic Loan Application provides support to the loan granting process through a specific work flow based on parameters and enables each step of the process of preliminary examination - proposal - forwarding to higher Bodies and approval to be traced, as well as automatically checking the documents required and the validity of the assessment elements;
- as regards measures to assist "Private", "Small Business" and "Small Business Operator" customers, decision-making engines are used to establish the financial feasibility of the proposed transaction, which make a summary assessment of the increasing risk. In particular, during 2025, the engine for "Small Businesses" and "Small Business Operators" was the subject of a project aimed at evolving the customer assessment methodology, seeking both to improve the assessment capacity and to identify areas to make the management process more efficient, based on a new acceptance engine that exploits the best estimation technologies currently on the market and contemplating simplified modular due diligence and automatic resolution cases;
- the process of monitoring and managing performing loans is assisted by a special procedure on a web platform that also permits the automatic interception of positions and classification on the watchlist, as well as the following of their management and verification of compliance with the decisions made. Positions are intercepted both when the thresholds for specific parameters are exceeded and via the use of an automatic indicator, which is calculated monthly, capable of producing a summary assessment of the performance of the account. This indicator can be searched both with reference to the month of processing and as an average indicator for the period (last six months) and is integrated within credit processes as a parameter of evidence;
- to support the monitoring and management processes of non-performing loans, broken down by status (Past Due and Substandard; Restructured; Bad Loans) a new procedure "Electronic Management Procedure - EMP" has been created;
- the credit assessment processes are conducted using the "IFRS 9 Suite" IT procedure.

On a quarterly basis, in conjunction with the publication of the quarterly financial statements data, the Loans Function prepares a management report that includes a series of summary views on the main credit dimensions. In particular, the report focuses on: the domestic scenario, distribution of Group loans, sector distribution of loans, distribution by rating class, evolution of loans both in terms of stock and flows and a focus on mortgages to individuals and consumer households.
The Risk Function produces monthly reports on "Credit Risk – Portfolio Model", which include evidence with group, company and economic sector views.
In addition, a summary document is produced on a monthly basis, relating to the overall Pillar I and Pillar II risk trend, to support the periodic integrated Group risk report, with a view to monitoring the evolution of economic capital and to report the appropriate figures to the Corporate Bodies.

2.2 Management, measurement and control systems

Banco BPM Group uses an elaborate set of instruments to grant and manage credit and to monitor portfolio quality. Rating plays a key role in loan granting, credit product disbursement, monitoring and performance management processes. In particular, it plays a role in defining guidelines for credit policies, in deciding which bodies are competent to approve loans, as well as on the mechanism for the automatic renewal of uncommitted credit facilities, and it contributes to determining automatic interception of the monitoring and management process (Watchlist).
To proactively manage counterparties that show signs of a deterioration of credit risk, the Group utilises a specific platform to intercept, monitor and manage anomalous exposures, as well as a performance scoring model to intercept the first signs of deterioration of the counterparty, before the default event. Considering the new EBA guidelines on the definition of default, applied by the Group from 1 January 2021, the above-cited monitoring platform incorporates the new rules relating to overdue exposures, making provision, from the first few days in which the overdue event materialises, for intervention processes differentiated by counterparty type and level of exposure, according to a management approach which is as business-oriented as possible, to prevent deterioration in credit risk and the consequent restoration of the ordinary management of the relationship. More specifically, the process currently in place envisages the interception of overdue positions on a daily basis, and their subsequent management according to a structured procedure, which entails clustering the portfolio with anomalies and the subsequent definition of interventions according to a pre-established scale of priorities.

The methodologies underlying the risk parameters PD (Probability of Default), LGD (Loss Given Default) and EAD (Exposure at Default), are used not only to assess the counterparty when granting, monitoring and renewing credit lines, but also to collectively write down receivables in the financial statements, in compliance with IFRS 9.
The credit assessment to calculate the amount of expected losses of non-performing loans differs according to the status and size of the exposure. The expected credit losses valued analytically by the manager are periodically reviewed.
For prudential purposes, credit risk monitoring at portfolio level is also based on the use of a default model that is applied on a monthly basis to credit exposures of Banco BPM Group. For more information on the general features of this model, please refer to the following paragraph "E. Prudential consolidation – Credit risk measurement models".
For other exposures - other than performing loans with ordinary and financial resident customers - risk is controlled through the use of supervisory regulatory metrics (Standard).

Information on the inclusion of ESG factors in credit processes

The main objective of the credit policies of Banco BPM Group is to guide the growth of volumes, with a view to optimising the risk-return ratio and to containing the future cost of credit risk, by already incorporating various clear ESG-related aspects from 2021, with specific references to the Real Estate and Agrifood sectors. These aspects have been implemented in the loan application process through dedicated tools, which envisage acquiring information also relating to factors more linked to the environment and the climate during the proposal and approval stage.
Already last year ESG factors were included in the Group's credit processes; during 2025, the integration of Credit Policies for the assessment of ESG factors and the impacts of potential risks linked to climate change on the economic and financial outlooks of the companies to which Banco BPM Group is exposed, continued. The risk mitigation actions implemented by the counterparty to which the Group is exposed were also evaluated through an ESG questionnaire.

Net Zero sectors, so-called "priority" sectors, were also focused on as they are characterised by a higher level of emissions and for which precise targets have been set for 2030.

Lastly, project activities continued as part of the implementation of the "EU Taxonomy", with the aim of integrating the alignment of exposures of financed counterparties with the taxonomy into processes and products.

Starting from December 2022, in the estimate of expected credit losses (ECL) on performing credit exposures, the Group introduced a specific adjustment to factor the risks deriving from the exposure of debtor counterparties to climate and environmental factors. In particular, the impacts on the PD and LGD risk parameters of the counterparties were estimated, assuming a transition risk and a physical risk developed on the basis of the scenarios illustrated below.
With reference to transition risk, the Net Zero 2050 scenario of the Network for Greening the Financial System (NGFS) issued in November 2024 (latest available scenario) was considered. With respect to the possible alternative scenarios (Delayed Transition and Current Policies), the selection of the Net Zero 2050 scenario was the most prudent with reference to the time horizon of the credit exposures to be assessed, as it assumes an immediate and stringent intervention of climate policies, as described in more detail below.

This scenario was incorporated into PD parameters by assessing its impact on the financial statement items of business customers not belonging to the agricultural sector, on which the sectoral KPIs are calculated, which are then used as inputs to the satellite PD models, applied to estimate the forward-looking PDs. In addition, the physical risk was also considered in the PD parameter through the total acute physical risk shock, using the devaluation model of property used as collateral (property value) as the share of devaluation that impacts the price index of residential and non-residential properties. These factors also act as drivers of the PD satellite models for the projections of the parameter. In this way, all customers, with the exception of the Public Administration, are impacted by climate risk (both transition and physical).
Conversely and using the same climate scenarios, the LGD parameter is also stressed from a forward-looking perspective through the LGD satellite models. The transition risk is in fact embodied through the sectoral KPIs that impact the migration to bad loan component, while the physical risk is introduced as for the PD, intervening on the property price index, as a driver to stress the LGD component.

For further details on the methodology for calculating the adjustments in question and the relative impacts, please refer to paragraph "2.3 Measurement methods for expected losses", and in particular the information on "Use of post-model adjustments and management overlays".
For a better understanding of the assumptions underlying the transition scenario considered by the Group with respect to the alternative scenarios, an illustration of the main assumptions of each scenario is provided below.
The NGFS Net Zero 2050 scenario, which envisages a maximum increase in global temperature of 1.5°C, achieved through the immediate and gradually more stringent introduction of policies to reduce carbon dioxide emissions, which are considered zero in 2050. In this type of scenario, the transition risk and the physical risk are limited: in fact, the gradual transition ensures that the necessary costs and investments in innovation are minimised. At the same time, the increase in the maximum global temperature of 1.5°C reduces the risk of extreme events.
The NGFS Delayed Transition scenario assumes a delayed and net introduction of climate policies starting from 2030, in order to limit the increase in global temperature to below 2°C; carbon dioxide emissions are therefore higher than in the previous scenario to comply with the objectives of the Paris agreement. The scenario therefore entails a higher transition risk, due to the higher costs required by the delayed introduction of climate policies, while the increase in global temperature increases physical risk in terms of greater frequency and importance of extreme events.
Lastly, the NGFS Current Policies scenario, which captures the long-term impact of physical risk on the economic and financial system resulting from the failure to introduce emission reduction measures. Although emissions at European level are gradually decreasing, global emissions continue to grow until 2080 with an increase in global temperature of around 3°C. This will lead to greater and more significant natural catastrophes, with a considerable increase in insurance and reconstruction costs linked to these events. In this scenario, there is therefore no transition risk, but the transition costs that would have occurred in previous scenarios are more than offset by the strong impact of extreme physical risk in the economy.
With regard to non-performing loans to be assessed analytically, the risks related to climate and the environment are taken into consideration in the estimate of the present value of forecasted future cash flows, on an essentially discretionary basis and together with other pieces of information.

The Financial Forecast Studio was implemented in 2022, a modular platform, provided by Cerved to support the forward-looking assessment of a company by the manager.
The elements characterising this instrument are:

- accurate data sets:
  - at least every six months, Cerved prepares forecasts for approximately 400 sectors, which can be used as a standard basis for the prospective simulation of the financial statement figures of the individual company;
  - the historical financial statements of the last few years are made available;
  - the CeBi reclassification scheme of Cerved's Financial Reporting Office was adopted;
- assumptions and business simulations:
  - starting from the standard simulations proposed by the provider, an infinite number of alternative scenarios can be replicated by changing the initial assumptions;
  - more than 20 parameters (financial statement items) are available that can be used as modifiable assumptions of the model;
  - through simple data-entry, start-ups/financial statements of partnerships can also be evaluated;
  - an additional ESG module is included for the accurate estimate of the impacts on credit risk of the variables linked to environmental, social and governance risks;

- the tool provides a wide range of forecast outputs to support the manager and the decision-maker in the evaluation and granting phase; it also makes it possible to compare multiple scenarios relating to the same company or to different companies (for example, a "best in class" or specific competitor).

The additions made to the Credit Policies framework from 2023 are illustrated below:

- ESG:
  - evolution of the transition risk classification methodology based more on emissions;
  - introduction of physical risk;
  - extension to the large corporate segment;
  - management of priority sectors with high emission risk;
  - introduction of ESG credit policies;
- Real Estate:
  - KRI (Key Risk Indicator) integration for the assessment of sustainability in the CRE (Commercial Real Estate) sector;
- Evolution of the current framework:
  - credit policies as part of "withdrawal" strategies;
  - fine-tuning of policies for the retail sectors, in particular for decision-making engines.

2.3 Measurement methods for expected losses

With regard to the calculation of expected credit losses (ECL), in 2025, the process of revising and fine-tuning the current models, which started in 2020, continued, with a view to more accurately reflecting the expected losses of performing exposures, also as a consequence of the economic disruption caused by the situation of international political instability. This process moreover envisaged a series of post model managerial adjustments, in order to factor in certain measurement elements not adequately intercepted by current models. The paragraphs below provide an illustration of the changes introduced to models and to the criteria to calculate expected credit losses following imbalances linked to the economic situation, as well as the changes introduced in 2025 as part of the continuous process of revising models, depending on the type of intervention. Note that, given the complexity and the pervasiveness of the changes made to the estimation models, it was not possible to isolate the impacts that the same generated in terms of quantifying the expected credit losses, with respect to the estimation models used previously. With regard to the main methodological developments, for Post Model Adjustments, please refer to the following section "Use of post model adjustments and management overlays"; the other main developments, on the other hand, concerned the introduction, in the current year, of the new satellite models for PD and LGD, for which reference is made to the following section "Inclusion of forward-looking factors".

Measurement of expected credit losses

According to IFRS 9, all financial assets not measured at fair value through profit and loss, represented by debt securities and loans, and off-balance sheet exposures (commitments and guarantees given) must be subject to the impairment model based on expected credit losses (ECL – Expected Credit Losses).

Specifically, the IFRS 9 impairment model is based on the concept of forward-looking valuation, i.e. on the concept of Expected Credit Loss, whether calculated at 12 months (Stage 1) or for the entire residual lifetime of the instrument (lifetime loss for Stage 2 and Stage 3). In particular, the model establishes that financial assets should be classified into three separate stages, corresponding to different measurement criteria:

- Stage 1: to be measured on the basis of expected credit loss over a time horizon of one year. Stage 1 includes performing financial assets for which no significant impairment of credit risk has been observed with respect to the date of initial recognition;
- Stage 2: to be measured on the basis of expected credit loss over the entire residual life of the financial asset. Stage 2 includes financial assets that have undergone significant impairment of credit risk with respect to initial recognition;
- Stage 3: to be measured on the basis of an estimate of expected forward-looking loss, based on a 100% probability of default. Stage 3 includes financial assets considered non-performing.

According to the Expected Credit Loss calculation model, losses must be recorded not only with reference to objective evidence of impairment losses that had already occurred at the reporting date, but also on the basis of expectations of future impairment that is not clear yet, which must reflect:

- the likelihood of different scenarios occurring;
- the effect of discounting using the effective interest rate;
- historical experience and current and future valuations.

Detailed information is provided below on the model used by the Group to verify whether there is a significant deterioration of credit risk (known as "Framework Stage Assignment") and to calculate the forward-looking expected credit loss.

Framework stage assignment

Illustration of the staging model

In order to allocate exposures to the various stages, Banco BPM Group has classified them as follows:

- performing loans in Stages 1 and 2;
- non-performing loans in Stage 3. The analyses conducted led to the conclusion that the relative scope is aligned to that of non-performing exposures, determined in accordance with the definitions contained in current supervisory provisions[1] (bad loans, unlikely to pay, past due exposures), as they are deemed to be consistent with accounting regulations in terms of objective evidence of impairment. For further details on this scope, please refer to "Part A – Accounting policies, A.2 Key financial statement items" of these Notes to the financial statements.

With regard to credit exposures to Group customers (cash loans and unsecured loans), an illustration is provided below of the quantitative and qualitative criteria defined by the Group in order to classify a performing exposure in Stage 1 or Stage 2.
With reference to quantitative criteria, the model developed by the Group uses as reference the parameter of lifetime probability of default (LPD), measured at the reference date, and the same parameter measured at the origination date. The ratio between said parameters is defined as the "Lifetime PD Ratio" (LPDR). More specifically, the chosen metric is based on the "Forward" PD concept. This approach entails identifying the forward PD curve on the Lifetime PD curve observed at the origination date, with the reference date as a node and the residual duration as holding period.
The development of the model has also led to the identification of specific internal thresholds of variation between the two aforementioned probabilities, which are differentiated by the following drivers:

- risk segment (Businesses/Private Customers)[2];
- risk band;
- residual life;
- ageing of the position (distance between the origination date and the reporting date).

Thus, the change in credit risk is measured by comparing the parameter defined as a logarithm of the "Lifetime PD Ratio - LPDR" of individual exposures, as defined above, and the specific estimated internal thresholds. Exceeding the above thresholds, with the exception of cases in which the annualised PD observed at the reference date is lower than the threshold of 0.30% (threshold considered to express a low credit risk - Low Credit Risk Exemption) and in cases where the corporate counterparty is within the investment grade threshold, represents a significant increase in credit risk and the consequent transfer of the individual credit line from Stage 1 to Stage 2. That methodology is thus based on a relative approach, as the allocation between Stage 1 and Stage 2 is guided by the change in credit risk since the origination date.

In developing its operating model, after calculating the logarithm of the LPDR for each position included in the estimate sample, the Group selected the optimal threshold for each cluster (given by the intersection of the risk driver methods considered relevant) that would allow it to optimise the model's performance measured using the Matthews correlation coefficient (MCC). The performance aims to describe the ability of the model to correctly anticipate, with a Stage 2 classification, the positions that, within 12 months from the reference date, show signs of risk represented not only by default but also by additional elements that denote a high level of risk (the presence of a number of consecutive days

[1] Definitions contained in the Bank of Italy Circular no. 272 of 30 July 2008 and subsequent updates, on the basis of which the scope of non-performing loans corresponds to that of the Non-Performing Exposures of Implementing Regulation (EU) 680/2014, with which the EBA's ITS was incorporated (EBA/ITS/2013/rev1 of 24/07/2014).
[2] With reference to exposures belonging to the scope of "Structured Finance transactions - SFT" (Income Producing Real Estate, Real Estate Development and Project Financing), the same thresholds developed for the Business segment are applied.

past-due/overdue exceeding the 30-day threshold, the granting of a forbearance measure, the presence of the counterparty within exposures subject to strict monitoring).

With reference to exposures to banks, the methodology developed is also based on the calculation of the LPDR parameter, using the thresholds developed for the Business segment.

Moreover, it should be noted that exceeding of the SICR threshold - which determines a Stage 2 classification - is observed on positions that show, with respect to the origination date, a relative increase in PD Lifetime included on average in a range from +100% to +200% depending on the risk segment.

In addition to the quantitative criterion illustrated above, the stage allocation model adopted by the Group is also founded on qualitative criteria and backstops. In greater detail, the following entails classification in Stage 2:

- the presence of a number of consecutive days past-due/overdue exceeding the threshold;
- the granting of forbearance measures. In greater detail, this includes all exposures affected by forbearance measures which have this attribute still active, regardless of whether the current probation period is regular;
- the inclusion of the counterparty in watchlist exposures subject to strict monitoring, in the presence of situations that suggest high risk (e.g. synthetic judgement of the degree of risk of the individual customer above a certain threshold, prejudicial events);
- the classification of the counterparty in the "High" risk band[1], save for the option of override by the competent corporate functions, which must be suitably justified on a case-by-case basis;
- lack of rating at the origination date, save for the case where the counterparty was assigned a rating on the measurement date that classifies in the exposure in the "Low", "Medium-low" or "Medium" risk band[2].

With regard to the functioning of the model, Banco BPM Group has decided to adopt a symmetrical model of reclassification from Stage 2 to Stage 1: in cases in which the conditions triggering the significant deterioration of credit risk cease to exist on a later valuation date, the financial instrument returns to being measured on the basis of the expected credit loss measured on a time horizon of twelve months. It should also be noted that in the event of a return from Stage 3 to performing exposure status, there is no mandatory transfer of the counterparty's relationships to Stage 2. The classification of performing exposures into stages (Stage 1 or Stage 2) will depend on the automatic application of the stage assignment framework.
In the case of forborne exposures, any return to the calculation of the expected credit loss at one year is made in accordance with the probation period, in line with the time frames set out in the supervisory provisions.

The stage allocation methodology described above is applied to all exposures to customers, excluding debt securities.

Downstream of the stage assignment and ECL calculation process, some Stage manual adjustments were carried out, with the reclassification of individual positions whose classification deriving from the application of staging allocation methodology (SICR + Backstop) was considered inappropriate by the Loans function. The intervention involved a total exposure migrated to Stage 1 of -0.19 billion, corresponding to an ECL decrease of -2.20 million.

It should be noted that the following evolutions, previously managed through manual adjustments, were introduced directly into the calculation engine:

- classification in Stage 1 of relationships, not classified as revolving credit, with residual maturity within the year classified in Stage 2 exclusively due to threefold increases;
- introduction of a quantitative assessment of the SICR on non-segmented (unratable) positions by exploiting the recovery of additional information (e.g. ECAI rating) in order to address a specific ECB request as part of the OSI-IFRS9 SME inspection;
- introduction of a recalculation of the classification criteria at Stage 2, represented by SICR and Threefold increase following the updating of the lifetime PD values measured at the origination date of the reports; the updating of the lifetime PD curves made it possible to eliminate the potential distorting effects resulting from the introduction of modelling fine-tuning only on the PDs at the reference date.

With reference to debt securities, the methodology adopted by the Group is based, similarly to that envisaged for exposures represented by loans, on the LPDR parameter, calculated as the ratio of the lifetime probability of default

[1] Note that, for loan granting processes, the rating classes envisaged by the internal model are grouped into 5 homogeneous risk bands ("Low", "Medium-low", "Medium", "Medium-high" and "High").
[2] See previous note.

measured at the valuation date to the corresponding probability recorded at the date of purchase of the instrument. The probabilities of default used are determined on the basis of information provided by the rating agency Moody's, through access to the CreditEdge platform.
For this scope of application, the thresholds of significant increase in credit risk (SICR), after which the exposure is reclassified as Stage 2, were defined through a distribution approach and correspond to the 95th percentile of the distribution of the LPDR parameter observed on the reference portfolio as at December 2025.
If the LPDR[1]parameter is not available, the Group applies the Low Credit Risk Exemption ("LCRE"), using the practical expedient envisaged by IFRS 9, which makes it possible to assume that the credit risk has not increased significantly with respect to the initial recognition of the instrument, with consequent classification as Stage 1. In particular, securities for which the LPDR parameter is not available and which, at the reporting date, have an external rating of the issuer or of the issue equal to or higher than the investment grade level, are classified as Stage 1, without carrying out any SICR assessment. The scope of application of the LCRE also includes securities for which the transfer to Stage 2, based on the LPDR parameter, is not activated, as the lifetime PD value at the reference date is considered to express a low credit risk, consistent with the thresholds associated with the investment grade.
Considering the presence of several purchase transactions occurring on different dates for the same fungible security (ISIN), for the purposes of the SICR, the risk at the origin is measured separately for each tranche purchased. It was thus necessary to specify a method for identifying the tranches sold and, as a result, the remaining quantities to which to assign the credit quality at the date of initial recognition, to be compared with that at the measurement date: that movement methodology is based on the FIFO method (First In - First Out).

An inhibition of the quantitative criteria of staging allocation is also applied to the loans perimeter, which exclusively concerns counterparty businesses with low risk, similar to the "investment grade" risk measured in proxies by internal ratings and associated PDs. The inhibition occurs only in cases of classification in Stage 2, limited to Delta PD and/or Threefold triggers. All other triggers are assessed without exception and can determine the classification of the counterparty in Stage 2.

The following table below shows the percentage breakdown of exposures allocated to Stage 2 on the basis of various classification triggers, which shows that the breakdown of the exposures classified therein is influenced by both quantitative criteria based on the change in the probability of default, and on qualitative criteria. Exposures classified as Stage 2 solely due to the presence of a number of past-due days in excess of the threshold represent a negligible percentage.

Type[2]	Stage 2	of which: Large Corporate	of which: Mid Corporate Plus	of which: Mid Corporate	of which: Small Businesses	of which: Private Individuals	of which: Banks	of which: other exposures
Quantitative criteria	69.92%	60.31%	76.27%	78.72%	67.32%	38.88%	100.0%	11.28%
Qualitative criteria	25.84%	39.61%	19.61%	17.63%	24.16%	59.65%	0.00%	82.61%
Past-due exposures over the threshold	0.62%	0.00%	0.05%	0.26%	1.61%	1.20%	0.00%	6.11%
Manual Adjustment (MA)	0.48%	0.00%	1.78%	0.05%	0.18%	0.14%	0.00%	0.00%
Post Model Adjustment (PMA)	3.14%	0.08%	2.29%	3.34%	6.73%	0.14%	0.00%	0.00%

Expected Credit Loss - Stage 1 and Stage 2

The model for calculating Expected Credit Loss (ECL) to measure the impairment of performing instruments, differentiated based on the classification of the exposure in Stage 1 or Stage 2, is based on the following formula:

$$ECL = \sum_{t=1}^{T} PD_t * EAD_t * LGD_t * (1+r)^{-t}$$

[1] Security not contributed by the Credit Edge service or lack of probability of defaults at the purchase date or at the reference date.
[2] In the case in which a position is classified as Stage 2 due to different types of criteria, its exposure has been allocated to the first cluster according to the order in which the classification criteria were presented.

Where:

PDt	represents the probability of default at each cash flow date. This is the probability of moving from performing status to non-performing status over the course of a year (1-year PD) or over the entire lifetime of the exposure (lifetime PD)
EADt	represents the counterparty's exposure at each cash flow date
LGDt	represents the associated loss by counterparty at each cash flow date. This is the percentage of loss in the event of default on the basis of historical experience over a given observation period, as well as the forward-looking evolution over the entire lifetime of the exposure;
r	represents the discount rate
t	represents the number of cash flows
T	represents the total number of cash flows, limited to the following 12 months for accounts in Stage 1, and referring to the entire residual life for those in Stage 2

The models used to estimate said parameters leverage the equivalent ones used for capital requirements for credit risk, making specific adaptations to take account of the different requirements and purposes of the IFRS 9 impairment model and the prudential impairment model.

The definition of said parameters, compared to the regulatory parameters, considered the following objectives:

- removal of the downturn component considered in calculating the regulatory LGD to take account of the adverse economic cycle;
- removal of the MoC (Margin of Conservatism) component considered in the regulatory LGD calculation to take further margins of conservatism into account as requested by the EBA Guidelines;
- adjustment of loss rates to manage the difference between the discount rate used for the regulatory LGD estimate[1] and the Effective Interest Rate (EIR) used to calculate losses at amortised cost;
- inclusion of the conditions of the current economic cycle (Point-in-Time risk measures) instead of the measurement of the parameters through the economic cycle (TTC - Through the cycle), which is required for regulatory purposes;
- introduction of forecast information regarding future trends in macroeconomic factors (forward-looking risk) considered potentially capable of influencing the debtor's situation;
- extend risk parameters to a long-term perspective, accounting for the lifetime of the credit exposure to be assessed.

As noted, the definition of default adopted is in line with that used for regulatory purposes.

Following the support measures adopted by the Italian Government during the period of the Covid pandemic, one of the main mitigation actions was that of state guarantees for the disbursement of loans to customers. In this respect, Banco BPM Group included the government measure on state guarantees still in place in its ECL calculation. The method adopted therefore enabled the share of exposure covered by these guarantees with relation to the total exposure of the transaction to be identified. The LGD associated with the transaction was therefore eliminated on said portion, and a "Stato Italia" (Italian State) average coverage was assigned.
The provisions are therefore calculated as the sum of the expected credit loss on the share of the exposure not guaranteed by the State, plus an ECL calculated through the application of the "Stato Italia" coverage to the share of the exposure guaranteed by the State.

More detailed information on the way in which the Group has determined the aforementioned IFRS 9 compliant risk parameters, with specific reference to forward-looking factors, is provided below.

In that regard, furthermore, it must be noted that the update of the time series of the parameters and, as a result, their recalibration, is carried out on an annual basis. In particular, in December 2025, in line with the provisions of internal processes, the risk parameters were updated to incorporate in their estimation the effect of updating the time series on the PD, LGD, EAD risk parameters and thresholds to identify the SICR.

[1] The discount rate used for regulatory LGD estimates, in compliance with EBA Guidelines (*EBA/GL/2017/16*), corresponds to the 3-month Euribor with a prudential add-on of 5%.

Estimating the PD parameter

The PD values are obtained on the basis of regulatory ones, which are anchored to the average level of risk observed in the long-term, suitably calibrated to reflect the current conditions of the economic cycle (Point in Time approach). Subsequently, the PD values are adjusted, from a Forward Looking perspective, through the application of the sector satellite models developed by the Group. Said values must be estimated not only with reference to the time horizon of the twelve months following the reporting date, but also in the future years, for the purpose of calculating lifetime provisions. The lifetime PD curves were constructed by multiplying, using a Markov approach, the migration matrices of the rating at 12 months, separately by risk segment (Large Corporate, Mid Corporate, Mid Corporate Plus, Small Business, Private) impacted by the forward-looking macroeconomic scenarios. Each rating class assigned to the counterparties using the AIRB internal models is associated with its related lifetime PD curve. The main methodological steps used to estimate the lifetime PD parameter are provided below:

- the construction of historical Point in Time (PiT) migration matrices for each risk segment defined by the rating models and on the basis of the average of these matrices and the attainment of the long-term Through The Cycle (TTC) migration matrices for each risk segment;
- the determination of future PiT matrices for the first three years following the reporting date, obtained on the basis of PiT matrices conditioned on the basis of macroeconomic scenarios;
- obtaining cumulative PDs by rating class and scenario, via a matrix product (Markov chain techniques) of the future PiT migration matrices for the first three years, as previously calculated, while from the fourth year onwards so-called smoothed matrices are used, which allow for the gradual smoothing with the TTC migration matrix;
- the generation of the cumulative lifetime PD curve as the average of the cumulative PD curves of each selected macroeconomic scenario weighted by the respective probability of occurrence.

With regard to "Structured Finance transactions - SFT" (Income Producing Real Estate, Real Estate Development, Project Financing and Object Finance), it should be noted that, starting from June 2024, the simulation models were discontinued, with the resulting transition to the slotting criteria methodology, in line with the formal regulatory model change request sent to the ECB. The dedicated slotting criteria method involves the assignment of a category defined in a range from 1 to 4, subsequently transformed, through conversion tables, into rating classes and the relative PD value of the Mid Corporate model (segment with more similar size characteristics) relating to the new A-IRB rating system.
The PD values thus obtained are then conditioned to the economic cycle in a forward-looking perspective through the use of internal PD satellite models.

Refer to the paragraph "Inclusion of forward-looking factors", below, for more details on the method of constructing the PD.

Estimating the LGD parameter

LGD values are assumed to be equal to the regulatory recovery rates calculated through the economic cycle (TTC) and suitably adjusted in order to remove some of the prudential elements established by the regulatory models, which are represented by indirect costs, the MoC (Margin of Conservatism) and the component associated with the adverse economic cycle (the downturn component), as well as to reflect the most current recovery rates (PiT), the difference between the discount rate used to estimate the regulatory parameters[1] and the Effective Interest Rate (EIR), and expectations concerning future (forward-looking) trends. In detail, the forward-looking estimate of the parameter takes account of the impact on the economic cycle of the components represented by the probability of non-performance (Psoff) and the Loss Given Default Non-Performance (LGDS) using specific forward-looking scaling factors to obtain point in time and forward looking LGDs. More specifically, the forward-looking effects are channelled to LGD estimates through the application of specific satellite models for the main components of the LGD model (Psoff and LGDS), which compare the changes in macro factors with the residual estimations of the two above-cited parameters on the historical horizon.

As set forth in the paragraph above "Estimating the PD parameter", as regards "Structured Finance Transactions - SFT" (Income Producing Real Estate, Real Estate Development, Project Financing and Object Finance), starting from June

[1] The discount rate used for regulatory LGD estimates, in compliance with EBA Guidelines (*EBA/GL/2017/16*), corresponds to the 3-month Euribor with a prudential add-on of 5%.

2024, the simulation models were discontinued, with the resulting transition to the slotting criteria methodology, in line with the formal regulatory model change request sent to the ECB.

The slotting criteria method involves the assignment of specific LGD values depending on SFT segment, defined on the basis of specific analyses performed on specific portfolios by adopting the fixed values provided by Supervisory Regulations.
The LGD values thus obtained are then conditioned by the economic cycle in a forward-looking perspective through the use of internal LGD satellite models.
A specific parameter was also introduced to include, with the appropriate adjustments, the effect of disposals on recoveries, understood as alternative workout methods used by the Group over time.

EAD Estimation

For on-balance sheet exposures, the EAD is represented, at each future payment date, by the remaining payable based on the repayment plan, plus any unpaid and/or past due instalments.
For off-balance sheet exposures, represented by guarantees and irrevocable or revocable commitments to disburse funds, the EAD is equal to the nominal value weighted by a specific credit conversion factor (CCF), determined in compliance with the previously validated and appropriately calibrated internal models and using the standardised approach for the remaining exposures.
It should be noted that, for revolving loans, the expiry of the relationship is currently defined "in model" on the basis of a behavioural model, following the removal of the relative post model adjustment.

Inclusion of forward-looking factors

In accordance with IFRS 9, to estimate expected credit losses, it is necessary to take forward-looking information[1] into account, conditioning the risk parameters according to the different macroeconomic scenarios in which it is expected to operate.
With a view to overcoming potential inconsistencies in the results determined by the satellite models ordinarily used before the impact of the Covid-19 emergency, sector satellite models were adopted from 2020, with a view to evaluate the highly diverse consequences of the pandemic on the different sectors of the Italian economy.

Starting with the financial statements as at 31 December 2024, new satellite models have been developed which, in addition to macroeconomic factors, consider financial KPIs as risk drivers, with the objective of better grasping climate effects relating to physical and transition risk.

Lastly, as set forth in internal regulations, to calculate the ECL as at 31 December 2025, the macroeconomic scenarios and the relative probabilities of occurrence were updated, based on the analyses conducted by the Scenario Council[2].
To this end, the macroeconomic projections provided by leading providers were considered. With reference to the four scenarios developed by the latter ("baseline", "favourable", "adverse" and "severe"), three scenarios were selected, identifying the "baseline" scenario as the "base" scenario, the "favourable" scenario as the "better" scenario and the "adverse"[3] scenario as the "worse" scenario, excluding the extreme negative scenario ("severe") as, for accounting purposes, it is not considered plausible.
In order to allocate probabilities of occurrence to the above-mentioned scenarios, those implicit in the construction of the same were used as a base of reference, as supplied by the provider. With respect to the latter, it was decided to increase the probability of occurrence of the "adverse" scenario, from the 25% indicated by the provider, to 35%, allocating to the latter the 5% probability of the "severe" extreme negative scenario, as well as a further 5% that the Bank has prudentially decided to allocate to this scenario with respect to the "favourable" scenario.

[1] Conditioning of credit risk parameters (PD and LGD) calculated at a Point-in-Time, to estimate the future change based on the expected evolution of the main macroeconomic variables (e.g. GDP, rate of unemployment etc.).
[2] The Scenario Council consists of a team responsible for defining and updating or confirming the macroeconomic scenarios adopted in the Group's strategic processes in light of external events or specific vulnerabilities of the Bank. It is also responsible for identifying the processes impacted and their potential updating. The team is comprised by the Chief Financial Officer, the Chief Risk Officer, the Chief Lending Officer and the Heads of the Planning and Value Management, Risk and Administration and Budget Functions, with the participation of the Head of the Audit Function as auditor.
[3] The "adverse" scenario replaced the "adverse plus" scenario used as a reference for the worse scenario for the 2024 financial statements.

The probabilities of occurrence of the three macroeconomic scenarios considered are therefore the following[1]:

- "baseline" scenario: 50%;
- "adverse" scenario: 35%;
- "favourable" scenario: 15%.

Please note that the model for the governance of the process of updating the macroeconomic scenarios for IFRS 9 purposes, establishes that the same are updated at least every six months (for the closure at year-end and at the first half of each year). The update may be made more frequently (quarterly), if the monitoring of the forecasts relating to GDP, with respect to those implied in the scenarios utilised, indicates that a specific threshold[2] has been surpassed.

The following table shows the annual average values (expressed in terms of annual percentage changes or absolute values for rates of return and the unemployment rate) of the main macroeconomic indicators for the 2026-2028 period for each of the three scenarios considered in the satellite models for the conditioning of the risk parameters to be used to calculate ECL:

Scenario	Macroeconomic indicators	2026	2027	2028
Adverse	GDP Italy	0.1	0.1	0.2
Baseline	**GDP Italy**	**0.7**	**0.4**	**0.5**
Favourable	GDP Italy	1.5	0.8	1.0
Adverse	GDP EMU	0.0	0.8	0.9
Baseline	**GDP EMU**	**1.0**	**1.1**	**1.1**
Favourable	GDP EMU	2.0	1.6	1.5
Adverse	Unemployment rate	6.39	6.60	6.82
Baseline	**Unemployment rate**	**6.19**	**6.08**	**5.94**
Favourable	Unemployment rate	6.02	5.57	5.06
Adverse	Index of residential property prices	1.2	-0.3	0.9
Baseline	**Index of residential property prices**	**1.9**	**2.1**	**1.9**
Favourable	Index of residential property prices	3.1	3.4	2.4
Adverse	Household consumption	0.1	0.3	0.3
Baseline	**Household consumption**	**0.7**	**0.7**	**0.6**
Favourable	Household consumption	1.3	1.0	1.1
Adverse	Total investments	-0.9	-1.9	-1.6
Baseline	**Total investments**	**0.7**	**-0.9**	**-0.6**
Favourable	Total investments	3.7	0.5	0.4
Adverse	Construction investments	-3.7	-5.9	-5.5
Baseline	**Construction investments**	**-2.5**	**-5.1**	**-4.6**
Favourable	Construction investments	0.1	-3.7	-4.1
Adverse	3-month Euribor	1.74	1.82	2.09
Baseline	**3-month Euribor**	**2.02**	**2.10**	**2.37**
Favourable	3-month Euribor	2.09	2.38	2.57
Adverse	ECB rate	1.90	1.96	2.21
Baseline	**ECB rate**	**2.15**	**2.21**	**2.46**
Favourable	ECB rate	2.21	2.46	2.65
Adverse	Return on Italian 10-year government bonds	3.70	3.89	4.12
Baseline	**Return on Italian 10-year government bonds**	**3.61**	**3.72**	**3.95**
Favourable	Return on Italian 10-year government bonds	3.73	3.72	3.89

[1] Compared to the 2024 financial statements, the probability of occurrence of the "adverse" scenario increased from 30% to 35%, while that of the "favourable" scenario decreased from 20% to 15%, in line with the selection of a different worse reference scenario, which changed from "adverse plus" to "adverse".

[2] Threshold established as a change in GDP of over 0.5%.

Scenario	Macroeconomic indicators	2026	2027	2028
Adverse	BTP/Bund Spread	1.21	1.29	1.29
Baseline	**BTP/Bund Spread**	**0.88**	**0.87**	**0.87**
Favourable	BTP/Bund Spread	0.75	0.62	0.56
Adverse	Italian consumer price index	2.4	2.0	1.8
Baseline	**Italian consumer price index**	**1.7**	**2.1**	**2.0**
Favourable	Italian consumer price index	1.6	1.9	1.5
Adverse	Imports	-0.7	0.0	1.0
Baseline	**Imports**	**1.2**	**1.9**	**1.7**
Favourable	Imports	3.9	2.9	3.3
Adverse	Exports	-0.2	0.7	1.4
Baseline	**Exports**	**1.2**	**2.0**	**2.0**
Favourable	Exports	2.9	2.7	3.4
Adverse	Public administration expenditure	0.5	0.0	0.3
Baseline	**Public administration expenditure**	**0.5**	**0.0**	**0.3**
Favourable	Public administration expenditure	0.5	0.2	0.3

In 2025, the global economy maintained moderate growth in a complex international scenario. The tightening of US tariffs rekindled tensions in trade, mitigated only in part by some bilateral agreements, while the continuation of conflicts and the intensification of cyber risks increased uncertainties. China struggled to revive consumption and investments, still affected by the aftermath of the real estate crisis. In the Eurozone, political instability and industrial difficulties further contributed to sluggish foreign demand; domestic demand, however, showed signs of resilience. Central banks continued to gradually ease monetary conditions, supported by stable price trends, especially in the energy sector. Sizeable fiscal stimulus plans have been announced, but their full implementation remains uncertain. Private consumption proved to be resilient on the whole, mitigating the effects of the slowdown in international trade; the first signs of a cooling of labour markets emerged in various economies.

Starting from these final considerations, the "baseline" scenario is supported by a still highly unstable international context, with a growing recourse to "unconventional" hostile actions. Despite intense diplomatic efforts, the results remain partial and there continue to be risks of supply chain disruptions and increased pressure on energy prices. On the international trade front, further clashes are still possible, and a certain degree of uncertainty remains. The financial markets are particularly sensitive to this instability, further contributing to an increasingly evident concentration of capital in sectors linked to artificial intelligence. This trend could result in significant adjustments if profitability expectations are not met, with spillovers on the government bond markets and consequently limitations on the scope for tax interventions. Weak global demand is contributing to stabilising the price of raw materials. The ECB does not deem it necessary to take further action in the short-term, while the Fed continues with its gradual easing policy. Growth in the US slows down, the increase in tariffs and the depreciation of the dollar exert pressure on prices, eroding consumption and limiting investments. Growth in the Eurozone is consolidated, supported by the recovery in private consumption and the strengthening of investments, favoured by the German infrastructure plan, the increase in public spending on defence and climate transition incentives. Italy is also growing steadily, with a positive employment trend, recovering investments and production adapted to the tariff shock, also opening up to new markets; the improvement in public finances, thanks to an increasing primary surplus, will offer margins for measures that offset the end of the NRRP starting from 2027.

In detail, the following developments are envisaged:

- Italian growth remains at modest levels (0.7% in 2026), with global uncertainty and limited stimulus measures affecting the following two-year period (+0.4% in 2027 and +0.5% in 2028); the EMU profile is more solid, with +1.0% in 2026 and +1.1% in 2027-2028;
- the unemployment rate falls further, from 6.19% in 2026 to 6.08% in 2027 and to 5.94% in 2028; this trend, also the result of the contraction of the working-age population, is starting to uncover some risks of mismatch and labour shortages in various sectors;
- Italian inflation in 2026 stands at 1.7% and is in line with the ECB target in the following two years (2.1% in 2027 and 2.0% in 2028); the containment of the prices of commodities and energy goods, together with the strengthening of the euro, contribute to keeping inflation under control;

- commercial relations with foreign countries, despite the uncertainties, remain solid; exports grow over the entire period: +1.2% in 2026 and +2.0 in both 2027 and 2028; similar dynamics also for imports, +1.2% in 2026, +1.9% in 2027 and +1.7% in 2028;
- gradual rise in 10-year Italian government bond yields, which rise from 3.61% in 2026 to 3.72% in 2027 and to 3.95% in 2028; this trend mainly reflects a general increase in long-term government rates in the Eurozone; idiosyncratic country risk becomes less impactful, the BTP-Bund spread stays just below 90 basis points for the entire three-year period, a historically low level.

The "adverse" scenario, which, as mentioned above, has been revised, is characterised by a markedly uncertain geopolitical context. Russia is not very cooperative with regard to a resolution of the conflict in Ukraine, while in Gaza, despite the initial truce, the situation remains particularly tense. The bilateral tariff agreements signed by the United States during the summer become the starting point for new threats and countermeasures: tensions on the international trade side fuel market volatility. The uncertain context pushes up the prices of commodities and energy goods, triggering further slowdowns in trade. In Europe, political instability (particularly in France) and a slow launch of German infrastructure plans weaken intentions of a common response to international challenges: the ReArmEurope plan remains largely on paper and, when it translates into measures, ends up displacing other investments. The European cycle weakens, the room for fiscal manoeuvres is more restricted and the integration of the single capital market slows down. The ECB seeks to support activity with a further cut in policy rates in 2026 and keeping the level constant until the end of 2027, however the intervention is not sufficient to offset the lower fiscal stimulus. For Italy, the combination of greater exposure to foreign trade and a contraction in the effects of EU investment demand impacts manufacturing and investments. Households increase their propensity to save, consumption remains prudent and the demand for credit weakens. Banking supply becomes more selective and credit quality shows a slight deterioration. The debt/GDP ratio rises initially and starts to fall only later, a symptom of weak growth and upward risk premiums.

In detail, the following developments are envisaged:

- Italy is stagnant in the three-year forecast period: +0.1% in 2026 and 2027, +0.2% in 2028; the trend is conditional upon the negative effects of the tariffs, to which the country is particularly exposed, and by the elimination of the impetus of the NRRP. Growth in the EMU is also zero in 2026, becoming positive from 2027 (+0.8%), reaching +0.9% in 2028;
- the uncertainty on tariff policies initially penalises exports, which fall by 0.2% in 2026 and return to growth in the following two years (+0.7% in 2027, +1.4% in 2028); also imports are initially affected (-0.7% in 2026 and 0.0% in 2027), and then recover in 2028 (+1.0%);
- investments, already penalised by the elimination of the NRRP and other stimulus measures, suffer the slowdown in the economy, falling throughout the three-year forecast period (-0.9% in 2026, -1.9% in 2027 and -1.6% in 2028); investments in construction are particularly affected, down sharply throughout the period (-3.7% in 2026, -5.9% in 2027, -5.5% in 2028);
- the cooling of the global economy, to which Italy is heavily exposed, together with the delicate production situation, affected in particular by the decline in investments, fuels the risk premium on new debt issues, the BTP-Bund spread widens from 2026 to 121 bps, then settling at 129 bps in the two-year period 2027-2028. As a result, the yield of the 10-year BTP also grows over the forecast horizon: 3.70% in 2026, 3.89% in 2027 and 4.12% in 2028.

Lastly, the "favourable" scenario envisages the easing of geopolitical tensions: progress in Gaza promotes dialogue on the Russian-Ukrainian front and improves the international image of the United States, which adopts a softer approach to tariffs. The result is a net reduction in global uncertainty.
In Europe, a cooperative climate is consolidated, with a drive for joint investments in infrastructure and defence and the launch of initiatives to remove obstacles to the single capital market, laying the foundations for greater financial integration at EU level. The acceleration in the adoption of digital technologies and artificial intelligence supports productivity and frees up resources to more effectively address the challenges of climate and demographic transition. In terms of monetary policies, the ECB adopts a line of greater prudence from 2026 to prevent price pressure while financial conditions improve, with a reduction in sovereign spreads and a more markedly inclined yield curve. In this context, Italian industrial production is the protagonist of a revival, also favoured by the recovery of national consumption. The improvement in the labour market and in confidence stimulates investments and demand for credit by households and businesses, consolidating the national banking sector, which also benefits from the strengthening of credit quality. The debt/GDP ratio gradually falls, supported by growth, confidence and lower risk premiums.

Specifically:

- Italy's growth is moderate in the three-year period of the forecast: after a boost of 1.5% in 2026, GDP increases by 0.8% in 2027 and 1.0% in 2028, supported by both the recovery in foreign and domestic demand;
- the positive economic context is reflected in the employment trend, which is continuously improving: the unemployment rate gradually decreases from 6.02% in 2026 to 5.57% in 2027, to 5.06% in 2028;
- the climate of confidence in the economy is reflected in the growth of household consumption of around 1% for the entire forecast horizon: +1.3% in 2026, +1.0% in 2027 and +1.1% in 2028; investments also benefit from it, supported by a better implementation of the NRRP: after an initial momentum of +3.7% in 2026, they grow by only +0.5% in 2027 and +0.4% in 2028, penalised by the contraction of the construction component (down from 2027);
- the yield on 10-year Italian government bonds remains substantially stable in the first two years of the forecast (3.73% in 2026 and 3.72% in 2027), and then rises slightly to 3.89% in 2028; at the same time, the BTP-Bund spread gradually and significantly narrows: 75 bps in 2026, 62 bps in 2027 and 56 bps in 2028.

Use of post model adjustments and management overlays

In addition to the amendments illustrated above ("in-model adjustments"), when the consolidated financial statements as at 31 December 2025 were prepared, it was deemed appropriate to proceed, as in previous periods, with the application of additional top-down corrections ("post model adjustments/management overlays").

These management overlays, which in fact significantly reduce the positive economic impacts that would otherwise have been recorded by applying the models in use, are mainly justified by the fact that the aforementioned models may not capture all the phenomena considered relevant for the purpose of determining the expected losses on performing credit exposures to customers (cash loans and unsecured loans).
In greater detail, for the above-mentioned exposures, the application of the overlays in question entailed the recognition of higher value adjustments for a total of around +143.7 million, compared to the expected credit losses quantified on the basis of the models in use, which amount to around 333.9 million.
The quantification of these amounts was determined by conducting specific analyses, in a laboratory environment, based on the following interventions:

- in line with previous years, assessment of the potential ESG effects on staging allocation and ECL, resulting from the inclusion of physical and transition risk on the forward-looking evolution of PD and LGD parameters, on the assumption of adopting, respectively, the Net Zero 2050 scenarios, using short, medium and long-term financial projections as inputs to the satellite PD models and managing any overlapping with management ratings, in compliance with the ESG operating plans communicated by the Group to the Regulator as part of the Targeted Review on Climate-related and Environmental Risks ("Inclusion of ESG effects"), obtaining an impact in terms of higher ECL of +31.2 million against an increase in Stage 2 exposures of +0.26 billion. More specifically, for transition risk, the Net Zero 2050 Phase V of Network for Greening the Financial System (NGFS) was considered; for acute physical risk, the impact was assessed using the devaluation model of property used as collateral (property value) as the share of devaluation that impacts the price index of residential and non-residential properties. For further details on the scenarios used and how they are incorporated for the purposes of calculating the PD and LGD risk parameters, please refer to the previous paragraph "Information on the inclusion of ESG factors in credit processes";
- given the intrinsic uncertainty in the geopolitical context, the PMA introduced in December 2024 was maintained, to gauge the potential effect of emerging risks not yet manifested. The intervention results in using the Severe scenario, an alternative to the multi-scenario, with a 50% probability of occurrence, the remaining 50% being the Baseline. The purpose of using the Severe scenario is to identify an adjustment estimated in the face of possible risk scenarios not currently captured by the IFRS 9 framework. In fact, in the presence of specific economic circumstances characterised by high volatility and/or risks of significant departure from the expected scenarios, it has been decided to introduce further conservatism to the ECL. This PMA captures the potential risk that the forward-looking scenario may diverge from the range represented by the scenarios adopted for the quantification of the ECL.
  It should be noted that the purpose of this PMA is to intercept scenarios characterised by extreme volatility, and which may be - even significantly - different from the expected scenarios, i.e. to mitigate the risk that the forward-looking scenario may diverge, in extreme cases, from that resulting from the weighting of the three scenarios (favourable, baseline and adverse). Consequently, this overlay does not, by its nature, also represent a SICR indicator for the purposes of defining staging allocation in the IFRS 9 framework, as the

definition of an extreme scenario is unrelated to a concept of precise measurement of the forward-looking risk of the individual credit positions of the Group's performing portfolio. The impact in terms of higher ECL is +96.0 million;
- lastly, following the ECB OSI IFRS9 inspection, starting from March 2025, in order to introduce greater conservatism in the determination of the credit rating of forborne positions, a notch down of one rating class was applied, obtaining an impact in terms of higher ECL of +16.5 million.

With respect to the approach taken during the preparation of the 2024 financial statements, following the application of the post-model adjustments illustrated above, no additional PMAs were introduced; instead, the following PMAs were disposed of as directly integrated into the IFRS 9 models or no longer applicable:
- collective approach to the Stage 2 classification of positions affected by an emerging risk linked to the tensions recorded in the Suez Canal following attacks by Yemeni rebels (the "Houthis") on merchant vessels that have started to take alternative routes, docking in more convenient foreign ports and, therefore, penalising activities at Italian ports. In view of the recent evidence of a net improvement in port activities, during the Scenario Council of 1 April 2025, it was decided to discontinue the PMA;
- removal of the potential distorting effects on the risk parameters deriving from the Covid-19 pandemic and the consequent government measures to support household and business liquidity, which in 2020 and 2021 led to a break in the historical relationship between economic conditions and levels of risk of borrowers. Starting from 2024, the Covid PMA is no longer carried out because the underlying rationale no longer applies. Specifically, with the latest update of the matrices based on 2022-2024 time series, the data impacted by Covid left the Point in Time estimation perimeter;
- the Tariffs PMA, introduced in March 2025, is considered implicitly incorporated in the Geopolitical PMA starting from June 2025 following the application of the new macroeconomic scenarios that objectively integrate the effect of US tariff policies;
- starting from 31 December 2025, behavioural maturity was introduced directly into the IFRS 9 models in place of contractual maturity, in line with the requirements of the ECB OSI-IFRS 9 inspection, for the technical forms of revolving credit ("Behavioural Maturity Application").

This is without prejudice to the transitory nature of the post-model adjustments linked to the adoption under IFRS 9 of fine-tuning to the modelling framework, to the progressive rejuvenation of the estimated time series, in addition to the consideration that the results deriving from the models to calculate expected credit losses are influenced by macroeconomic scenarios largely dependent on phenomena not fully consolidated and in any case still subject to extreme variability and uncertainty.

Sensitivity analysis of expected credit losses

In accordance with the provisions of paragraph 125 of IAS 1, the Notes must provide information on the key factors of uncertainty that characterise financial statement estimates. Paragraph 129 envisages that this disclosure must be provided in a manner that helps users of financial statements to understand the judgements that management makes about the future and the relative impacts. The examples mentioned to pursue this objective include sensitivity analyses, through which the reader is able to appreciate the impacts on financial statement estimates of alternative calculation models, reasonably foreseeable changes in inputs and assumptions underlying said estimates.
The adjusting provisions of performing credit exposures (ECL) are an example of financial statements values whose estimation process is characterised by the presence of substantial factors of uncertainty.
As described in "Part A – Accounting policies, A.1, Significant accounting policies and uncertainties regarding the use of estimates in the preparation of consolidated financial statements" of these Notes to the financial statements, the inclusion of forward-looking factors for the measurement of expected credit losses is a particularly complex exercise, insofar as it requires macroeconomic forecasts to be made, scenarios and relative probabilities of occurrence to be selected, as well as defining a model able to represent the relationship between the cited macroeconomic factors and the default rates of the exposures measured.
For this reason, to be able to appreciate the impacts on expected credit losses resulting from the selection of different macroeconomic scenarios and in compliance with ESMA recommendations, most recently set forth in the document of 13 May 2022, specific sensitivity analyses are provided below in terms of ECL as well as stage allocation. These analyses were performed by attributing 100% weighting to each individual macroeconomic scenario ("baseline", "adverse", "favourable") with respect to the multi-scenario approach adopted for the preparation of these financial statements which, as described above, consider three different alternative scenarios. Alongside the "baseline" scenario, retained the most likely - 50% is the relative probability of occurrence - an "adverse" scenario was

considered, which was attributed a 35% probability of occurrence, and a "favourable" scenario with a 15% probability of occurrence.

The selection of a multi-factor sensitivity, obtained by varying more than one parameter simultaneously and implicit in the decision to consider alternative macroeconomic scenarios, is justified by the fact that there are numerous interrelations between the different macroeconomic factors so as to render a sensitivity analysis based on a single factor less representative (by way of example, a change in GDP would effectively be related to changes in many other macroeconomic variables).

The reference basis for the sensitivity analyses is represented by the ECL provision, before the application of management overlays and determined by the models in use, which amounts to 333.9 million, referring to credit exposures to the Group's customers (cash loans and unsecured loans). However, it is believed that these adjustments have the same sensitivity to changes in the scenario and, for this reason, the results shown below can be extended to the total of the ECL including post model adjustments/management overlays.

In light of what has been described, the main results of the sensitivity analyses are summarised below:

- assignment of a 100% probability of occurrence to the adverse scenario: in this case, the ECL would increase by +48.1 million with respect to that calculated by adopting the multi-scenario approach (+14.4% in percentage terms), against an increase in the percentage of exposures classified as Stage 2 of +0.58%;
- assignment of a 100% probability of occurrence to the baseline scenario: in this case, the ECL amount would decrease by -11.7 million with respect to the amount of ECLs calculated by adopting the multi-scenario approach (-3.5% in percentage terms), against a decrease in the percentage of exposures classified as Stage 2 of -0.16%;
- assignment of a 100% probability of occurrence to the favourable scenario: in this case, the ECL amount would decrease by -62.1 million with respect to the amount of ECLs calculated by adopting the multi-scenario approach (-18.6% in percentage terms), against a decrease in the percentage of exposures classified as Stage 2 of -0.82%.

Expected Credit Loss – Stage 3

With reference to the scope of non-performing loans below the materiality threshold[1], subject to write-down through a collective approach, in June 2025 the CRO function completed a project to revise the methodology for estimating the accounting hedges defined to date using the "automated gone" model.
The new modelling, approved by the Parent Company's Board of Directors on 22 July 2025, leverages the ELBE (Expected Loss Best Estimate) LGD IRB calculation framework, as it responds to a large part of the gaps detected in the assessments of the internal control functions and supervisory authorities.
Pending completion of the necessary IT developments, the effects of this new framework are applied to the portfolio through add-ons calculated in a laboratory environment.
Specifically, the new ELBE accounting model introduces into the estimate the use of the single step approach (loss rate quantified from entry to default until the end of the cycle), specialises the LGDs by reference vintage of the assessed case, and integrates the point-in-time, forward-looking (by applying the default LGD satellite models already in use in stress testing), disposal and discounting effects.
In addition, in December 2025, in compliance with company processes, the time series underlying the calibration of the parameters of the new ELBE model was updated, also integrating the effects of the new macroeconomic scenarios approved by the Scenario Council in the November and December sessions.
The application of this framework resulted in an increase in value adjustments (compared to the gone model subject to forcing) of approximately +50.4 million on the accounting data of December 2025 (pro-forma portfolio for disposals resolved on 31 December 2025). The average in-scope coverage rose from 40.4% to 44.7%.
With reference to the perimeter of non-performing loans above the materiality threshold defined above, the expected losses are determined analytically on the basis of the recovery forecasts formulated by the manager, as illustrated in "Part A - Accounting policies, A.2., 16 - Other information, Methods for determining impairment losses on IFRS 9 financial instruments in these Notes to the financial statements.

[1] Positions in default status with exposure below 1 million.

2.4 Credit risk mitigation techniques

The Group has always kept a watchful eye on the acquisition of loan collaterals and securities, i.e. the use of applications and techniques that mitigate credit risk. When deemed necessary, the typical bank guarantees are acquired, namely mortgages on properties, collaterals on securities in addition to personal guarantees issued by the guarantors.
In general, the decision on the acquisition of a guarantee is based on the customer's creditworthiness and on the characteristics of the transaction. Following this analysis, it may be deemed appropriate to obtain additional guarantees to mitigate credit risk, considering the estimated recoverable value offered by the collateral.
The system for the recording of collateral property used to guarantee lending transactions enables an automatic periodic assessment of the property's value and identifies which properties require updated appraisals, in line with the criteria established by current legislation.
The value of the financial collaterals is constantly and automatically monitored, enabling a comparison between the present value of the collateral and the initial one, and to allow the manager to act promptly in the event that the collateral incurs a significant impairment loss.
As regards collateral represented by a pledge on securities, an automatic warning system is in place, which is triggered when impairment goes beyond a certain threshold value, reporting the same to the customer relationship manager so that the same may take prompt action.
With regard to derivative transactions with market counterparties, we favour entities with which we have entered into agreements requiring the provision of collateral, especially ISDA - Credit Support Annex, to obtain a significant credit risk mitigation.

3. Non-performing credit exposures

3.1 Management strategies and policies

The classification of non-performing exposures is conducted in line with the Supervisory provisions (Art. 178 CRR). More specifically, the classification as non-performing is made:

- automatically, for exposures that reach the thresholds envisaged by the provisions of the Supervisory Authority as regards Past Due;
- by means of a decision taken by an authorised Body (i) on a proposal generated automatically by the IT system, for exposures that reach the envisaged thresholds, on each occasion, by internal credit monitoring and management processes, or (ii) on the proposal of a proponent Body, for exposures that indicate the occurrence of events that may prejudice the "performing" status of the same.

The management of non-performing loans in Banco BPM Group is based, to a great extent, on a model that assigns the management of a specific set of loans (portfolio) to specialist resources. Following the project to reorganise the management of the Group's non-performing loans, which in 2019 saw the completion of the transfer of a business segment to a specialised partner, with the subsequent assignment of a management mandate for the following ten years, the recovery of bad loans is mostly performed by a leading player in the sector, while the management of the remaining non-performing exposures is handled by specialist internal personnel. Following the transfer of the business segment mentioned above, it was also agreed that the management of all the non-performing exposures would be unified within the unit reporting to the Chief Lending Officer (CLO).
Management responsibility changes depending on the classification status of the exposure:

- the management of exposures classified as Past Due and Unlikely to Pay is assigned, with the sole exception of exposures under a certain threshold, to specialist managers located in the CLO area. For these exposures, the managers of non-performing loans are responsible for the operating decisions relating to the loans assigned to the respective portfolios, in accordance with their decision making authority, and are assisted, as regards the administrative part, by (business) managers from the Network, where the portfolio containing the exposure is placed;
- management of exposures classified as Bad Loans is conducted by the specialised internal structures of the CLO, assisted (as part of the agreement mentioned above) for most of this, by Gardant Liberty Servicing coordinating with the structures of the CLO.

In addition to the recovery process, the managers are responsible for assessing loans with a view to calculating the amount of expected losses for individual positions that have an overall exposure exceeding the threshold defined for

collective provisioning. Since 2019, this threshold has been raised from the previous 300 thousand euro to 1 million. When making said assessment, the manager must take the following into account:

- overall risk of the customer and of related accounts, as well as any Economic Group it belongs to;
- situation in the Italian Central Credit Register, with specific attention to any loans guaranteeing third parties;
- equity standing of the borrower and of any guarantors;
- value of the asset used as collateral;
- time needed to recover the debt.

To support the activities relating to the last two points, the Bank has estimated Haircut parameters on a statistical basis, defined as the difference to apply to the market value of the assets used as collateral, to align them to the amount that the Bank is likely to collect after their forced sale, and the timeframe that the manager has to consider in order to make an analytical assessment of the single position. The expected credit losses obtained in this way are periodically reviewed and continuously monitored.
The process described above is not applied to positions that have an overall exposure equal to or lower than the materiality threshold of 1 million, for which the automatic valuation model developed and maintained by the Risk Models and Methodologies unit is used and submitted to the Internal Validation and Risk Control Functions for validation. During 2025, the aforementioned model underwent some changes as described in the previous paragraph "2.3 Measurement methods for expected losses".

The expected credit losses valued analytically by the manager are periodically reviewed.

Strategy for disposal of non-performing credit exposures

The strategy to manage non-performing loans, in addition to the recovery activities carried out by the specific departments (known as internal work-out) as illustrated above, may envisage massive disposals to Group third-party counterparties, with a view to achieving specific derisking objectives, as resolved by the Board of Directors.
Given the forward-looking nature of the impairment model envisaged by IFRS 9, the presence of approved disposal targets must be adequately factored into the models that calculate expected credit losses, as illustrated in more detail in "Part A –Accounting policies, A.2, 16 – Other information, Methods for determining impairment losses on IFRS 9 Financial Instruments" of these Notes to the financial statements.

Derisking activities

System of controls for credit processes

The structure of the control system relating to credit processes is based on:

- 1st level controls (or line controls), addressed to ensuring that the processes are correctly carried out. First level controls include so-called "automatic" controls, namely performed directly by application procedures, controls performed directly by operating structures and hierarchical controls, performed within the same chain of responsibility. Second level controls are also implemented, through the CLO structures of Monitoring and Control and Credit Governance;
- 2nd level controls (or controls on risks and compliance), under the "Credit Risk Controls" unit located within the Risk - Enterprise Risk Management Function. The controls are conducted constantly via immense analysis of the Group's credit portfolios and through the review of individual positions - statistically sampled or based on the specific risk profile, independent of the functions responsible for carrying out the activities subject to verification - are aimed at ensuring the correct implementation of the risk management process (set up by the operating structures) by verifying performance monitoring for individual exposures, especially non-performing loans, and the assessment of the consistency of classifications, the congruity of provisions and the adequacy of the recovery process, in line with internal and external regulations. The structure also provides prior non-binding opinions on MST/ST in the credit area. The scope of the MSTs was expanded from the first quarter of 2025, including assessments relating to additional transactions that are particularly relevant for the management of reputational and operational risks; in addition, starting from the second quarter of the year, the Risk function expanded the assessments in the area of Leveraged Transactions on credit proposals that provide for the increase, modification or renewal of operating credit lines not already included among the transactions qualified as MST/ST.

3.2 Write-offs

For all positions classified as bad loans, the Group assesses whether it is appropriate to continue to maintain the non-performing loan because the out-of-court or judicial actions underway allow a reasonable expectation of recovery, even partial, or whether it is appropriate to proceed with a derecognition or write-off, total or partial, by virtue, respectively, of the conclusion of the recovery process or the circumstance that there is no reasonable prospect of recovery.
The write-off, in compliance with IFRS 9 and the "Guidance to banks on non-performing loans" issued by the ECB, is the reduction in the gross book value of the loan following the acknowledgement that there are no reasonable expectations of its recovery for amounts exceeding those considered collectable or already received.
It does not imply a waiver by the Bank of its legal right to recover the debt and must be carried out if all the information available indicates that the debtor is unable to repay all or part of the amount of the debt.
For further details on the definition of write-off, please refer to the content of "Part A –Accounting policies, A.2, 3 – Financial assets at amortised cost" of these Notes to the financial statements.
The Group's credit monitoring processes envisage that, to supplement and support the decisions adopted by management, positions that require attention for write-off purposes are identified on a quarterly basis, with a view to making an operational assessment of the single positions and deciding whether or not to pursue the necessary approval procedures to finalise the write-off. Said list relates to exposures whose adjusting provisions are equal to or higher than a specific threshold and which have been classified as bad loans for longer than a certain number of years, differentiated by the type of guarantee and by the presence or otherwise of insolvency proceedings.

3.3 Acquired or originated impaired financial assets

With regard to the accounting treatment of these assets and the relative presentation methods, reference should be made to "Part A – Accounting policies, A.2, 16 – Other information, Methods for determining impairment losses on IFRS 9 Financial Instruments" of these Notes to the financial statements.

4. Financial assets subject to commercial renegotiations and forborne exposures

An analysis of forborne exposures is provided below, on the basis of seniority, distinguishing between non-performing and performing exposures.

Year of last forbearance	Performing exposures	Non performing exposures	Total
2025	565,559	100,360	665,919
2024	360,713	356,146	716,860
2023	78,683	149,186	227,868
2022	37,863	147,806	185,669
2021	122,020	91,068	213,089
2020	15,149	41,109	56,258
2019	5,153	13,228	18,381
2018	17,239	8,778	26,018
2017	8,317	6,834	15,151
2016	7,439	7,887	15,327
2015	1,875	2,222	4,097
2014	2,823	5,294	8,117
Previous year	883	2,519	3,402
Total	**1,223,718**	**932,437**	**2,156,155**

The above exposures, related to the scope of prudential consolidation, are broken down in the following table according to the number of forbearance measures granted to the counterparty (one measure, two measures, more than two measures).

Number of forbearance measures	Performing exposures	Non performing exposures	Total
1	743,217	693,520	1,436,737
2	321,473	121,488	442,961
>2	159,028	117,429	276,457
Total	**1,223,718**	**932,437**	**2,156,155**

QUANTITATIVE INFORMATION

A. Credit quality

In this part, for the purposes of quantitative information on credit quality, the term "on-balance sheet credit exposures" means all financial assets held on-balance sheet with banks or customers, regardless of their portfolio of accounting allocations (at fair value through profit and loss, at fair value through other comprehensive income, at amortised cost, financial assets held for sale), but excludes equity instruments and UCIT units.

A.1 Non-performing and performing credit exposures: outstanding amounts, value adjustments, changes and economic distribution

A.1.1 Prudential consolidation – Distribution of financial assets by past due bands (book values)

Portfolios/risk stages	Stage 1			Stage 2			Stage 3			Acquired or originated impaired		
	From 1 day to 30 days	From more than 30 days to 90 days	Over 90 days	From 1 day to 30 days	From more than 30 days to 90 days	Over 90 days	From 1 day to 30 days	From more than 30 days to 90 days	Over 90 days	From 1 day to 30 days	From more than 30 days to 90 days	Over 90 days
1. Financial assets at amortised cost	253,332	34,986	4,373	111,077	131,932	12,798	13,349	55,634	829,186	44	1,005	1,641
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
3. Financial assets held for sale	-	-	-	-	-	-	345	1,413	36,577	-	-	186
Total 31/12/2025	**253,332**	**34,986**	**4,373**	**111,077**	**131,932**	**12,798**	**13,694**	**57,047**	**865,763**	**44**	**1,005**	**1,827**
Total 31/12/2024	**118,652**	**26,880**	**5,603**	**168,232**	**157,930**	**18,170**	**42,030**	**73,253**	**1,102,354**	**88**	**1,354**	**4,972**

A.1.2 Prudential consolidation - Financial assets, commitments to disburse funds and financial guarantees given: changes in total value adjustments and total provisions

Causes/risk stages	Total value adjustments											
	Stage 1 assets						Stage 2 assets					
	Demand loans to banks and Central Banks	Financial assets at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual write-downs	of which: collective write-downs	Demand loans to banks and Central Banks	Financial assets at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual write-downs	of which: collective write-downs
Total value adjustments - opening balance	**4**	**95,276**	**3,206**	**-**	**-**	**98,486**	**-**	**355,659**	**1,520**	**-**	**-**	**357,179**
Increases in financial assets acquired or originated	-	-	-	-	-	-	-	-	-	-	-	-
Derecognitions other than write-offs	-	(354)	(741)	-	-	(1,095)	-	-	(446)	-	-	(446)
Net credit impairment losses/recoveries (+/-)	-	7,804	382	-	-	8,186	-	21,716	214	-	9	21,921
Contractual modification without derecognition	-	25	-	-	-	25	-	1,595	-	-	-	1,595
Changes in estimation methodology	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs not recognised directly in the income statement	-	-	-	-	-	-	-	(20,515)	-	-	-	(20,515)
Other changes	-	35	-	-	56	(21)	-	(1,590)	-	-	-	(1,590)
Total value adjustments - closing balance	**4**	**102,786**	**2,847**	**-**	**56**	**105,581**	**-**	**356,865**	**1,288**	**-**	**9**	**358,144**
Recoveries from collections on financial assets subject to write-off	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs recorded directly in the income statement	-	-	-	-	-	-	-	-	-	-	-	-

Causes/risk stages	Total value adjustments											Total provisions for commitments to disburse funds and financial guarantees given				
	Stage 3 assets						Acquired or originated impaired financial assets									
	Demand loans to banks and Central Banks	Financial assets at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual write-downs	of which: collective write-downs	Financial assets at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual write-downs	of which: collective write-downs	Stage 1	Stage 2	Stage 3	Commitments to disburse funds and financial guarantees given acquired or originated impaired	Tot.
Total value adjustments - opening balance	**-**	**1,297,482**	**-**	**462,453**	**1,759,935**	**-**	**20,681**	**-**	**-**	**16,514**	**4,167**	**8,202**	**14,595**	**16,722**	**94**	**2,275,894**
Increases in financial assets acquired or originated	-	-	-	-	-	-	X	X	X	X	X	-	-	-	-	**-**
Derecognitions other than write-offs	-	(325,907)	-	(459,270)	(785,177)	-	(4,138)	-	-	(4,138)	-	-	-	-	-	**(790,856)**
Net credit impairment losses/recoveries (+/-)	-	303,366	-	(1,349)	302,017	-	(2,598)	-	-	(289)	(2,309)	(1,364)	(3,106)	2,948	283	**328,296**
Contractual modification without derecognition	-	1,047	-	-	1,047	-	-	-	-	-	-	-	-	-	-	**2,667**
Changes in estimation methodology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Write-offs not recognised directly in the income statement	-	(89,993)	-	(1,499)	(91,492)	-	(59)	-	-	(59)	-	-	-	-	-	**(112,066)**
Other changes	-	(154,100)	-	184,694	30,594	-	(327)	-	-	(327)	-	25	-	-	-	**28,737**
Total value adjustments - closing balance	**-**	**1,031,895**	**-**	**185,029**	**1,216,924**	**-**	**13,559**	**-**	**-**	**11,701**	**1,858**	**6,863**	**11,489**	**19,670**	**377**	**1,732,672**
Recoveries from collections on financial assets subject to write-off	-	-	-	-	-	-	5,442	-	-	5,442	-	-	-	-	-	**5,442**
Write-offs recorded directly in the income statement	-	(17,816)	-	-	(17,816)	-	(13)	-	-	(13)	-	-	-	-	-	**(17,829)**

A.1.3 Prudential consolidation - Financial assets, commitments to disburse funds and financial guarantees given: transfers between the different credit risk stages (gross and nominal values)

Portfolios/risk stages	Gross amounts/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 at amortised cost	3,376,991	2,258,366	783,328	65,111	225,131	19,381
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-
3. Financial assets held for sale	-	-	9,473	-	10,046	-
4. Commitments to disburse funds and financial guarantees given	750,344	747,659	31,270	2,181	55,359	1,105
Total 31/12/2025	**4,127,335**	**3,006,025**	**824,071**	**67,292**	**290,536**	**20,486**
Total 31/12/2024	**5,104,755**	**5,283,142**	**715,209**	**69,365**	**849,342**	**24,684**

For information on loans granted with a public guarantee following the Covid emergency, please refer to "Part A - Accounting policies, A.1, Section 5 - Other aspects, Covid-19 support measures by the Group represented by loans with public guarantee" in these Notes to the financial statements.

A.1.4 Prudential consolidation - On-balance sheet and off-balance sheet credit exposures to banks: gross and net values

Type of exposure/value	Gross exposure					Total value adjustments and total provisions					Net Exposure	Total partial write-offs*
		Stage 1	Stage 2	Stage 3	Acquired or originated impaired		Stage 1	Stage 2	Stage 3	Acquired or originated impaired		
A. On-balance sheet credit exposures												
A.1 On demand	**4,813,966**	**4,813,966**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,813,966**	**-**
a) Non-performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	4,813,966	4,813,966	-	X	-	-	-	-	X	-	4,813,966	-
A.2 Other	**9,587,636**	**7,550,731**	**94,437**	**-**	**-**	**(18,749)**	**(2,900)**	**(555)**	**-**	**-**	**9,568,887**	**-**
a) Bad loans	-	X	-	-	-	-	X	-	-	-	-	-
- of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
b) Unlikely to pay	15,294	X	-	-	-	(15,294)	X	-	-	-	-	-
- of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
c) Non-performing past-due exposures	-	X	-	-	-	-	X	-	-	-	-	-
- of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
d) Performing past-due exposures	2,053	2,053	-	X	-	-	-	-	X	-	2,053	-
- of which: forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
e) Other performing exposures	9,570,289	7,548,678	94,437	X	-	(3,455)	(2,900)	(555)	X	-	9,566,834	-
- of which: forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
Total (A)	**14,401,602**	**12,364,697**	**94,437**	**-**	**-**	**(18,749)**	**(2,900)**	**(555)**	**-**	**-**	**14,382,853**	**-**
B. Off-balance sheet credit exposures												
a) Non-performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	4,681,766	1,767,676	109,745	X	-	(181)	(36)	(50)	X	-	4,681,585	-
Total (B)	**4,681,766**	**1,767,676**	**109,745**	**-**	**-**	**(181)**	**(36)**	**(50)**	**-**	**-**	**4,681,585**	**-**
Total (A+B)	**19,083,368**	**14,132,373**	**204,182**	**-**	**-**	**(18,930)**	**(2,936)**	**(605)**	**-**	**-**	**19,064,438**	**-**

(*) Value to be shown for disclosure purposes

A.1.5 Prudential consolidation - On-balance sheet and off-balance sheet credit exposures to customers: gross and net values

Type of exposure/value	Gross exposure					Total value adjustments and total provisions					Net Exposure	Total partial write-offs*
		Stage 1	Stage 2	Stage 3	Acquired or originated impaired		Stage 1	Stage 2	Stage 3	Acquired or originated impaired		
A. On-balance sheet credit exposures												
a) Bad loans	1,015,427	X	-	997,318	12,237	(641,960)	X	-	(625,376)	(11,100)	373,467	49,243
- of which: forborne exposures	132,587	X	-	128,127	4,443	(68,398)	X	-	(64,183)	(4,210)	64,189	29,227
b) Unlikely to pay	2,394,407	X	-	2,191,258	3,271	(660,365)	X	-	(575,703)	(937)	1,734,042	-
- of which: forborne exposures	791,982	X	-	599,192	2,930	(326,712)	X	-	(251,165)	(799)	465,270	-
c) Non-performing past-due exposures	54,767	X	-	54,477	290	(15,510)	X	-	(15,449)	(60)	39,257	-
- of which: forborne exposures	7,868	X	-	7,868	-	(2,084)	X	-	(2,084)	-	5,784	-
d) Performing past-due exposures	570,290	291,985	277,695	X	569	(23,258)	(1,347)	(21,888)	X	(22)	547,032	-
- of which: forborne exposures	56,852	3	56,424	X	403	(6,194)	-	(6,173)	X	(20)	50,658	-
e) Other performing exposures	148,408,466	133,057,122	7,734,527	X	84,866	(438,932)	(101,387)	(335,709)	X	(1,836)	147,969,534	-
- of which: forborne exposures	1,166,866	17	1,159,105	X	6,008	(92,510)	(2)	(92,265)	X	(243)	1,074,356	-
Total (A)	**152,443,357**	**133,349,107**	**8,012,222**	**3,243,053**	**101,233**	**(1,780,025)**	**(102,734)**	**(357,597)**	**(1,216,528)**	**(13,955)**	**150,663,332**	**49,243**
B. Off-balance sheet credit exposures												
a) Non-performing	624,211	X	-	280,355	7,556	(77,581)	X	-	(19,670)	(340)	546,630	-
b) Performing	69,135,541	46,678,411	1,339,477	X	17,594	(25,825)	(6,801)	(11,439)	X	(37)	69,109,716	-
Total (B)	**69,759,752**	**46,678,411**	**1,339,477**	**280,355**	**25,150**	**(103,406)**	**(6,801)**	**(11,439)**	**(19,670)**	**(377)**	**69,656,346**	**-**
Total (A+B)	**222,203,109**	**180,027,518**	**9,351,699**	**3,523,408**	**126,383**	**(1,883,431)**	**(109,535)**	**(369,036)**	**(1,236,198)**	**(14,332)**	**220,319,678**	**49,243**

(*) Value to be shown for disclosure purposes

For information on loans granted with a public guarantee following the Covid emergency, please refer to "Part A - Accounting policies, A.1, Section 5 - Other aspects, Covid-19 support measures by the Group represented by loans with public guarantee" in these Notes to the financial statements.

A.1.6 Prudential consolidation - On-balance sheet credit exposures to banks: changes in gross non-performing exposures

Causes/Categories	Bad loans	Unlikely to pay	Non performing past-due exposures
A. Gross exposure: opening balance	**-**	**15,294**	**-**
- of which: exposures transferred but not derecognised	-	-	-
B. Increases	**-**	**-**	**-**
B.1 entries from performing exposures	-	-	-
B.2 entries from acquired or originated impaired financial assets	-	-	-
B.3 transfers from other categories of non-performing loans	-	-	-
B.4 contractual modification without derecognition	-	-	-
B.5 other increases	-	-	-
C. Decreases	**-**	**-**	**-**
C.1 exits to performing exposures	-	-	-
C.2 write-offs	-	-	-
C.3 collections	-	-	-
C.4 gains on disposal	-	-	-
C.5 losses on disposal	-	-	-
C.6 transfers to other categories of non-performing loans	-	-	-
C.7 contractual modification without derecognition	-	-	-
C.8 other decreases	-	-	-
D. Gross exposure: closing balance	**-**	**15,294**	**-**
- of which: exposures transferred but not derecognised	-	-	-

A.1.6 bis Prudential consolidation - On-balance sheet credit exposures to banks: changes in gross forborne exposures, broken down by credit quality

As at 31 December 2025, as in the previous year, there were no forborne exposures to banks. The related table is therefore omitted.

A.1.7 Prudential consolidation - On-balance sheet credit exposures to customers: changes in gross non-performing exposures

Causes/Categories	Bad loans	Unlikely to pay	Non-performing past-due exposures
A. Gross exposure: opening balance	**1,628,064**	**2,481,232**	**142,454**
- of which: exposures transferred but not derecognised	-	225,484	-
B. Increases	**445,863**	**1,280,699**	**57,366**
B.1 entries from performing exposures	149,774	1,002,831	51,286
B.2 entries from acquired or originated impaired financial assets	-	-	-
B.3 transfers from other categories of non-performing loans	253,871	106,833	1,146
B.4 contractual modification without derecognition	-	71	-
B.5 other increases	42,218	170,964	4,934
C. Decreases	**(1,058,500)**	**(1,367,524)**	**(145,053)**
C.1 exits to performing exposures	-	(87,720)	(4,949)
C.2 write-offs	(59,287)	(49,958)	(146)
C.3 collections	(252,937)	(552,911)	(12,609)
C.4 gains on disposal	(149,628)	(181,519)	-
C.5 losses on disposal	(47,293)	(69,147)	-
C.6 transfers to other categories of non-performing loans	-	(234,632)	(127,218)
C.7 contractual modification without derecognition	(1)	(1,116)	(1)
C.8 other decreases	(549,354)	(190,521)	(130)
D. Gross exposure: closing balance	**1,015,427**	**2,394,407**	**54,767**
- of which: exposures transferred but not derecognised	-	87,033	-

The trend in non-performing exposures is influenced by the derisking strategy pursued by the Group, both through portfolio sales, and through single name sales; the effects of the aforementioned transactions are shown in sub-items "C.4 Gains on disposal", "C.5 Losses on disposal" and "C.8 Other decreases".

A.1.7 bis Prudential consolidation - On-balance sheet credit exposures to customers: changes in gross forborne exposures broken down by credit quality

Causes/Quality	Forborne exposures: non-performing	Forborne exposures: performing
A. Gross exposure: opening balance	**1,416,492**	**1,440,921**
- of which: exposures transferred but not derecognised	225,484	-
B. Increases	**285,552**	**513,744**
B.1 entries from non-forborne performing exposures	46,536	449,249
B.2 entries from forborne performing exposures	157,552	X
B.3 entries from forborne non-performing exposures	X	61,810
B.4 entries from non-forborne non-performing exposures	-	-
B.5 other increases	81,464	2,685
C. Decreases	**(769,607)**	**(730,947)**
C.1 exits to non-forborne performing exposures	X	(476,734)
C.2 exits to forborne performing exposures	(61,810)	X
C.3 exits to forborne non-performing exposures	X	(157,552)
C.4 write-offs	(19,049)	-
C.5 collections	(275,787)	(96,661)
C.6 gains on disposal	(122,649)	-
C.7 losses on disposal	(40,733)	-
C.8 other decreases	(249,579)	-
D. Gross exposure: closing balance	**932,437**	**1,223,718**
- of which: exposures transferred but not derecognised	87,033	-

A.1.8 Prudential consolidation - Non-performing on-balance sheet credit exposures to banks: changes in total value adjustments

Causes/Categories	Bad loans		Unlikely to pay		Non-performing past-due exposures	
	Total	of which: forborne exposures	Total	of which: forborne exposures	Total	of which: forborne exposures
A. Total value adjustments - opening balance	**-**	**-**	**15,294**	**-**	**-**	**-**
- of which: exposures transferred but not derecognised	-	-	-	-	-	-
B. Increases	**-**	**-**	**-**	**-**	**-**	**-**
B.1 value adjustments of acquired or originated impaired financial assets	-	X	-	X	-	X
B.2 other value adjustments	-	-	-	-	-	-
B.3 losses on disposal	-	-	-	-	-	-
B.4 transfers from other categories of non-performing exposures	-	-	-	-	-	-
B.5 contractual modification without derecognition	-	-	-	-	-	-
B.6 other increases	-	-	-	-	-	-
C. Decreases	**-**	**-**	**-**	**-**	**-**	**-**
C.1 recoveries from valuation	-	-	-	-	-	-
C.2 recoveries from collection	-	-	-	-	-	-
C.3 gains on disposal	-	-	-	-	-	-
C.4 write-offs	-	-	-	-	-	-
C.5 transfers to other categories of non-performing exposures	-	-	-	-	-	-
C.6 contractual modification without derecognition	-	-	-	-	-	-
C.7 other decreases	-	-	-	-	-	-
D. Total value adjustments - closing balance	**-**	**-**	**15,294**	**-**	**-**	**-**
- of which: exposures transferred but not derecognised	-	-	-	-	-	-

A.1.9 Prudential consolidation - Non-performing on-balance sheet credit exposures to customers: changes in total value adjustments

Causes/Categories	Bad loans		Unlikely to pay		Non-performing past-due exposures	
	Total	of which: forborne exposures	Total	of which: forborne exposures	Total	of which: forborne exposures
A. Total value adjustments - opening balance	**1,079,319**	**142,629**	**722,930**	**372,101**	**32,428**	**14,382**
- of which: exposures transferred but not derecognised	-	-	6,484	6,484	-	-
B. Increases	**361,079**	**48,216**	**544,937**	**248,434**	**13,930**	**1,964**
B.1 value adjustments from acquired or originated impaired financial assets	-	X	-	X	-	X
B.2 other value adjustments	210,407	23,307	426,415	191,838	13,269	1,880
B.3 losses on disposal	47,293	9,915	69,147	30,818	-	-
B.4 transfers from other categories of non-performing exposures	84,706	14,993	21,913	12,600	83	5
B.5 contractual modification without derecognition	1	1	1,116	1,116	1	1
B.6 other increases	18,672	-	26,346	12,062	577	78
C. Decreases	**(798,438)**	**(122,447)**	**(607,502)**	**(293,823)**	**(30,848)**	**(14,262)**
C.1 recoveries from valuation	(41,911)	(5,766)	(173,717)	(100,868)	(3,467)	(781)
C.2 recoveries from collection	(32,904)	(2,866)	(28,977)	(4,977)	(20)	(3)
C.3 gains on disposal	(40,971)	(5,106)	(45,044)	(23,143)	-	-
C.4 write-offs	(59,287)	(7,363)	(49,958)	(11,686)	(146)	-
C.5 transfers to other categories of non-performing exposures	-	-	(80,078)	(14,126)	(26,624)	(13,472)
C.6 contractual modification without derecognition	-	-	(71)	(71)	-	-
C.7 other decreases	(623,365)	(101,346)	(229,657)	(138,952)	(591)	(6)
D. Total value adjustments - closing balance	**641,960**	**68,398**	**660,365**	**326,712**	**15,510**	**2,084**
- of which: exposures transferred but not derecognised	-	-	-	-	-	-

With regard to sales of non-performing loans, sub-item "C.7 Other decreases" includes the total amount of derecognitions other than accounting write-offs, resulting from sales.

A.2 Classification of exposures according to external and internal ratings

A.2.1 Prudential consolidation - Distribution of financial assets, commitments to disburse funds and financial guarantees given by external rating classes (gross values)

Exposures	External rating classes						Unrated	Total
	AAA/AA-	A+/A-	BBB+/BBB-	BB+/BB-	B+/B-	below B-		
A. Financial assets at amortised cost	**6,425,946**	**17,472,745**	**18,897,170**	**3,439,647**	**834,575**	**84,802**	**90,238,340**	**137,393,225**
- Stage 1	6,425,946	17,294,763	18,428,580	2,855,497	612,265	71,526	80,564,521	126,253,098
- Stage 2	-	177,982	465,392	564,297	222,310	4,411	6,597,178	8,031,570
- Stage 3	-	-	3,198	19,853	-	8,865	2,976,471	3,008,387
- Acquired or originated impaired	-	-	-	-	-	-	100,170	100,170
B. Financial assets measured at fair value through other comprehensive income	**3,592,282**	**6,366,333**	**4,323,660**	**21,361**	**-**	**-**	**412,791**	**14,716,427**
- Stage 1	3,592,282	6,358,863	4,256,041	21,361	-	-	412,791	14,641,338
- Stage 2	-	7,470	67,619	-	-	-	-	75,089
- Stage 3	-	-	-	-	-	-	-	-
- Acquired or originated impaired	-	-	-	-	-	-	-	-
C. Financial assets held for sale	**-**	**-**	**-**	**-**	**-**	**-**	**235,730**	**235,730**
- Stage 1	-	-	-	-	-	-	-	-
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	234,666	234,666
- Acquired or originated impaired	-	-	-	-	-	-	1,064	1,064
Total (A+B+C)	**10,018,228**	**23,839,078**	**23,220,830**	**3,461,008**	**834,575**	**84,802**	**90,886,861**	**152,345,382**
D. Commitments to disburse funds and financial guarantees given	**611,220**	**5,804,830**	**6,292,240**	**2,588,751**	**420,749**	**13,017**	**34,480,935**	**50,211,742**
- Stage 1	611,220	5,793,328	6,203,243	2,510,387	395,698	1,650	32,941,488	48,457,014
- Stage 2	-	11,502	88,645	78,364	25,051	1,751	1,243,910	1,449,223
- Stage 3	-	-	352	-	-	9,616	270,387	280,355
- Acquired or originated impaired	-	-	-	-	-	-	25,150	25,150
Total (D)	**611,220**	**5,804,830**	**6,292,240**	**2,588,751**	**420,749**	**13,017**	**34,480,935**	**50,211,742**
Total (A+B+C+D)	**10,629,448**	**29,643,908**	**29,513,070**	**6,049,759**	**1,255,324**	**97,819**	**125,367,796**	**202,557,124**

Banco BPM Group adopts the credit risk assessments issued by the following external credit assessment agencies (ECAIs): Standard & Poor's Ratings Services, Moody's Investors Service, Fitch Ratings and Cerved Rating Agency S.p.A..
These agencies apply to all banks belonging to the Group. On the perimeter of securitisations, credit risk assessments can also be issued by the following external agencies: DBRS and Scope. Within this scope, the valuation of the individual transaction is requested by Banco BPM from one of the previous agencies. It should be noted that, where there are two assessments of the same customer, the most prudent one is adopted; in the presence of more than one assessment, the two assessments corresponding to the two lowest weight factors are selected. If the two lowest weight factors are different, the highest factor is applied. If the two lowest weight factors are identical, said factor is applied (Art. 138 of Regulation (EU) no. 575/2013).
The table below shows the reconciliation between the risk classes and ratings of the agencies used.

CLASS	Fitch Ratings	Moody's	Standard & Poor's	Cerved Rating Agency SpA
AAA/AA-	*AAA to AA-*	*Aaa to Aa3*	*AAA to AA-*	*A1.1 to A1.3*
A+/A-	*A+ to A-*	*A1 to A3*	*A+ to A-*	*A2.1 to A3.1*
BBB+/BBB-	*BBB+ to BBB-*	*Baa1 to Baa3*	*BBB+ to BBB-*	*B1.1 to B1.2*
BB+/BB-	*BB+ to BB-*	*Ba1 to Ba3*	*BB+ to BB-*	*B2.1 to B2.2*
B+/B-	*B+ to B-*	*B1 to B3*	*B+ to B-*	*C1.1*
Below B-	*CCC+ and below*	*Caa1 and below*	*CCC+ and below*	*C1.2 and below*

A.2.2 Prudential consolidation - Distribution of financial assets, commitments to disburse funds and financial guarantees given by internal rating classes (gross values)

With the exception of the bank prospectus, the exposures shown in tables A.2.2 are associated with ratings also used to determine capital requirements for credit risks, limited to what can be traced back to the Business and Retail regulatory portfolios.
In particular, with regard to business customers, four separate rating models have been developed, based on the following customer segments: Large Corporate, Mid Corporate Plus, Mid Corporate and Small Business – and one for Private customers. The counterparty rating system provides, at the level of each segment, twelve rating classes (eleven performing and one default) grouped below by risk category.

Exposures to banks	Internal rating classes								Unrated	Total
	AAA	AA	A	BBB	BB	B	CCC	Default		
A. Financial assets at amortised cost	**95,566**	**837,918**	**2,489,973**	**1,332,853**	**53,617**	**1,247**	**-**	**-**	**1,666,899**	**6,478,073**
- Stage 1	95,566	837,918	2,485,430	1,327,986	1,346	-	-	-	1,666,080	6,414,326
- Stage 2	-	-	4,543	4,867	52,271	1,247	-	-	819	63,747
- Stage 3	-	-	-	-	-	-	-	-	-	-
- Acquired or originated impaired	-	-	-	-	-	-	-	-	-	-
B. Financial assets measured at fair value through other comprehensive income	**24,481**	**114,261**	**647,926**	**373,312**	**-**	**-**	**-**	**-**	**7,116**	**1,167,096**
- Stage 1	24,481	114,261	642,656	347,892	-	-	-	-	7,116	1,136,406
- Stage 2	-	-	5,270	25,420	-	-	-	-	-	30,690
- Stage 3	-	-	-	-	-	-	-	-	-	-
- Acquired or originated impaired	-	-	-	-	-	-	-	-	-	-
C. Financial assets held for sale	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- Stage 1	-	-	-	-	-	-	-	-	-	-
- Stage 2	-	-	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-	-	-	-
- Acquired or originated impaired	-	-	-	-	-	-	-	-	-	-
Total (A + B + C)	**120,047**	**952,179**	**3,137,899**	**1,706,165**	**53,617**	**1,247**	**-**	**-**	**1,674,015**	**7,645,169**
D. Commitments to disburse funds and financial guarantees given										
- Stage 1	12,431	56,329	985,064	489,451	99,032	1,000	-	-	124,370	1,767,677
- Stage 2	-	-	-	53,375	51,331	-	-	-	5,039	109,745
- Stage 3	-	-	-	-	-	-	-	-	-	-
- Acquired or originated impaired	-	-	-	-	-	-	-	-	-	-
Total (D)	**12,431**	**56,329**	**985,064**	**542,826**	**150,363**	**1,000**	**-**	**-**	**129,409**	**1,877,422**
Total (A + B + C + D)	**132,478**	**1,008,508**	**4,122,963**	**2,248,991**	**203,980**	**2,247**	**-**	**-**	**1,803,424**	**9,522,591**

Exposures to customers	Internal rating classes							Total
	Low	Medium-Low	Medium	Medium-High	High	Default	Unrated	
A. Financial assets at amortised cost	**32,659,361**	**32,794,785**	**13,612,266**	**3,193,499**	**1,723,146**	**2,072,657**	**546,596**	**86,602,310**
- Stage 1	32,526,136	31,861,506	11,212,110	1,199,621	43,682	-	517,602	77,360,657
- Stage 2	132,058	917,852	2,383,246	1,992,140	1,677,943	-	17,652	7,120,891
- Stage 3	-	-	-	-	-	2,058,079	11,342	2,069,421
- Acquired or originated impaired	1,167	15,427	16,910	1,738	1,521	14,578	-	51,341
B. Financial assets measured at fair value through other comprehensive income	**1,552,174**	**130,646**	**20,068**	**-**	**-**	**-**	**-**	**1,702,888**
- Stage 1	1,541,713	109,873	20,068	-	-	-	-	1,671,654
- Stage 2	10,461	20,773	-	-	-	-	-	31,234
- Stage 3	-	-	-	-	-	-	-	-
- Acquired or originated impaired	-	-	-	-	-	-	-	-
C. Financial assets held for sale	**-**	**-**	**-**	**-**	**-**	**229,457**	**-**	**229,457**
- Stage 1	-	-	-	-	-	-	-	-
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	228,393	-	228,393
- Acquired or originated impaired	-	-	-	-	-	1,064	-	1,064
Total (A + B + C)	**34,211,535**	**32,925,431**	**13,632,334**	**3,193,499**	**1,723,146**	**2,302,114**	**546,596**	**88,534,655**
D. Commitments to disburse funds and financial guarantees given								
- Stage 1	23,613,514	12,797,200	3,634,958	418,658	11,069	-	387,632	40,863,031
- Stage 2	164,401	190,364	415,614	302,431	157,988	-	3,709	1,234,507
- Stage 3	-	-	-	-	-	279,199	-	279,199
- Acquired or originated impaired	29	15,367	346	8	35	7,556	-	23,341
Total (D)	**23,777,944**	**13,002,931**	**4,050,918**	**721,097**	**169,092**	**286,755**	**391,341**	**42,400,078**
Total (A+B+C+D) by segment	**57,989,479**	**45,928,362**	**17,683,252**	**3,914,596**	**1,892,238**	**2,588,869**	**937,937**	**130,934,733**
Grand total	**-**	**-**	**-**	**-**	**-**	**946,032**	**61,153,768**	**62,099,800**
Total	**57,989,479**	**45,928,362**	**17,683,252**	**3,914,596**	**1,892,238**	**3,534,901**	**62,091,705**	**193,034,533**

Exposures	Internal rating classes							Total
	Low	Medium-Low	Medium	Medium-High	High	Default	Unrated	
Large Corporate	19,351,323	6,759,370	1,234,373	500,610	8,962	104,840	40,261	27,999,739
Mid Corporate Plus	8,305,529	10,559,368	4,237,903	1,047,693	246,728	455,831	212,609	25,065,661
Mid Corporate	10,085,084	9,653,533	4,475,791	829,637	415,876	713,359	286,560	26,459,840
Small Businesses	5,303,985	7,154,061	5,764,867	1,103,857	671,702	999,017	396,587	21,394,076
Private	14,943,558	11,802,030	1,970,318	432,799	548,970	315,822	1,920	30,015,417
Total Exposures by segment	**57,989,479**	**45,928,362**	**17,683,252**	**3,914,596**	**1,892,238**	**2,588,869**	**937,937**	**130,934,733**

A.3 Distribution of secured credit exposures by type of guarantee

A.3.1 Prudential consolidation - On-balance sheet and off-balance sheet secured credit exposures to banks

	Gross exposure	Net exposure	Collateral (1)				Personal guarantees (2)									Total (1)+(2)
							Credit derivatives					Unsecured loans				
								Other derivatives								
			Real estate - Mortgages	Real estate - Loans for leases	Securities	Other collateral	CLN	Central counterparties	Banks	Other financial companies	Other entities	Public Administrations	Banks	Other financial companies	Other entities	
1. Secured on-balance sheet credit exposures:	**2,266,127**	**2,266,092**	**-**	**-**	**2,247,541**	**-**	**-**	**-**	**-**	**-**	**-**	**1,898**	**-**	**272**	**-**	**2,249,711**
1.1. fully secured	1,611,533	1,611,526	-	-	1,597,980	-	-	-	-	-	-	-	-	272	-	1,598,252
- of which non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.2. partially secured	654,594	654,566	-	-	649,561	-	-	-	-	-	-	1,898	-	-	-	651,459
- of which non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Secured off-balance sheet credit exposures:	**650,942**	**650,920**	**-**	**-**	**595,305**	**-**	**-**	**-**	**-**	**-**	**-**	**20,141**	**-**	**3,296**	**5,114**	**623,856**
2.1. fully secured	603,393	603,389	-	-	595,305	-	-	-	-	-	-	1,869	-	2,619	2,042	601,835
- of which non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2. partially secured	47,549	47,531	-	-	-	-	-	-	-	-	-	18,272	-	677	3,072	22,021
- of which non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

A.3.2 Prudential consolidation - On-balance sheet and off-balance sheet secured credit exposures to customers

	Gross exposure	Net exposure	Collateral (1)				Personal guarantees (2)									Total (1)+(2)
							Credit derivatives					Unsecured loans				
								Other derivatives								
			Real estate - Mortgages	Real estate - Loans for leases	Securities	Other collateral	CLN	Central counterparties	Banks	Other financial companies	Other entities	Public Administrations	Banks	Other financial companies	Other entities	
1. Secured on-balance sheet credit exposures:	**81,098,613**	**79,927,876**	**39,104,541**	**219,645**	**10,677,815**	**1,970,391**	**471,903**	**-**	**-**	**-**	**1,908**	**9,364,643**	**13,171**	**514,667**	**7,477,399**	**69,816,083**
1.1. fully secured	61,926,991	60,966,316	39,102,402	219,645	7,572,376	1,925,042	54,453	-	-	-	526	4,024,632	9,051	492,780	7,050,514	60,451,421
- of which non-performing	2,192,857	1,512,608	458,202	3,697	3,378	6,899	129	-	-	-	-	925,548	11	631	102,573	1,501,068
1.2. partially secured	19,171,622	18,961,560	2,139	-	3,105,439	45,349	417,450	-	-	-	1,382	5,340,011	4,120	21,887	426,885	9,364,662
- of which non-performing	444,833	272,390	-	-	131	312	1,082	-	-	-	-	207,449	216	35	12,146	221,371
2. Secured off-balance sheet credit exposures:	**17,199,675**	**17,166,163**	**578,931**	**-**	**6,206,700**	**673,647**	**-**	**-**	**-**	**-**	**-**	**2,063,845**	**229,335**	**463,570**	**5,601,470**	**15,817,498**
2.1. fully secured	14,705,505	14,684,329	578,725	-	6,098,583	588,090	-	-	-	-	-	1,427,049	222,068	439,053	5,037,545	14,391,113
- of which non-performing	88,743	77,262	2,970	-	2,145	3,607	-	-	-	-	-	1,294	35,469	159	31,326	76,970
2.2. partially secured	2,494,170	2,481,834	206	-	108,117	85,557	-	-	-	-	-	636,796	7,267	24,517	563,925	1,426,385
- of which non-performing	105,980	95,084	-	-	626	554	-	-	-	-	-	22,501	5,854	-	10,396	39,931

Note that this table does not show the risk mitigations represented by CSA contracts on derivative instruments, as well as forms of support relating to synthetic securitisation transactions.

A.4 Prudential consolidation - Financial and non-financial assets obtained through the enforcement of guarantees received

	Derecognised credit exposure	Gross value	Total value adjustments	Book value	
					of which obtained during the year
A. Property, plant and equipment	**576,006**	**610,527**	**(352,876)**	**257,651**	**1,703**
A.1. Used in operations	53,648	62,697	(43,779)	18,918	-
A.2. For investment purposes	522,358	547,830	(309,097)	238,733	1,703
A.3. Inventories	-	-	-	-	-
B. Equity instruments and debt securities	**15,554**	**15,554**	**(7,176)**	**8,378**	**-**
C. Other assets	**13,500**	**13,042**	**-**	**13,042**	**13,500**
D. Non-current assets and disposal groups held for sale	**102,328**	**121,429**	**(69,067)**	**52,362**	**-**
D.1. Property, plant and equipment	102,328	121,429	(69,067)	52,362	-
D.2. Other assets	-	-	-	-	-
Total 31/12/2025	**707,388**	**760,552**	**(429,119)**	**331,433**	**15,203**
Total 31/12/2024	**881,492**	**940,755**	**(515,913)**	**424,842**	**244**

B. Breakdown and concentration of exposures

B.1 Prudential consolidation - Breakdown by sector of on- and off-balance-sheet credit exposures to customers

Exposures/Counterparties	Public Administrations		Financial companies		Financial companies (of which: insurance companies)		Non-financial companies		Households	
	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments
A. On-balance sheet credit exposures										
A.1 Bad loans	3	(39)	3,848	(9,998)	11	(2,637)	292,997	(527,066)	76,619	(104,857)
- of which: forborne exposures	-	-	-	-	-	-	49,720	(53,513)	14,469	(14,885)
A.2 Unlikely to pay	235	(757)	817,268	(24,148)	-	-	716,115	(527,443)	200,424	(108,017)
- of which: forborne exposures	61	(168)	3,370	(9,330)	-	-	366,015	(273,051)	95,824	(44,163)
A.3 Non-performing past-due exposures	-	-	4,629	(1,147)	-	-	16,166	(6,740)	18,462	(7,623)
- of which: forborne exposures	-	-	-	-	-	-	4,026	(1,446)	1,758	(638)
A.4 Performing exposures	41,388,836	(6,737)	19,439,246	(26,127)	440,512	(483)	55,444,292	(371,958)	32,244,192	(57,368)
- of which: forborne exposures	435	(11)	9,407	(1,230)	-	-	868,354	(87,461)	246,818	(10,002)
Total (A)	**41,389,074**	**(7,533)**	**20,264,991**	**(61,420)**	**440,523**	**(3,120)**	**56,469,570**	**(1,433,207)**	**32,539,697**	**(277,865)**
B. Off-balance sheet credit exposures										
B.1 Non-performing exposures	21	(2)	742	(138)	-	-	538,688	(76,381)	7,179	(1,060)
B.2 Performing exposures	4,846,578	(179)	11,635,343	(1,956)	480,676	(168)	48,190,054	(19,441)	3,868,896	(4,249)
Total (B)	**4,846,599**	**(181)**	**11,636,085**	**(2,094)**	**480,676**	**(168)**	**48,728,742**	**(95,822)**	**3,876,075**	**(5,309)**
Total (A+B) 31/12/2025	**46,235,673**	**(7,714)**	**31,901,076**	**(63,514)**	**921,199**	**(3,288)**	**105,198,312**	**(1,529,029)**	**36,415,772**	**(283,174)**
Total (A+B) 31/12/2024	**36,909,582**	**(7,856)**	**33,463,788**	**(57,062)**	**894,001**	**(3,048)**	**105,675,698**	**(1,967,773)**	**36,589,734**	**(378,950)**

B.2 Prudential consolidation - Breakdown by geographic area of on- and off-balance sheet credit exposures to customers

Exposures/Geographic areas	Italy		Other European countries		America		Asia		Rest of the world	
	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments
A. On-balance sheet credit exposures										
A.1 Bad loans	372,925	(636,160)	542	(5,164)	-	-	-	(636)	-	-
A.2 Unlikely to pay	1,733,409	(657,702)	547	(2,441)	86	(219)	-	(2)	-	(1)
A.3 Non-performing past-due exposures	39,255	(15,507)	2	(2)	-	(1)	-	-	-	-
A.4 Performing exposures	119,478,302	(455,915)	24,597,790	(3,500)	3,687,437	(1,941)	392,239	(607)	360,798	(227)
Total (A)	**121,623,891**	**(1,765,284)**	**24,598,881**	**(11,107)**	**3,687,523**	**(2,161)**	**392,239**	**(1,245)**	**360,798**	**(228)**
B. Off-balance sheet credit exposures										
B.1 Non-performing exposures	546,112	(77,552)	518	(29)	-	-	-	-	-	-
B.2 Performing exposures	62,800,058	(25,388)	4,891,899	(383)	532,662	(52)	2,624	-	313,628	(2)
Total (B)	**63,346,170**	**(102,940)**	**4,892,417**	**(412)**	**532,662**	**(52)**	**2,624**	**-**	**313,628**	**(2)**
Total (A+B) 31/12/2025	**184,970,061**	**(1,868,224)**	**29,491,298**	**(11,519)**	**4,220,185**	**(2,213)**	**394,863**	**(1,245)**	**674,426**	**(230)**
Total (A+B) 31/12/2024	**185,299,606**	**(2,382,935)**	**21,224,344**	**(24,325)**	**5,090,794**	**(3,050)**	**510,323**	**(1,094)**	**513,735**	**(237)**

In greater detail the exposures of Italy are broken down by geographic area as shown in the following table:

Exposures/Geographic areas	North West Italy		North East Italy		Central Italy		South Italy and Islands	
	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments
A. On-balance sheet credit exposures								
A.1 Bad loans	183,378	(309,544)	73,386	(127,479)	82,474	(132,428)	30,192	(60,632)
A.2 Unlikely to pay	445,228	(330,879)	608,080	(153,677)	607,977	(121,650)	72,124	(51,496)
A.3 Non-performing past-due exposures	18,387	(6,710)	6,491	(2,742)	11,520	(4,725)	2,857	(1,330)
A.4 Performing exposures	50,037,999	(238,742)	21,695,509	(83,949)	41,894,092	(106,464)	5,846,534	(26,704)
Total (A)	**50,684,992**	**(885,875)**	**22,383,466**	**(367,847)**	**42,596,063**	**(365,267)**	**5,951,707**	**(140,162)**
B. Off-balance sheet credit exposures								
B.1 Non-performing exposures	233,612	(40,328)	177,980	(21,455)	113,619	(13,483)	20,901	(2,286)
B.2 Performing exposures	29,192,492	(11,908)	13,507,633	(4,617)	17,357,938	(6,050)	2,741,995	(2,813)
Total (B)	29,426,104	(52,236)	13,685,613	(26,072)	17,471,557	(19,533)	2,762,896	(5,099)
Total (A+B) 31/12/2025	**80,111,096**	**(938,111)**	**36,069,079**	**(393,919)**	**60,067,620**	**(384,800)**	**8,714,603**	**(145,261)**
Total (A+B) 31/12/2024	**82,483,755**	**(1,138,441)**	**35,960,626**	**(431,913)**	**58,179,223**	**(559,326)**	**8,676,002**	**(253,255)**

B.3 Prudential consolidation - Breakdown by geographic area of on- and off-balance sheet credit exposures to banks

Exposures/Geographic areas	Italy		Other European countries		America		Asia		Rest of the world	
	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments	Net exposure	Total value adjustments
A. On-balance sheet credit exposures										
A.1 Bad loans	-	-	-	-	-	-	-	-	-	-
A.2 Unlikely to pay	-	(15,294)	-	-	-	-	-	-	-	-
A.3 Non-performing past-due exposures	-	-	-	-	-	-	-	-	-	-
A.4 Performing exposures	8,771,951	(1,114)	4,791,579	(1,814)	330,547	(219)	20,359	(46)	468,416	(262)
Total (A)	**8,771,951**	**(16,408)**	**4,791,579**	**(1,814)**	**330,547**	**(219)**	**20,359**	**(46)**	**468,416**	**(262)**
B. Off-balance sheet credit exposures										
B.1 Non-performing exposures	-	-	-	-	-	-	-	-	-	-
B.2 Performing exposures	783,187	(27)	2,179,942	(29)	138,884	(28)	570,965	(60)	226,599	(37)
Total (B)	**783,187**	**(27)**	**2,179,942**	**(29)**	**138,884**	**(28)**	**570,965**	**(60)**	**226,599**	**(37)**
Total (A+B) 31/12/2025	**9,555,138**	**(16,435)**	**6,971,521**	**(1,843)**	**469,431**	**(247)**	**591,324**	**(106)**	**695,015**	**(299)**
Total (A+B) 31/12/2024	**15,413,498**	**(16,662)**	**7,345,324**	**(2,173)**	**511,711**	**(382)**	**543,978**	**(48)**	**722,017**	**(228)**

B.4 Large exposures

From 30 June 2021, the prudential requirements for banks and investment firms contained in Regulation (EU) no. 575/2013, as updated by Regulation (EU) no. 876/2019 (CRR 2), later amended by Regulation (EU) no. 873/2020 and in Directive no. 2013/36/EU, as updated by Regulation (EU) 878/2019 (CRD V) came into force. These transpose the standards defined by the Basel Committee on Banking Supervision.
In July 2022, Delegated Regulation no. 1011/2022, which regulates the recognition of indirect exposures in derivatives for contracts which, even if not directly entered into with a customer, are in any case traced back to the customer as the issuer of the underlying debt or equity instrument. Where the multi-underlying instruments are involved and it is not possible or excessively burdensome to identify the individual underlying instruments, the exposure must be attributed to the unknown client.
This item shows the amount ("non-weighted value" and "weighted value") and the number of the "risk positions" that represent a "large exposure" according to the provisions of Art. 14 of Implementing Regulation (EU) no. 451/2021, laying down implementing technical standards with regard to supervisory reporting of institutions.

An entity's exposure to a customer or a group of related customers is considered a large exposure if the value is equal to or more than 10% of the entity's eligible capital ("CRR 2", Art. 392). In any event, customers or groups of customers with an exposure exceeding 300 million, even if not considered large exposures must be disclosed in the consolidated financial statements.
Taking into account the effect of the exemptions and the credit risk mitigation, large exposures must, in any case, individually respect the limit of 25% of the entity's eligible capital: for entities, said limit may be set for exposures to entities at 150 million if the 25% of the eligible capital is lower.
The eligible capital coincides with the amount of Tier 1 capital.

In addition to the implementing technical standards for the supervisory reporting of entities, the reporting of Large Exposures was produced, applying the EBA Guidelines (EBA/GL/2017/15) on connected clients, limited to the alternative approach to Central Governments.

On the basis of the new combined provisions, at said date there were 37 risk positions classified as "large exposures" for a total ("non-weighted") amount of 831,518.9 million corresponding to a net ("weighted") exposure of 20,407.0 million.

The main Groups identified as "large exposures" have the following risk assets:

- the Ministry of Economy and Finance for 35,877.6 million (460.4 million considering the weight factors and the exemptions pursuant to Art. 400 of the CRR), mainly consisting of the government bonds in the portfolio, the guarantees issued and tax assets. The exposures of this Central Government are in turn included in each group of connected clients, identified separately for directly-controlled or directly-related legal entities, as better specified in paragraph 5 (Alternative approach for exposures to central governments) of the previously-cited EBA guidelines;
- Euronext for 27,383.1 million (15.4 million considering the weight factors and the exemptions pursuant to Art. 400 of the CRR), mainly consisting of repurchase agreements with Cassa Compensazione e Garanzia;
- four Central Governments of foreign countries for a total of 21,593.6 million (0 million considering the weight factors and the exemptions pursuant to Art. 400 of the CRR), consisting exclusively of the government bonds in the portfolio;
- the Bank of Italy for 5,883.2 million (1.2 million considering the weight factors and the exemptions pursuant to Art. 400 of the CRR), mainly consisting of demand deposits and for the minimum reserve.

The remaining positions are mainly those of leading banking, financial and industrial groups, both national and foreign.
Each of the positions reported respects the limit of 25% of the eligible capital.

	31/12/2025	31/12/2024
a) Amount (book value) (*)	831,518,908	820,741,556
b) Amount (weighted value) (*)	20,407,045	21,361,988
c) Number	37	34

(*) figures in thousands of euro

C. Securitisation transactions

This section illustrates the Group's exposure in terms of securitisations, both those in which the Group acts as the originator of the receivables, and those in which the Group acts as an investor.

Traditional securitisations acting as originator

The completion of the transactions in question, with underlying assets sold by the Group as originator, seeks mainly to diversify the sources of funding and reduce the cost of funding for the Group, rather than carrying out derisking actions on non-performing credit exposures (bad loans and unlikely to pay).

In greater detail, for securitisations used for funding purposes, for which the Group also acts as Servicer, the structuring is followed by a Finance function of Banco BPM, which also monitors the transaction, through specific monthly and quarterly reports containing the trend in principal and interest collections and the status of receivables.

For securitisations used for derisking purposes, the structuring is carried out by a function belonging to the Chief Lending Officer area of Banco BPM, which conducts monitoring on the basis of monthly and quarterly reports provided by the Servicers outside the Group.

Information is provided below on the main events that took place during the year and on transactions in progress. In line with the instructions of the Bank of Italy Circular no. 262, for "self-securitisation" transactions in which the Group has fully subscribed the securities issued by the SPE, please refer to the section entitled "1.4 Liquidity risk" below.

QUALITATIVE INFORMATION

The following table lists the securitisation transactions in place as at 31 December 2025, showing the relative accounting treatment - derecognition or not from the financial statements of the assets sold to the SPE - depending on the significant transfer of the risks and rewards, as illustrated in "Part A - Accounting policies, A.2 – Key financial statement items" of these Notes to the financial statements.

SPE	Originator	Securities issue date	Transaction	Type of securitisation
Securitisations not derecognised from the financial statements				
Lilium SPV S.r.l.	Banco BPM	December 2022	Project Wolf	UTP loans
Securitisations fully derecognised from the financial statements				
Red Sea SPV S.r.l.	Banco BPM	June 2018	Project Exodus	Bad loans
Leviticus SPV S.r.l.	Banco BPM	February 2019	Project Ace	Bad loans
Tiberina SPV S.r.l.	Banco BPM	December 2020	Project Django	UTP and Bad loans
Titan SPV S.r.l.	Banco BPM and Release	December 2020	Project Titan	Bad loans
Aurelia SPV S.r.l.	Banco BPM	June 2021	Project Rockets	Bad loans
Tevere SPV S.r.l.	Banco BPM	June 2022	Project Argo	UTP and Bad loans

The transactions in place as at 31 December 2025 are illustrated below.

Existing and significant securitisation transactions during 2025

Lilium SPV S.r.l. (Project Wolf)

In December 2022, the Parent Company had finalised a complex restructuring of non-performing credit exposures attributable to a leading real estate group (known as "Project Wolf"), aimed at pursuing active management of the properties underlying the aforementioned exposures, with the support of a specialised partner, and the inflow of new funds from third-parties for the development of the properties.
The exposures involved in the transaction, classified as Unlikely To Pay, were represented by mortgage and unsecured loans, as well as lease receivables, backed by 12 properties pledged as collateral and attributable to 10 debtors.

Original structure of the transaction - restructuring agreement

The transaction had envisaged the sale of loans for a gross value of 461.1 million, to a Special Purpose Entity for securitisation, established pursuant to Italian Law 130/1999 (Lilium SVP S.r.l.), as well as the transfer of the lease contracts and related properties to a dedicated company (Ninfa LeaseCo S.r.l.). Taking into account the unrecognised default interest, the total nominal value of the sale was 495.8 million.
For the purposes of the subsequent restructuring of the above-cited exposures sold, the transaction had envisaged a corporate reorganisation of all debtor entities, which had been placed under the control of a new holding company, whose share capital had been transferred to a trust company, operating, on the basis of a specific mandate, in the interest of the special purpose entity Lilium SPV S.r.l.
The restructuring agreement pursuant to Article 67 of the Bankruptcy Law, which became effective on 28 December 2022, had envisaged the conversion of the existing credit exposure into Participating Financial Instruments for 177 million, as well as the waiver by the same SPE of a share of the loans equal to 55.1 million, in order to establish a total financial debt after restructuring of 263.7 million. In addition, the agreement in question envisaged:

- the amendment of the repayment plans, with bullet repayments, without prejudice to voluntary or mandatory early repayments related to the net income deriving from the implementation of the property sale plans;
- the recognition, where envisaged, of PIK (Payment in Kind) interest;
- the introduction of a "Pay if you can" clause, which provided for the definitive waiver of the portion of debt that may not have been repaid at the date of completion of the disposals and the distribution of net income;
- cross-collateralisation mechanisms, based on which the cash flows deriving from the sale of certain assets could have been used to hedge other restructured exposures, in order to maximize the recovery value for Banco BPM.

Specific KPIs (Key Performance Indicators) had also been defined, aimed at guaranteeing compliance with the commitments undertaken by debtors and allowing timely control of the initiatives undertaken. Should these KPIs not be achieved, the dissolution of the Boards of Directors in office had been envisaged as well as the appointment of new bodies by the trust company, with an obligation to implement the business plan in accordance with the instructions of the servicer of the securitisation transaction.

Original securitisation exposure (Lilium)

In order to finance the purchase of the loans, on 5 December 2022 the SPE had issued tranches of ABS securities, fully subscribed by Banco BPM at a price corresponding to the nominal value of the loans sold, which had been settled by offsetting reciprocal payment obligations.
Subsequently, on 29 December 2022, Banco BPM had transferred several tranches of securities to a third-party investor for a nominal value of 94.8 million.
The following table provides evidence of the securities issued by the special purpose entity Lilium SPV S.r.l. and the shares originally subscribed by Banco BPM and retained.

Class	Partly paid	Nominal value	Notes subscribed and retained by Banco BPM	Notes initially subscribed by Banco BPM, and then transferred to third parties	Notes subscribed by third parties
AS – Senior	Yes	142,500			11,859
AJ – Mezzanine	Yes	7,125			1,065
AX – Mezzanine	Yes	375			56
B1 – Mezzanine	Yes	17,680	17,680		
B2 – Mezzanine	No	3,120		3,120	
C1 – Mezzanine	No	31,790	31,790		
C2 – Mezzanine	No	5,610		5,610	
D1 – Mezzanine	No	24,735	24,735		
D2 – Mezzanine	No	4,365		4,365	
E1 – Junior	No	326,804	326,804		
E2 – Junior	No	81,701		81,701	
Total		**645,805**	**401,009**	**94,796**	**12,980**

In more detail, Banco BPM had fully subscribed the class B, C, D and E notes; following the agreement for the restructuring of the credit exposures sold to the SPE, sub-classes B2, C2, D2, E2 had subsequently been sold to third-party investors.
The transaction had also envisaged the issue of Class A notes, subscribed by third-party investors with respect to Banco BPM, to finance work on properties to guarantee credit exposures (so-called capex), in execution of the provisions of the restructuring agreements.

Changes in the structure of the transaction in 2025

In relation to the non-fulfilment of certain Plan KPIs by the debtor, with particular reference to the non-collection of some cash flows expected by 2024, during 2025, the special purpose entity exercised the option envisaged by the agreements relating to the Change of Management (COM). Following the exercise of said option, the debtor proposed the review of some terms and conditions of the transaction, with an amending agreement signed in October 2025.
As at 31 December 2025, the gross residual value of the credit exposures was 105.8 million; the change compared to the 263.7 million resulting from the first restructuring agreement is attributable for 99.2 million to collections resulting from the sale of properties, for 40.0 million to *datio in solutum* transactions and for 18.7 million to withdrawals.

Securitisation exposure (Lilium) as at 31 December 2025

For the securities held by the Group as at 31 December 2025, the following table shows the related nominal value, the book value (fair value), the main characteristics in terms of maturity, any rating and the contractual interest rate.

Class	Type	Nominal value	Value as at 31/12/2025	Maturing	Rating	Interest rate
Class B1 Asset-Backed Floating Rate Notes due December 2032	Mezzanine	-	-	31/12/2032	Unrated	Fixed @3.00%
Class C1 Asset-Backed Floating Rate Notes due December 2032	Mezzanine	25,822	26,085	31/12/2032	Unrated	Fixed @6.00%
Class D1 Asset-Backed Floating Rate Notes due December 2032	Mezzanine	24,735	25,049	31/12/2032	Unrated	Fixed @7.50%
Class E1 Asset-Backed Floating Rate Notes due December 2032	Junior	326,804	96,837	31/12/2032	Unrated	n.a.
Total		**377,361**	**147,971**			

Compared to that originally subscribed, in 2025 the Mezzanine B1 tranche was repaid in full, for a nominal value of 17.7 million plus interest, and the Mezzanine C1 tranche was partially repaid, for a nominal value of 5.9 million plus interest.
In addition, Banco BPM is exposed to the SPE for a credit line of 10 million, with an antedated payment priority with respect to the more senior tranche. This is a revolving credit line, remunerated on the basis of a fixed annual interest rate of 4.5%. As at 31 December 2025, the related use amounted to 0.7 million.

Accounting treatment of the transaction and relative impacts

The loans sold to Lilium SPV S.r.l. in 2022, although without recourse, had not been derecognised, as the Group had substantially retained the risks and rewards of the transferred assets. Therefore, at the date of the sale, the loans sold had been retained as assets, while the consideration for the sale had been recognised as "Liabilities in relation to the loans sold and not derecognised", net of the securities issued by the SPE and subscribed by Banco BPM.
Taking into account the changes introduced by the restructuring, which had envisaged repayment flows not exclusively attributable to principal and interest, the original loans at amortised cost had been derecognised and the new restructured loans had been recognised in the portfolio of "Financial assets mandatorily measured at fair value". The corresponding liabilities had been consistently classified under "Financial liabilities designated at fair value", net of securities held by the Group, also measured at fair value.

As at 31 December 2022, the fair value of the exposures sold and not derecognised amounted to 219 million; while the corresponding liabilities, net of securities held, amounted to 18.3 million.
As at 31 December 2025, the fair value of the loans was 87.0 million, determined by discounting estimated future cash flows on the basis of the most recent Business Plan, with the application, for each account, of a maximum ceiling equal to the gross exposure and using a discount rate of 6.8%, considered representative of a real estate investment. At the same date, the fair value of the corresponding liability was 87.0 million.
Also as at 31 December 2025, the fair value of the securities held amounted to 147.4 million, determined by discounting the cash flows of the Business Plan on the basis of a stressed scenario, both in terms of recovery flows (reduction of 20%) and of recovery timing (one year delay), applying a discount rate of 4.5%. The adoption of the stress scenario is justified by the need to incorporate the uncertainties related to the development of a significant real estate initiative, relating to the construction of a luxury hotel in the centre of Milan, which is expected to be completed by 2026.
The circumstance that the fair value of the securities is higher than the fair value of the loans derives, in addition to the cash available in the SPE, and not yet distributed, and the presence of a property acquired by the SPE through a *datio in solutum* transaction, also due to the fact that the estimate of available cash flows for Banco BPM is not limited to the value of the credit exposures sold. Following the review of the cash flows underlying the transaction, as regards the Participating Financial Instruments originally subscribed for 177 million, cash flows were identified in excess of the credit exposures to be attributed to the same.
In terms of balance sheet representation, as at 31 December 2025:

- loans to the original debtors, sold and not derecognised, are shown in the portfolio of "Financial assets mandatorily measured at fair value" for an amount of 87.0 million;
- the imbalance between the fair value of the liability recognised for assets sold and not derecognised (87.0 million) and the fair value of the securities (147.4 million) held, generates a credit exposure to the SPE of 60.4 million, classified under "Financial assets mandatorily measured at fair value".

Tevere SPV S.r.l. (Project Argo)

In June 2022, the sale without recourse, against payment and en bloc of a portfolio of loans classified as UTP (unlikely to pay) and bad loans, originated by Banco BPM S.p.A. (hereinafter also the "Transferor" or "Originator") had been finalised for a total gross value of 656.0 million, subsequently increased by 0.7 million.
More specifically, the transaction had been finalised through the sale of the loans to Tevere SPV S.r.l., the securitisation SPE specifically established and not belonging to Banco BPM Group, pursuant to Italian Law 130/99.

The purchase of the loans by the SPE had been settled in part in cash for 24 million and in part through the issue of 4 tranches of securities (Senior, Mezzanine, Mezzanine Lower and Junior notes), which were subscribed by the Originator and by third-party investors belonging to the Elliott Fund, for a nominal value effectively subscribed and paid of 149.5 million. The Senior, Mezzanine and Lower Mezzanine notes were fully subscribed. Only the Junior note was partly paid with respect to the nominal value at the time of issue, as illustrated in the table below.

In compliance with the regulations on the retention rule, the Bank had originally subscribed 100% of the Senior notes and 5% of the other categories of notes subscribed and paid.
The companies of the Elliott fund had directly subscribed 95% of the Mezzanine and Junior notes.

Class	Partly paid	Nominal issue value	Nominal value subscribed	% Retention Banco BPM
A – Senior	No	104,658	104,658	100%
B1 – Mezzanine	No	22,427	22,427	5%
B2 – Lower Mezzanine	No	11,214	11,214	5%
J – Junior	Yes	18,684	11,214	5%
Total		**156,983**	**149,513**	

The finalisation of this sale had resulted in the significant transfer of the risks and rewards of the loans sold, which were, therefore, derecognised from the financial statements, based on the regulations set out in the accounting standard IFRS 9.

The situation at the date of the subscription and as at 31 December 2025, of the securities subscribed by the Parent Company is summarised below:

Class	Type	Nominal value	Nominal value subscribed by Banco BPM	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025	Maturing	Rating	Interest rate
Class A Asset-Backed Fixed Rate Notes due December 2041	Senior	104,658	104,658	-	-	05/12/2041	Unrated	Fixed @2%
Class B1 Asset-Backed Floating Rate Notes due December 2041	Mezzanine	22,427	1,122	1,122	30	05/12/2041	Unrated	3M Euribor (floor 0%) + 6% + Detachable coupon @3%
Class B2 Asset-Backed Floating Rate Notes due December 2041	Mezzanine	11,214	561	561	530	05/12/2041	Unrated	3M Euribor (floor 0%) + 9% + Detachable coupon @3%
Class J Partly Paid Asset-Backed Variable Return Notes due December 2041	Junior	18,684	935	935	525	05/12/2041	Unrated	n.a.
Total		**156,983**	**107,276**	**2,618**	**1,085**			

Aurelia SPV S.r.l. (Project Rockets)

In June 2021, the sale without recourse, against payment and en bloc, of a portfolio of loans classified as bad loans, originated by Banco BPM S.p.A. (hereinafter also the "Transferor" or "Originator") had been finalised for a total gross value of 1,509.5 million.
More specifically, the transaction was finalised through the sale of the loans to Aurelia SPV S.r.l., the securitisation SPE specifically established and not belonging to Banco BPM Group, pursuant to Italian Law 130/99.

The purchase of the loans by the SPE had been funded through the issue of three tranches of securities (Senior, Mezzanine and Junior notes), which had been fully subscribed pro-rata by the Originator, for a total nominal amount of 394 million, as illustrated in the following table.

Class - Type	Issue value
Class A – Senior, with State Guarantee on the Securitisation of Bad Loans ("GACS")	342,000
Class B – Mezzanine	40,000
Class J – Junior	12,000
Total	**394,000**

For the sake of completeness, note that the transaction had also envisaged the granting of a Limited Recourse Loan disbursed by Banco BPM to the special purpose entity Aurelia SPV, for an initial value of 15.6 million, remunerated on the basis of a fixed annual interest rate of 1.75%.

This loan does not represent any form of credit support to the securitisation and had been addressed to covering the running costs of the SPE in the initial phase of the securitisation; in fact, in the waterfall payments, the repayment of the loan in question is antedated with respect to the payment of the principal and interest of the Senior and Mezzanine notes. As at 31 December 2025, the residual debt amounted to 4.3 million.

The securities fully subscribed by Banco BPM, had been subsequently sold, specifically a share of 95% of the Mezzanine and Junior notes, to a third-party investor.
The finalisation of this sale resulted in the significant transfer of the risks and rewards of the loans sold, which were, therefore, derecognised from the financial statements, based on the regulations set out in the accounting standard IFRS 9.

The situation at the date of the subscription and as at 31 December 2025, of the securities subscribed by the Parent Company is summarised below:

Type	Type	Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value of Banco BPM as at 31/12/2025	Value as at 31/12/2025	Maturing	Rating	Interest rate
Class A Asset Backed Floating Rate Notes due July 2047	Senior	342,000	69,796	70,533	30/07/2047	DBRS: A Scope: A	6M Euribor + 0.5%
Class B1 Asset Backed Floating Rate Notes due July 2047	Mezzanine	2,000	2,000	666	30/07/2047	Unrated	6M Euribor + 8%
Class J Asset Backed Floating Rate and Variable Return Notes due July 2047	Junior	600	600	-	30/07/2047	Unrated	6M Euribor + 10%
Total		**344,600**	**72,396**	**71,199**			

During 2025, both rating companies improved their ratings on the senior note (Scope from BBB+ to A and DBRS from A- to A).

Tiberina SPV S.r.l. (Project Django)

In December 2020, the contract for the sale of loans between Banco BPM and Tiberina SPV had been signed, as part of the securitisation transaction, pursuant to Italian Law 130/99. The sale had regarded a portfolio of 40 positions classified as Unlikely to Pay and 1 position classified as Bad Loan, for a total gross value of 288 million.
The purchase of the loan portfolio had been funded by the SPV through the issue of the following asset backed securities for a total nominal value of 120.0 million:

Class - Type	Issue value
Class A – Senior	84,000
Class B1 – Mezzanine	18,000
Class B – Mezzanine	9,000
Class J – Junior	9,000
Total	**120,000**

The Senior tranche had been entirely subscribed by Banco BPM, together with 5% of the Mezzanine tranche and of the Junior tranche - in accordance with the retention rule envisaged by regulatory provisions - for a total nominal value of 85.8 million.
The remaining 95% of the Mezzanine and Junior tranches had instead been subscribed by Credito Fondiario.
The finalisation of this sale had resulted in the significant transfer of the risks and rewards of the loans sold, which had, therefore, been derecognised from the financial statements, based on the regulations set out in the accounting standard IFRS 9.

During 2023, the Senior tranche was fully repaid. During 2024, mezzanine tranches B1 and B2 were also repaid.

The situation of the securities subscribed by the Parent Company as at 31 December 2025, is summarised below:

Type	Type	Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value of Banco BPM as at 31/12/2025	Value as at 31/12/2025	Maturing	Rating	Interest rate
Class A Asset Backed Floating Rate Notes due October 2040	Senior	84,037	-	Reimbursed	01/10/2040	Unrated	Euribor (floor @0%)+2%
Class B1 Asset Backed Floating Rate Notes due October 2040	Mezzanine	901	-	Reimbursed	01/10/2040	Unrated	Euribor (floor @0%)+9%
Class B2 Asset Backed Floating Rate Notes due October 2040	Mezzanine	451	-	Reimbursed	01/10/2040	Unrated	Euribor (floor @0%)+12%
Class J Asset Backed Variable Return Notes due October 2040	Junior	451	1	1	01/10/2040	Unrated	n.a.
Total		**85,840**	**1**	**1**			

Titan SPV S.r.l. (Project Titan)

In December 2020, a multi-originator securitisation transaction had been stipulated (Banco BPM S.p.A., Release S.p.A. and Alba Leasing S.p.A.), where the underlying was a portfolio of Lease NPL with a gross contractual value totalling 335.4 million (value referred to the valuation date, which under the contract was 31 December 2019).

The purchase of the loan portfolio sold had been funded by the SPE through the issue of the following asset backed securities for a nominal value of 115.6 million, including the issue to fund Alba Leasing:

Class – Type	Issue value
Class A – Senior, with State Guarantee on the Securitisation of Bad Loans ("GACS")	90,500
Class B – Mezzanine	15,000
Class J – Junior (*)	10,100
Total	**115,600**

(*) The issue of the tranche in question, in addition to funding the purchase of the loans, was allocated to cover the 6.5 million initial expenses of the securitisation.

On the issue date, the securities had been entirely subscribed pro-rata by the originators; more specifically, the share of the securities issued to fund the Group's portfolio amounted to 41.7 million (22.3 million relating to the Parent Company and 19.4 million to Release). Subsequently, 95% of the Group's Mezzanine and Junior tranches had been placed with a third-party investor and Release had sold the Parent Company the tranches of the securities it had subscribed.
The finalisation of this sale had resulted in the significant transfer of the risks and rewards of the loans sold, which had, therefore, been derecognised from the financial statements, based on the regulations set out in the accounting standard IFRS 9.

The situation of the securities subscribed by the Parent Company as at 31 December 2025, is summarised below:

Type	Type	Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value Banco BPM as at 31/12/2025	Value as at 31/12/2025	Maturing	Rating	Interest rate
Class A Asset Backed Floating Rate Notes due January 2041	Senior	32,343	4,796	4,846	01/01/2041	DBRS: A Scope: BBB	6M Euribor + 0.5%
Class B1 Asset Backed Floating Rate Notes due January 2041	Mezzanine	269	269	76	01/01/2041	Unrated	6M Euribor + 8%
Class J Asset Backed Variable Return Notes due January 2041	Junior	200	200	-	01/01/2041	Unrated	n.a.
Total		**32,812**	**5,265**	**4,922**			

Said reserve was established by means of a Limited Recourse Loan disbursed by Banco BPM to the special purpose entity Titan SPV, for an initial value of 7.6 million, remunerated on the basis of a fixed annual interest rate of 1.50%, antedated with respect to the Senior note.
This loan does not represent any form of credit support to the securitisation and had been addressed to covering the running costs of the SPE in the initial phase of the securitisation; in fact, in the waterfall payments, the repayment of the loan in question is antedated with respect to the payment of the principal and interest of the Senior and Mezzanine notes. As at 31 December 2025, the residual debt amounted to 3.4 million.

During 2025, the DBRS rating on the senior note was upgraded from BBB+ to A.

Leviticus SPV S.r.l. (Project Ace)

In December 2018, a transaction to sell a portfolio of bad loans had been set in motion, pursuant to the law on securitisation (Italian Law no. 130/99). On the sale date, the gross value of the portfolio sold amounted to around 6 billion, net of write-offs of around 1.1 billion (the nominal value was 7.4 billion, before write-offs, related to the date of accrual established in the contract as at 30 June 2018).

The transaction had been finalised on 6 February 2019 through the issue, by Leviticus SPV S.r.l., of the following classes of securities, fully subscribed by Banco BPM:

Class – Type	Issue value
Class A – Senior, with State Guarantee on the Securitisation of Bad Loans ("GACS")	1,440,000
Class B – Mezzanine	221,500
Class J – Junior	248,800
Total	**1,910,300**

Subsequently, the sale to a third party of 95% of the Mezzanine tranche and 95% of the Junior tranche had been completed. In compliance with the retention rule set out in the supervisory provisions, Banco BPM had retained ownership of 5% of those securities. Banco BPM had also retained ownership of 100% of the Senior notes.

The finalisation of this sale had resulted in the significant transfer of the risks and rewards of the loans sold, which had, therefore, been derecognised from the financial statements, based on the regulations set out in the accounting standard IFRS 9.

The situation of the securities subscribed by the Parent Company as at 31 December 2025, is summarised below:

Type	Type	Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value Banco BPM as at 31/12/2025	Value as at 31/12/2025	Maturing	Rating	Interest rate
Class A Asset Backed Floating Rate Notes due July 2040	Senior	1,440,033	367,671	369,744	31/07/2040	DBRS: CCC+; Scope: CCC	6M Euribor+0.6%
Class B Asset Backed Floating Rate Notes due July 2040	Mezzanine	11,078	11,078	475	31/07/2040	Unrated	6M Euribor+8%
Class J Asset Backed Variable Return Notes due July 2040	Junior	12,443	12,443	-	31/07/2040	Unrated	n.a.
Total		**1,463,554**	**391,192**	**370,219**			

For the sake of completeness, note that the transaction had also envisaged the granting of a Limited Recourse Loan disbursed by Banco BPM to the special purpose entity Leviticus SPV, for an initial value of 66.5 million, remunerated on the basis of a fixed annual interest rate of 1.50%.
This loan does not represent any form of credit support to the securitisation and had been addressed to covering the running costs of the SPE in the initial phase of the securitisation; in fact, in the waterfall payments, the repayment of the loan in question is antedated with respect to the payment of the principal and interest of the Senior and Mezzanine notes. As at 31 December 2025, the residual debt amounted to 24 million.

During 2025, DBRS downgraded the rating on the senior note from B to CCC+.

As at 31 December 2025, the senior notes of Leviticus were classified as Stage 3 exposures, as the evolution recorded during 2025 and that expected for the future, in terms of cash flows, could make it necessary to enforce the guarantee of the Italian State (GACS).
Taking into account that the evolution of the securitisation may involve, in the short-term, a subordination event of the payment of the interest of the mezzanine tranche with respect to the principal of the senior tranche, the nominal value of the mezzanine tranche was fully written down.

Red Sea SPV S.r.l. (Project Exodus)

In June 2018, Banco BPM had finalised the sale of a portfolio of bad loans for a gross nominal value of around 5.1 billion to Red Sea SPV S.r.l.

The transaction had been carried out through the issue, by the special purpose entity, of securities totalling around 1.9 billion, broken down as follows:

Class – Type	Issue value
Class A – Senior, with State Guarantee on the Securitisation of Bad Loans ("GACS")	1,656,500
Class B – Mezzanine	152,900
Class J – Junior	51,000
Total	**1,910,300**

The securities fully subscribed by Banco BPM, had been subsequently sold, specifically a share of 95% of the Mezzanine and Junior notes, to a third-party investor. With the placement of the Mezzanine and Junior notes, the requirements had been met for the derecognition of the bad loans sold to the SPE.

The situation of the securities subscribed by the Parent Company as at 31 December 2025, is summarised below:

Type	Type	Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value Banco BPM as at 31/12/2025	Value as at 31/12/2025	Maturing	Rating	Interest rate
Class B Asset Backed Floating Rate Notes due October 2038	Senior	1,656,504	396,321	395,151	29/10/2038	Moody's: B2; Scope: CCC	6M Euribor+0.6%
Class B Asset Backed Floating Rate Notes due October 2038	Mezzanine	7,646	7,646	78-	29/10/2038	Unrated	6M Euribor+6%
Class J Asset Backed Variable Return Notes due October 2038	Junior	2,549	2,549	-	29/10/2038	Unrated	n.a.
		1,666,699	**406,516**	**395,229**			

For the sake of completeness, note that the transaction had also envisaged the granting of a Limited Recourse Loan disbursed by Banco BPM to the special purpose entity Red Sea SPV, for an initial value of 72.4 million, remunerated on the basis of a fixed annual interest rate of 1.50%.
This loan does not represent any form of credit support to the securitisation and had been addressed to covering the running costs of the SPE in the initial phase of the securitisation; in fact, in the waterfall payments, the repayment of the loan in question is antedated with respect to the payment of the principal and interest of the Senior and Mezzanine notes. As at 31 December 2025, the residual debt amounted to 23 million.

During 2025, both rating companies downgraded their rating on the senior note: the Scope rating went from B to CCC, the Moody's rating went from Ba2 to B2.

As at 31 December 2025, the senior notes of Red Sea were classified as Stage 3 exposures, as the evolution recorded since 2024 and that expected for the future, in terms of cash flows, could make it necessary to enforce the guarantee of the Italian State (GACS).
In light of this, the nominal value of the mezzanine tranche was fully written down.

Synthetic securitisations acting as originator

Synthetic securitisations envisage, through the contracting of collateral arrangements, the purchase of protection from the credit risk underlying a portfolio of loans, of which the Originator retains full ownership. Thus, the purpose of those transactions is to transfer the credit risk from the Originator to an external counterparty, without derecognising the assets, which are therefore kept in the Originator's financial statements.
The characteristics of these transactions allow regulatory and economic capital to be freed up due to the reduction in the level of risk of the underlying portfolio ("Significant Risk Transfer" pursuant to prudential regulations), thereby contributing to creating value by optimising the use of capital.
The reference regulation for those transactions is EU Regulation no. 575/2013 (Capital Requirements Regulation, "CRR"). Art. 245 of the CRR establishes the conditions at which the Significant Risk Transfer (SRT) criterion is met, i.e. the significant transfer of risk to third parties using collateral or personal guarantees as credit protection. Those conditions must be constantly monitored for the entire duration of the transaction.

QUALITATIVE INFORMATION

The following table shows synthetic securitisation transactions in place as at 31 December 2025.

Transaction	Guarantor	Originator	Transaction date	Type of securitisation
Project Sofia	Market investor and insurance	Banco BPM	December 2022	Performing loans
Project Greta	Market investors	Banco BPM	December 2022	Performing loans
Project Grace	Market investors	Banco BPM	June 2023	Performing loans
Project Marlene	Market investors	Banco BPM	December 2023	Performing loans
Project Aretha	Market investors	Banco BPM	August 2024	Performing loans
Project Clint	Market investors	Banco BPM	March 2025	Performing loans
Project Gregory	Market investors	Banco BPM	March 2025	Performing loans
Project Sean	Market investors	Banco BPM	November 2025	Performing loans
10 Tranched Cover transactions	Guarantee Fund for Small and Medium Enterprises	Banco BPM	December 2023 - December 2025	Performing loans

Synthetic securitisation transactions concluded during the year

Synthetic securitisations Large 2021 - Project Audrey and Project Brigitte

As part of the synthetic securitisations finalised in previous years, in January and April 2025, two transactions finalised in 2021 were closed, with the Bank exercising the early termination option.

New synthetic securitisation transactions in the year

Synthetic securitisation Large 2025 - Project Clint

During the month of March 2025, Banco BPM concluded a synthetic securitisation transaction with the involvement of market investors.
The securitised portfolio consists of approximately 3 billion in performing loans granted to more than 200 Corporate companies.
The structure of the transaction envisages, net of retention, the risk of which remains with the Bank in order to meet the requirement of maintaining a net economic interest of at least 5% (retention rule), the subdivision of the portfolio into two tranches with an increasing level of risk, with the junior risk hedged by the investors.
As at 31 December 2025, the portfolio involved in the transaction, including retention, amounted to 2.1 billion and the net exposure of Banco BPM was 1.7 billion.

Synthetic securitisation SME 2025 - Project Gregory

During the month of March 2025, Banco BPM concluded a synthetic securitisation transaction with the involvement of market investors.

The securitised portfolio consists of approximately 2.3 billion in performing loans granted to over 7,000 Mid Corporate Plus, Mid Corporate and Small Business companies.
The structure of the transaction envisages, net of retention, the risk of which remains with the Bank in order to meet the requirement of maintaining a net economic interest of at least 5% (retention rule), the subdivision of the portfolio into three tranches with an increasing level of risk, with the mezzanine risk hedged by the investors.
As at 31 December 2025, the portfolio involved in the transaction, including retention, amounted to 1.5 billion and the net exposure of Banco BPM was 1.4 billion.

Synthetic securitisation Large 2025 - Project Sean

In November 2025, Banco BPM concluded a synthetic securitisation transaction with the involvement of market investors.
The securitised portfolio consists of approximately 3.4 billion in performing loans granted to more than 300 Corporate companies.
The structure of the transaction envisages, net of retention, the risk of which remains with the Bank in order to meet the requirement of maintaining a net economic interest of at least 5% (retention rule), the subdivision of the portfolio into two tranches with an increasing level of risk, with the junior risk hedged by the investors.
As at 31 December 2025, the portfolio involved in the transaction, including retention, amounted to 3.2 billion and the net exposure of Banco BPM was 2.7 billion.

Synthetic securitisations Tranched Cover

During the year, Banco BPM concluded six Tranched Cover synthetic securitisation transactions, characterised by the release by the Guarantee Fund for Small and Medium Enterprises of a direct personal guarantee to cover the initial losses of six portfolios of around 300 million each in new disbursements to SMEs and Mid Caps.
As at 31 December 2025, the portfolios involved in the six transactions, including retention, amounted to a total of 1.5 billion and the net exposure of Banco BPM was approximately 1.2 billion.

Outstanding synthetic securitisation transactions

The synthetic securitisation transactions in place as at 31 December 2025 are shown below:

- Specialised Lending 2022 - Project Sofia: transaction completed in December 2022, which provides for the hedging of junior risk by market investors and mezzanine risk through an insurance policy. As at 31 December 2025, the portfolio involved in the transaction, including retention, amounted to approximately 500 million in Project Finance and Real Estate loans and the net exposure of Banco BPM was approximately 300 million;
- SME 2022 - Project Greta: transaction finalised in December 2022, which provides for the hedging of the Mezzanine tranche by a market investor. As at 31 December 2025, the portfolio involved in the transaction, including retention, amounted to approximately 550 million in loans to SMEs and Corporate customers and the net exposure of Banco BPM was around 500 million;
- Large Corporate 2023 - Project Grace: transaction finalised in June 2023, which provides for the hedging of the Junior tranche by two market investors. As at 31 December 2025, the portfolio involved in the transaction, including retention, amounted to approximately 1.2 billion in loans to Corporate customers and the net exposure of Banco BPM was approximately 850 million;
- SME 2023 - Project Marlene: transaction finalised in December 2023, which provides for the hedging of the Mezzanine tranche by three market investors. As at 31 December 2025, the portfolio involved in the transaction, including retention, amounted to approximately 800 million in loans to SMEs and Corporate customers and the net exposure of Banco BPM was around 750 million;
- Large Corporate 2024 - Project Aretha: transaction finalised in August 2024, which provides for the hedging of the Junior tranche by market investors. As at 31 December 2025, the portfolio involved in the transaction, including retention, amounted to approximately 1.8 billion in loans to Corporate customers and the net exposure of Banco BPM was approximately 1.4 billion;
- Tranched Cover: four transactions finalised from December 2023, which provide for the hedging of the Junior tranche by the Guarantee Fund for Small and Medium Enterprises. As at 31 December 2025, the portfolios involved in the transactions, including retention, amounted to approximately 800 million in loans to SMEs and Corporate customers and the net exposure of Banco BPM was around 700 million.

Events occurring after the end of the year

Synthetic securitisation SME 2022 - Project Greta

As part of the synthetic securitisations finalised in previous years, in January 2026, the transaction finalised in 2022 was closed, with the Bank exercising the early termination option.

Investments in third-party securitisations

The exposures in question are almost entirely attributable to the investment made by the Group in the securitisations of corporate and institutional customers, in which the Group also acts as arranger. This is an operation that started in 2021.
For these transactions, the Group is active as an investor of the senior securities as well as a Sponsor, through the subscription of at least 5% of the junior securities and, if present, mezzanine securities to meet the requirement of the so-called "Retention Rule", envisaged by the prudential provisions related to the role of sponsor.

Investments in traditional securitisations acting as sponsor

The Group is also active in the market of financing the receivables of its corporate customers through the securitisation of trade receivables in which the Group acts as sponsor, pursuant to Art. 6, paragraph 3 (a) of Regulation (EU) no. 2017/2402, and as senior investor.

QUALITATIVE INFORMATION

New transactions in the year

During the year, no new securitisation transactions were carried out on trade receivables in which the Group operates as sponsor.

Outstanding transactions

Securitisation in the energy sector - Sun SPV - lot 1

The securitisation programme regards performing trade receivables for a maximum revolving amount of around 50 million originated by a Group customer, operating in the energy distribution sector, and resulting from the provision of natural gas and electricity. The Group acts as senior noteholder, sponsor and account bank.
The revolving purchase by SUN SPV S.r.l. was financed through the issue of three tranches of unrated ABS (Senior, Mezzanine and Junior classes).
Banco BPM subscribed 100% of the Senior security and 5% of the Mezzanine and Junior securities, for a total initial value of 43.0 million, which was then increased to 67.0 million in 2022 and reduced to 41.9 million during 2024. The securitisation is currently in the revolving phase, and the investment as at 31 December 2025 is equal to 30.5 million.

The table below shows the total securities issued by the SPE and the part subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Senior security	41,460	41,460	30,145	30,147
Mezzanine security	6,787	341	248	248
Junior security	1,500	75	75	79
Total	**49,747**	**41,876**	**30,468**	**30,474**

Securitisation in the wholesale of electronic components sector - Sun SPV - lot 4

The securitisation programme concerns performing trade receivables for a maximum revolving amount of approximately 20 million originated by a Group customer, deriving from the wholesale trade of electronic telecommunications equipment and other electronic components.
The Group acts as senior noteholder, sponsor and account bank.
The revolving purchase by SUN SPV S.r.l. was financed through the issue of three tranches of unrated ABS (Senior, Mezzanine and Junior classes).
Banco BPM subscribed 100% of the Senior security and 5% of the Mezzanine and Junior securities, for a total value of 16.7 million. The securitisation is currently in the revolving phase, and the investment as at 31 December 2025 is equal to 9.2 million.

The table below shows the total securities issued by the SPE and the part subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Senior security	16,535	16,535	9,074	9,071
Mezzanine security	2,864	144	79	79
Junior security	736	37	37	37
Total	**20,135**	**16,716**	**9,190**	**9,187**

Investments in traditional securitisations

QUALITATIVE INFORMATION

The Group holds ABS securities relating to a series of structured securitisation transactions starting from 2021, in the majority of which Banca Akros acted as Arranger and Banco BPM purchased all or part of the Senior tranche only.

New transactions in the year

Alba 15 SPV S.r.l.

The transaction concerns a portfolio of performing loans originated by Alba Leasing S.p.A., owned by Banco BPM S.p.A., and deriving from real estate, operating and registered movable asset lease contracts.
The purchase price was financed with the issue of three tranches of securities with a different degree of subordination in the absorption of any portfolio losses, with ratings assigned by Moody's, DBRS and Fitch, excluding the junior class.
Banco BPM purchased approximately 13.38% of the nominal value of the senior class for a total value of 80 million.
Banco BPM's investment as at 31 December 2025 amounted to 67.7 million. The Mezzanine and Junior securities were subscribed by the originator.

The table below shows the total securities issued by the SPE and the part subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Senior security	550,300	80,000	67,673	67,649
Mezzanine security	175,100	-	-	-
Junior security	115,639	-	-	-
Total	**841,039**	**80,000**	**67,673**	**67,649**

BPP DF SPV S.r.l.

The transaction relates to a portfolio of performing loans deriving from residential mortgages granted to natural persons and guaranteed by a first-degree mortgage on the relative property, originated by Banca Popolare Pugliese S.C.p.A. The purchase price was financed with the issue of two tranches of securities: a Senior class and a Junior class. Banco BPM acts as senior noteholder, account bank and hedging counterparty.
Banco BPM subscribed 100% of the Senior class for a total value of 77.0 million. Banco BPM's investment as at 31 December 2025 amounted to 72.1 million.
The Junior securities were subscribed by the originator.

The table below shows the total securities issued by the SPE and the part subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Senior security	77,000	77,000	72,053	72,444
Junior security	34,620	-	-	-
Total	**111,620**	**77,000**	**72,053**	**72,444**

Cresco SPV S.r.l.

The transaction relates to portfolios of performing loans to SMEs guaranteed by Confidi and counter-guaranteed by the Central Guarantee Fund, originated by Confidi Systema!, Cofidi.it and Garanzia Fidi.
The purchase price was financed with the issue of two tranches of securities: a Senior class and a Junior class. Banco BPM acts as senior noteholder and account bank.
Banco BPM subscribed 100% of the Senior class for a total value of 64 million. The transaction envisages a progressive investment period (hereinafter ramp-up) of 12 months, and Banco BPM's investment as at 31 December 2025 amounted to 12.6 million.
The securitisation is currently in the ramp-up phase.

The table below shows the total securities issued by the SPE and the part subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Senior security	64,000	64,000	12,608	12,601
Junior security	19,000	-	-	-
Total	**83,000**	**64,000**	**12,608**	**12,601**

Securitisation in the medium/long-term rental sector - Labirs SPV

The securitisation transaction relates to "dedicated assets" established pursuant to Art. 4-bis of Law 162/2019, consisting of receivables deriving from medium/long-term rental payments, the relative contracts and underlying vehicles, originated by a leading group operating in the medium/long-term car rental sector, whose cash flows and income are directed towards repaying a limited recourse loan obtained by an SPV pursuant to Art. 7, paragraph 1 (a) and paragraph 2-octies of Law 130/99.
Banco BPM subscribed the Senior A6 class for a total nominal value of 50 million. The transaction includes a 12-month revolving period during which the ABS securities are not amortised and the income from the portfolio is solely used to replenish the dedicated assets on a monthly basis. Banco BPM's investment as at 31 December 2025 amounted to 50 million. The Junior securities were subscribed by the originator.

The table below shows the total securities issued by the SPE and the part subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Senior A1-A2-A3-A4-A5 security	1,450,000	-	-	-
Senior A6 security	50,000	50,000	50,000	50,004
Junior security	811,440	-	-	-
Total	**2,311,440**	**50,000**	**50,000**	**50,004**

Civitas SPV S.r.l.

The transaction relates to a portfolio of performing loans deriving from residential mortgages granted to natural persons and guaranteed by a first-degree mortgage on the relative property, originated by Banca di Cividale S.p.A. – Gruppo Sparkasse.
The purchase price was financed with the issue of three tranches of securities: two Senior classes and a Junior class. Banco BPM acts as senior noteholder and account bank.
Banco BPM subscribed 100% of the Senior A1 class for a total value of 80 million. Banco BPM's investment as at 31 December 2025 amounted to 80 million.
The Junior securities were subscribed by the originator.

The table below shows the total securities issued by the SPE and the part subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Senior A1 security	80,000	80,000	80,000	80,134
Senior A2 security	60,000	-	-	-
Junior security	63,088	-	-	-
Total	**203,088**	**80,000**	**80,000**	**80,134**

Securitisation in the energy sector - Sun Spv - lot 7

The securitisation programme concerns trade receivables for a maximum revolving amount of 40 million, originated by a customer of the Group, operating in the sector of electricity and gas distribution to consumer end users (residential users), condominiums and small businesses, and in the telecommunications sector. The Group acts as senior noteholder and account bank.
The revolving purchase by SUN SPV S.r.l. was financed through the issue of four tranches of unrated ABS (Senior, Upper Mezzanine, Lower Mezzanine and Junior classes).
Banco BPM subscribed approximately 71% of the Senior security for a total value of 24.3 million.
Banco BPM's investment as at 31 December 2025 amounted to 17.9 million. The securitisation is currently in the revolving phase.
The originators withholds 5% of the nominal value of each receivable transferred in the securitisation.

The table below shows the total securities issued by the SPE and the part subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Senior security	34,275	24,275	17,928	17,940
Upper Mezzanine security	2,000	-	-	-
Lower Mezzanine security	2,400	-	-	-
Junior security	1,600	-	-	-
Total	**40,275**	**24,275**	**17,928**	**17,940**

Securitisation in the energy sector - Sun Spv - lot 8

The securitisation programme concerns trade receivables for a maximum revolving amount of 38 million, originated by a customer of the Group, operating in the sector of electricity and gas distribution to end users: domestic, individuals, small businesses and SMEs. The Group acts as senior noteholder and account bank.
The revolving purchase by SUN SPV S.r.l. was financed through the issue of three tranches of unrated ABS (Senior, Mezzanine and Junior classes).
Banco BPM subscribed 100% of the Senior security for a total value of 32.3 million. Banco BPM's investment as at 31 December 2025 amounted to 1.6 million. The securitisation is currently in the revolving phase.
The originators withholds 5% of the nominal value of each receivable transferred in the securitisation.

The table below shows the total securities issued by the SPE and the part subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Senior security	32,300	32,300	1,646	1,646
Mezzanine security	4,450	-	-	-
Junior security	1,500	-	-	-
Total	**38,250**	**32,300**	**1,646**	**1,646**

Transactions repaid

Alba 13 SPV S.r.l.

The senior note subscribed by Banco BPM SpA was repaid in full in June 2025.

Real Estate SPV Project 2307

The senior mortgage loan disbursed by Banco BPM to the SPV pursuant to Art. 7.2 of Italian Law 130/99 for a total amount of 10 million was fully repaid in September 2025.

Outstanding transactions

Securitisation in the medium/long-term rental sector - Venere SPV

The securitisation transaction relates to "dedicated assets" established pursuant to Art. 4-bis of Law 162/2019, equal to 561 million, consisting of receivables deriving from medium/long-term rental payments, the relative contracts and underlying vehicles, originated by a leading group operating in the medium/long-term car rental sector, whose cash flows and income are directed towards repaying a limited recourse loan obtained by an SPV pursuant to Art. 7, paragraph 1 (a) and paragraph 2-octies of Law 130/99.
Banco BPM purchased a share of the Senior securities for a total nominal value of 196 million. The transaction includes an 18-month revolving period during which the ABS securities are not amortised and the income from the portfolio is

used to replenish the dedicated assets on a monthly basis. Banco BPM's investment as at 31 December 2025 amounted to 196 million. The Junior securities were subscribed by the originator.

The table below shows the total securities issued by the SPE and the part subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Senior security	400,000	196,000	196,000	196,423
Junior security	188,777	-	-	-
Total	**588,777**	**196,000**	**196,000**	**196,423**

Alba 14 SPV S.r.l.

The transaction concerns a portfolio of performing loans originated by Alba Leasing S.p.A., owned by Banco BPM S.p.A., and deriving from real estate, operating and registered movable asset lease contracts.
The purchase price was financed with the issue of three tranches of securities with a different degree of subordination in the absorption of any portfolio losses, with ratings assigned by Moody's and DBRS, excluding the junior class.
Banco BPM subscribed approximately 19.9% of the nominal value of the senior class for a total value of 60 million. The Junior securities were subscribed by the originator. The transaction is currently being amortised and the Senior security held by Banco BPM has been partially repaid, the investments as at 31 December 2025 amounted to 32.1 million.

The table below shows the total securities issued by the SPE and the part subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Senior security	550,300	60,000	32,085	32,233
Mezzanine security	175,100	-	-	-
Junior security	115,639	-	-	-
Total	**841,039**	**60,000**	**32,085**	**32,233**

Siderurgica Futura SPV S.r.l.

The securitisation programme concerns performing trade receivables for a maximum revolving amount of 50.0 million, originated by the Italian subsidiaries of a leading international industrial group operating in the iron and steel industry, and deriving from the production and sale of iron, steel and ferro-alloys to corporate and SME customers.
The Group acts as senior noteholder and account bank.
The revolving purchase by Siderurgica Futura SPV S.r.l. was financed through the issue of an unrated Senior ABS.
Banco BPM subscribed 100% of the Senior security for a total value of 41.1 million. The securities were issued on 9 July 2024 and Banco BPM's investment as at 31 December 2025 amounted to 41.1 million. The securitisation is currently in the revolving phase.
The first loss risk tranche takes the form of a deferred purchase price borne by the originators.

The table below shows the total securities issued by the SPE and the part subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Senior security	41,061	41,061	41,061	41,055
Total	**41,061**	**41,061**	**41,061**	**41,055**

Civetta IV SPV S.r.l.

The securitisation transaction concerns performing loans, originated by Sigla S.r.l., deriving from salary and/or pension-backed loans and deduction of loan repayment from salary.
The transaction envisages an initial portfolio of 4.7 million, to which additional sales of portfolios will be added during the 18-month ramp-up period, in order to establish a total portfolio of approximately 80 million at the end of the ramp-up period.
The purchase price of the portfolios sold during the ramp-up period by Civetta IV SPV S.r.l. was financed with the drawdowns of two tranches of unrated ABS (Senior and Junior class) issued on 20 November 2024.
Banco BPM acts as senior noteholder, account bank and hedging counterparty.
Banco BPM subscribed 100% of the Senior security for a total value of 70 million. The securitisation is currently in the ramp-up phase, and the investment as at 31 December 2025 is equal to 31.9 million. The Junior securities were subscribed by the originator.

The table below shows the total securities issued by the SPE and the part subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Senior security	70,000	70,000	31,894	31,927
Junior security	11,000	-	-	-
Total	**81,000**	**70,000**	**31,894**	**31,927**

BP Fondi RMBS SPV S.r.l.

The transaction relates to a portfolio of performing loans deriving from residential mortgages granted to natural persons and guaranteed by a first-degree mortgage on the relative property, originated by Banca Popolare di Fondi Soc. Coop.
The purchase price was financed with the issue of two tranches of securities: a Senior class and a Junior class. Banco BPM acts as senior noteholder and account bank.
Banco BPM subscribed 100% of the Senior class for a total value of 54.8 million. The Junior securities were subscribed by the originator. The transaction is currently being amortised and the Senior security held by Banco BPM has been partially repaid, the investment as at 31 December 2025 amounted to 42.2 million.

The table below shows the total securities issued by the SPE and the part subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Senior security	54,821	54,821	42,239	42,234
Junior security	14,822	-	-	-
Total	**69,643**	**54,821**	**42,239**	**42,234**

Securitisation in the circular economy sector - Sun Spv - lot 6

The securitisation programme concerns performing trade receivables for a maximum revolving amount of approximately 25 million originated by the subsidiaries of a leading industrial group operating in the circular economy sector. Banco BPM acts as senior noteholder and account bank.
The revolving purchase by SUN SPV S.r.l. was financed through the issue of three tranches of unrated ABS (Senior, Mezzanine and Junior classes).
Banco BPM subscribed 100% of the Senior security for a total value of 20.7 million. The securitisation is currently in the revolving phase, and the investment as at 31 December 2025 is equal to 17.0 million.
The originators withheld 5% of the nominal value of each receivable transferred in the securitisation.

The table below shows the total securities issued by the SPE and the part subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Senior security	20,664	20,664	17,045	17,056
Mezzanine security	3,580	-	-	-
Junior security	920	-	-	-
Total	**25,164**	**20,664**	**17,045**	**17,056**

Tricolore 2019 S.r.l.

The transaction concerns a portfolio of performing loans granted to SMEs originated by Banca Privata Leasing S.p.A. and deriving from real estate, operating and registered movable asset lease contracts, of which roughly 30% backed by the Guarantee Fund for a weighted average guarantee percentage equal to approximately 80% of the loan amount.
The purchase price was financed with the issue of four tranches of securities: Senior A1 class, Senior A2 class, Mezzanine class and Junior class.
Banco BPM subscribed 100% of Senior A2 class for a total value of 50 million. The Junior securities were subscribed by the originator. The transaction is currently being amortised and the Senior security held by Banco BPM has been partially repaid and the investment as at 31 December 2025 amounted to 6.6 million.

The table below shows the total securities issued by the SPE and the part subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Senior A1 security	130,000	-	-	-
Senior A2 security	50,000	50,000	6,632	6,634
Mezzanine security	45,000	-	-	-
Junior security	65,000	-	-	-
Total	**290,000**	**50,000**	**6,632**	**6,634**

Pontormo SME 2023 S.r.l.

The transaction concerns a portfolio of loans originated by Banca Cambiano 1884 S.p.A. and granted to SMEs, secured by a guarantee of the Central Guarantee Fund for SMEs, as envisaged by the provisions of the law issued following the Covid-19 emergency.
The purchase price was financed with the issue of two tranches of securities: a Senior class and a Junior class.
Banco BPM subscribed 100% of the Senior class for a total value of 100 million. The Junior securities were subscribed by the originator. The transaction is currently being amortised and the Senior security held by Banco BPM has been partially repaid, the investment as at 31 December 2025 amounted to 33.0 million.

The table below shows the total securities issued by the SPE and the part subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Senior security	100,000	100,000	32,984	33,170
Junior security	25,000	-	-	-
Total	**125,000**	**100,000**	**32,984**	**33,170**

San Felice Finance S.r.l.

The transaction relates to a portfolio of loans deriving from residential mortgage loans granted to natural persons by Banca San Felice 1893 S.C.p.A..
The purchase price was financed with the issue of two tranches of securities: a Senior class and a Junior class.
Banco BPM subscribed 100% of the Senior class for a total value of 66.1 million. The Junior securities were subscribed by the originator. The transaction is currently being amortised and the Senior security held by Banco BPM has been partially repaid, the investment as at 31 December 2025 amounted to 48.1 million. The Junior securities were subscribed by the originator.
The table below shows the total securities issued by the SPE and the part subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Senior security	66,120	66,120	48,103	48,387
Junior security	29,681	-	-	-
Total	**95,801**	**66,120**	**48,103**	**48,387**

Golem SPV S.r.l.

The transaction relates to a portfolio of loans deriving from residential mortgage loans granted to natural persons by Banca Valsabbina S.C.p.A..
In December 2025, the amount of the transaction was increased with the sale of a new portfolio of loans, financed with the issue of a new Senior Class entirely subscribed by Banco BPM (Senior A Class - 2025 Series).

The purchase price was financed with the issue of three tranches of securities, of which two Senior classes *pari passu* and pro rata (Senior A Class - 2023 Series and Senior A Class - 2025 Series) and a Junior class.
Banco BPM subscribed 100% of the Senior class for a total value of 150 million. The Junior securities were subscribed by the originator. The Senior A Class - 2023 Series is currently being amortised and Banco BPM's investment as at 31 December 2025 amounted to 67.9 million, while Banco BPM's investment in the Senior A Class - 2025 Series amounted to 48.9 million.

The table below shows the total securities issued by the SPE and the part subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Senior A 2023 Security	100,000	100,000	67,852	67,842
Senior A 2025 Security	50,000	50,000	48,907	48,889
Junior security	32,330	-	-	-
Total	**182,330**	**150,000**	**116,759**	**116,731**

Securitisation in the energy sector - Sun SPV – lot 5

The securitisation programme regards trade receivables for a maximum revolving amount of 24.2 million, originated by Group customers, operating in the energy sector, and resulting from the provision of natural gas and electricity to consumers, small businesses and e-businesses. The Group acts as senior noteholder and account bank.
The revolving purchase by Sun SPV S.r.l. was financed through the issue of the tranche of the unrated Senior ABS. Banco BPM subscribed 100% of the Senior security for a total value of 24.2 million. Banco BPM's investment as at 31 December 2025 amounted to 4.9 million. The securitisation is currently in the revolving phase. The first loss risk tranche takes the form of a deferred purchase price borne by the originators.

The table below shows the total securities issued by the SPE and the part subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Senior security	24,193	24,193	4,881	4,888
Total	**24,193**	**24,193**	**4,881**	**4,888**

General SPV securitisation

The securitisation programme concerns the sale without recourse of loans deriving from factoring contracts originated by a company operating in the financial sector as part of factoring activities. Banco BPM acts as senior noteholder together with a pool of banks.
The General SPV transaction envisages the issue of three different tranches of ABS securities based on the degree of subordination in absorbing losses: Senior securities classified as variable funding, Mezzanine securities and Junior securities, both of which classified as partly paid.
During 2025, the transaction saw the increase in the committed portion of the credit line held by Banco BPM from 50 million to 70 million, and the entry of an additional bank as a senior lender, envisaging the issue of an additional class of senior and mezzanine securities.

The securitisation is currently in the revolving phase, and the investment as at 31 December 2025 is equal to 50 million. The Junior securities were subscribed by the originator.

The table below shows the total securities issued by the SPE and the share subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Senior Security – Class A1, A2, A4	550,000	-	-	-
Senior security – Class A3	100,000	70,000	50,000	49,945
Mezzanine Security – Class B1, B2, B3, B4	74,200	-	-	-
Junior security	37,000	-	-	-
Total	**761,200**	**70,000**	**50,000**	**49,945**

SPV Project 2011 S.r.l.

The transaction regards several Project Finance loans disbursed to companies operating in the wind power and photovoltaic sector. The transaction is currently being amortised and the Senior security held by Banco BPM has been partially repaid.
Banco BPM originally subscribed a nominal amount of 15.7 million of the Senior tranche. The securitisation is currently in the security repayment phase, and the residual investment as at 31 December 2025 amounted to 2.3 million.

The table below shows the total securities issued by the SPE and the part subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Senior security	16,500	15,675	2,281	2,316
Junior security	9,068	-	-	-
Total	**25,568**	**15,675**	**2,281**	**2,316**

Perseveranza SPV S.r.l.

The transaction regards a portfolio of loans granted to SMEs secured by a guarantee of the Central Guarantee Fund for SMEs, as envisaged by the provisions of the law issued following the Covid-19 emergency.

This is an ABS classified as partly paid and envisages the payment by the investor of the amount subscribed in different tranches, on the request of the issuer. Banco BPM invested exclusively in Class A - Senior, which concluded the ramp-up phase in 2022. As at 31 December 2025, the transaction is in its amortisation phase, and the residual investment of Banco BPM amounts to 14.1 million.

The table below shows the total securities issued by the SPE and the part subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Class A – Senior	285,000	51,600	14,144	14,251
Class B – Mezzanine	28,000	-	-	-
Class C - Junior	35,000	-	-	-
Total	**348,000**	**51,600**	**14,144**	**14,251**

Igloo SPV S.r.l.

The transaction regards a portfolio of loans granted to SMEs and Mid-Caps, secured by a guarantee of the Central Guarantee Fund for SMEs or by SACE, as envisaged by the provisions of the law issued following the Covid-19 emergency.
Banco BPM subscribed a nominal amount of 35 million of the Senior tranche. As at 31 December 2025, the transaction is in its amortisation phase, and the residual investment of Banco BPM amounts to 11.0 million euro.

The table below shows the total securities issued by the SPE and the part subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Class A1, A2 – Senior	134,700	35,000	10,986	10,966
Class B – Upper Mezzanine	23,300	-	-	-
Class Y – Lower Mezzanine	7,800	-	-	-
Class J – Junior	4,200	-	-	-
Total	**170,000**	**35,000**	**10,986**	**10,966**

Securitisation in the energy sector - Sun Spv - lot 3

The securitisation programme concerns trade receivables for a maximum revolving amount of 25 million, originated by a customer of the Group, operating in the sector of electricity and gas distribution and sale to consumer end users

(residential users), condominiums and small businesses, and in the telecommunications sector. The Group acts as senior noteholder and account bank.
The revolving purchase by SUN SPV S.r.l. was financed through the issue of two tranches of unrated ABS (Senior and Junior classes).
Banco BPM subscribed 100% of the Senior security for a total value of 21.2 million, while the Junior security was fully subscribed by the Originator. Banco BPM's investment as at 31 December 2025 amounted to 2.3 million. The securitisation entered the amortisation phase in December 2025.

The table below shows the total securities issued by the SPE and the part subscribed by Banco BPM.

Class – Type	Nominal issue value	Banco BPM		
		Nominal value subscribed by Banco BPM on the issue date	Outstanding nominal value as at 31/12/2025	Value as at 31/12/2025
Senior security	21,250	21,250	2,279	2,270
Junior security	3,850	-	-	-
Total	**25,100**	**21,250**	**2,279**	**2,270**

QUANTITATIVE INFORMATION

C.1 Prudential consolidation - Exposures deriving from the main "own" securitisation transactions broken down by type of securitised asset and by type of exposure

On-balance sheet exposures

Type of securitised assets/Exposures	On-balance sheet exposures					
	Senior		Mezzanine		Junior	
	Book value	Losses/ Recoveries	Book value	Losses/ Recoveries	Book value	Losses/ Recoveries
A. Fully derecognised	**894,827**	**(4,961)**	**1,855**	**-**	**526**	**-**
Non-performing assets:						
A.1 Loans	894,827	(4,961)	1,855	-	526	-
Performing assets:						
A.2 Leases	-	-	-	-	-	-
B. Partially derecognised	**-**	**-**	**-**	**-**	**-**	**-**
C. Not derecognised	**10,422,523**	**(17,879)**	**51,134**	**-**	**108,041**	**(354)**
Non-performing assets:						
C.1 Loans	669	(1)	51,134		96,837	
Performing assets:						
C.2 Residential mortgage loans		-		-	-	-
C.3 Loans to businesses (*)	10,421,854	(17,878)			11,204	(354)

(*) The sub-item "Loans to businesses" relates to synthetic securitisation transactions. As at 31 December 2025, the value of the retention withheld by Banco BPM was equal to 2,436.5 million.

Credit lines

Type of securitised assets/Exposures	Credit lines					
	Senior		Mezzanine		Junior	
	Book value	Losses/ Recoveries	Book value	Losses/ Recoveries	Book value	Losses/ Recoveries
A. Fully derecognised	**-**	**-**	**-**	**-**	**-**	**-**
Non-performing assets:						
A.1 Loans	-	-	-	-	-	-
Performing assets:						
A.2 Leases	-	-	-	-	-	-
B. Partially derecognised	**-**	**-**	**-**	**-**	**-**	**-**
C. Not derecognised	**9,931**	**(5)**	**-**	**-**	**-**	**-**
Non-performing assets:						
C.1 Loans	9,931	(5)	-	-	-	-
Performing assets:						
C.2 Residential mortgage loans	-	-	-	-	-	-
C.3 Loans to businesses	-	-	-	-	-	-

The part of the table relative to the guarantees issued is omitted inasmuch as there are none.

C.2 Prudential consolidation - Exposures deriving from the main "third party" securitisation transactions broken down by type of securitised asset and by type of exposure

Type of securitised assets/Exposures	On-balance sheet exposures					
	Senior		Mezzanine		Junior	
	Book value	Losses/ Recoveries	Book value	Losses/ Recoveries	Book value	Losses/ Recoveries
A.1 BNT PORT 14-42 TV					11,901	
Mortgage loans FV						
A.2 PHARMA FIN.SRL TV 28 B			240			
Other FV						
A.3 PHARMA FIN. TV 28 CLC			4,511			
Other FV						
A.4 FAW3 SPV 23 A-1-S 2% (*)	2,979	(2,215)				
Loans						
A.5 SUN SPV 21-28 TV A	30,147					
Loans						
A.6 SUN SPV 23-30 TV A	2,270	(12)				
Loans						
A.7 GENER. SPV TV 22-31A3	49,945	(153)				
Loans						
A.8 SUN SPV 21-28 TV B			248			
Loans						
A.9 SUN SPV 21-28 TV J					79	
Loans						
A.10 SUN SPV 23-30 TV B			79			
Loans						
A.11 SUN SPV 23-30 TV J					37	
Loans						
A.12 PERSEVER. 21-31 TV A	14,251					
Loans						
A.13 IGLOO 21-31 TV A1	10,966	(22)				
Loans						

Type of securitised assets/Exposures	On-balance sheet exposures					
	Senior		Mezzanine		Junior	
	Book value	Losses/ Recoveries	Book value	Losses/ Recoveries	Book value	Losses/ Recoveries
A.14 SPV PROJ 21-28 TV A	2,316					
Loans						
A.15 TRICOLORE 19 SPV A2	6,634	(4)				
Loans						
A.16 SIDERURGICA F.TV 31A	41,055	(9)				
Loans						
A.17 CIVETTA IV 24-41 TV	31,927	(17)				
Loans						
A.18 BP FONDI RMBS A64 TV	42,234	(14)				
Loans						
A.19 *ALBA 14 SPV TV 44 A*	32,233	(18)				
Loans						
A.20 SUN SPV 23-30 TV A	9,071	(5)				
Loans						
A.21 SUN SPV 23-31 TV J	4,888	(2)				
Loans						
A.22 SUN SPV 6 24-32 TV A	17,056	(9)				
Loans						
A.23 PONTORMO A 43 TV	33,170	(12)				
Loans						
A.24 SANFELICE F. TV 63 A	48,387	(18)				
Loans						
A.25 VENERE CL A 30 TV	196,423	(106)				
Loans						
A.26 GOLEM CL A 63 TV	67,842	(24)				
Loans						
A.27 ALBA 15 SPV TV 45 A	67,649	(37)				
Loans						
A.28 CRESCO 25-41 A TV	12,601	(7)				
Loans						
A.29 BPP DF SPV TV 60 A	72,444	(26)				
Loans						
A.30 LABIRS 25-40 A6 TV	50,004					
Loans						
A.31 *CIVITAS TV 25-60 EUR*	80,134	(43)				
Loans						
A.32 *GOLEM CL A2 25-63 TV*	48,889	(26)				
Loans						
A.33 *SUN SPV 7 25-33 TV A*	17,940	(10)				
Loans						
A.34 *SUN SPV 25-33 TV A*	1,646	(1)				
Loans						

(*) This was a single tranche, typically indicated as a Senior security.

The tables relative to the credit facilities and the guarantees issued have been omitted inasmuch as there are none.

Exposures deriving from third-party securitisation transactions, entirely related to the Parent Company, amounted to 1,012.2 million (794.1 million as at 31 December 2024), of which 17.1 million is classified in the portfolio of "Financial assets at fair value through profit and loss: c) other financial assets mandatorily measured at fair value", and 995.1 million in the portfolio of "Financial assets at amortised cost". For the main exposures, please refer to the

previous paragraphs "Investments in traditional securitisations acting as sponsor" and "Investments in traditional securitisations".

The exposure relative to "BNT Port 14-42 TV", classified under "Financial assets at fair value through profit and loss: c) other financial assets mandatorily measured at fair value" is referred to instead in the following paragraph.

C.3 Prudential consolidation - Shareholdings in securitisation SPEs

In any event, the shareholding in "BNT Portfolio SPV" is worth mentioning. This is an SPE established in 2014 for the securitisation of agricultural loans of Banca della Nuova Terra, financed by the issue of a single tranche of securities for a nominal value of 397.8 million subscribed by the member banks of Banca della Nuova Terra, including the former Banco Popolare. Under the agreements entered into, the former Banco Popolare had subscribed the said security for a nominal value of 84.6 million; as at 31 December 2025, the fair value of the security, posted under the "Financial assets at fair value through profit and loss: c) other financial assets mandatorily measured at fair value" came to 11.9 million net of collections.

The following table shows all the assets and liabilities of the separate capital of the SPE.

Name of Securitisation/ Name of SPE	Registered office	Consolidation	Assets			Liabilities		
			Loans	Debt securities	Other	Senior	Mezzanine	Junior
BNT Portfolio SPV S.r.l.	Milan	no	62,750	-	11,178	-	-	218,365

The part of the table that shows the guarantees issued and the credit facilities is omitted inasmuch as there are none.

C.4 Prudential consolidation - Non-consolidated SPEs for securitisation

Non-consolidated SPEs for securitisation are those in which the Group does not hold any equity interest. For each of these SPEs, used for transactions in which the Group acts as originator, the table below shows the Group's assets and liabilities due to and from those SPEs, mainly attributable to the Senior securities subscribed by the Group, classified in the portfolio of "Loans to customers".

In this regard, it is noted that these companies have no off-balance sheet exposures, non-revocable credit facilities or financial guarantees; therefore, the maximum exposure to the risk of loss corresponds to the difference between the assets and liabilities held in respect of the SPE. The only exception was the SPE Lilium, to which a credit line of 10 million was granted, of which 0.6 million had been drawn down as at 31 December 2025.

(thousands of euro)	Red Sea SPV	Leviticus SPV	Tiberina SPV	Titan SPV	Aurelia SPV	Tevere SPV	Lilium SPV (*)
Total assets	**418,058**	**394,246**	**1**	**8,343**	**75,476**	**1,085**	**61,031**
Other financial assets mandatorily measured at fair value	78	475	1	76	666	1,085	60,362
Loans to customers	417,980	393,771	-	8,267	74,809	-	669
Other asset items		1	-		-	-	-
Total liabilities	**2,099**	**-**	**-**	**-**	**17**	**-**	**18,200**
Guarantees given and commitments							**9,331**

(thousands of euro)	Red Sea SPV	Leviticus SPV	Tiberina SPV	Titan SPV	Aurelia SPV	Tevere SPV	Lilium SPV *
Net interest income	13,534	11,192	647	238	2,815	370	5

(*) For details on the representation of the transaction with Lilium SPV, please refer to the previous paragraph "Existing and significant securitisation transactions during 2025 - Lilium SPV S.r.l. (Project Wolf)".

C.5 Prudential consolidation - Servicer activities – own securitisations: collections of securitised loans and redemptions of securities issued by the SPE for the securitisation

In 2025, the Group did not act as a servicer for its own securitisation transactions in which the assets sold were derecognised from the financial statements.

C.6 Prudential consolidation - Consolidated SPEs for securitisation

There are no SPEs for securitisation that are part of the Banking Group.

D. Sale transactions

A. Financial assets sold and not fully derecognised

QUALITATIVE INFORMATION

As at 31 December 2025, the following sale transactions did not involve the derecognition from the financial statements of the underlying financial assets:

- securitisation transactions of credit exposures to customers (87 million);
- repurchase agreements payable on treasury securities mainly classified in the portfolio of "Financial assets measured at fair value through other comprehensive income" and "Financial assets at amortised cost".

For repurchase agreements, the non-derecognition of the security of the repurchase agreement derives from the fact that the Bank substantially holds the risks and rewards linked to the security, having the obligation of the forward repurchase at a contractually established price. Therefore the securities transferred continue to be represented in the relative accounting portfolio; the payment for the sale is posted under the "Financial liabilities at amortised cost: a) due to banks or b) due to customers", according to the type of counterparty. In this regard, it must be noted that the following tables do not include repurchase agreements entered into on securities not recognised in the financial statements, if their availability arises from reverse repurchase agreements (see the paragraph entitled "Other information" in "Part B – Information on the Consolidated balance sheet" of these Notes to the financial statements).

The securitisation transactions described in the preceding paragraph "C. Securitisation transactions" are not derecognised due to the Group's subscription of the tranches of Junior securities or similar exposures which involve the first loss risk for the Group and, similarly, the reward linked to the yield of the portfolio of the transferred assets. The payment collected for the transfer is posted as a balancing entry of a payable due to the SPE, net of the tranches of the underlying securities subscribed or the use of forms of liquidity support for the SPE for the payment of the principal. The loan to the SPE, thus posted, will decrease by effect of the sums collected from the originator and transferred to said SPE.

QUANTITATIVE INFORMATION

D.1 Prudential consolidation - Fully recognised financial assets sold and associated financial liabilities: book values

	Fully recognised financial assets sold				Associated financial liabilities		
	Book value	of which: subject to securitisation transactions	of which: subject to repurchase agreements	of which non-performing	Book value	of which: subject to securitisation transactions	of which: subject to repurchase agreements
A. Financial assets held for trading	**101,680**	**-**	**101,680**	**X**	**200,491**	**-**	**200,491**
1. Debt securities	29,030	-	29,030	X	108,681	-	108,681
2. Equity instruments	72,650	-	72,650	X	91,810	-	91,810
3. Loans	-	-	-	X	-	-	-
4. Derivatives	-	-	-	X	-	-	-
B. Other financial assets mandatorily measured at fair value	**87,033**	**87,033**	**-**	**87,033**	**-**	**-**	**-**
1. Debt securities	-	-	-	-	-	-	-
2. Equity instruments	-	-	-	X	-	-	-
3. Loans	87,033	87,033	-	87,033	-	-	-
C. Financial assets designated at fair value	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-	-	-	-
2. Loans	-	-	-	-	-	-	-
D. Financial assets measured at fair value through other comprehensive income	**6,667,180**	**-**	**6,667,180**	**-**	**6,664,280**	**-**	**6,664,280**
1. Debt securities	6,667,180	-	6,667,180	-	6,664,280	-	6,664,280
2. Equity instruments	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
E. Financial assets at amortised cost	**14,747,467**	**-**	**14,747,467**	**-**	**14,555,607**	**-**	**14,555,607**
1. Debt securities	14,747,467	-	14,747,467	-	14,555,607	-	14,555,607
2. Loans	-	-	-	-	-	-	-
Total 31/12/2025	**21,603,360**	**87,033**	**21,516,327**	**87,033**	**21,420,378**	**-**	**21,420,378**
Total 31/12/2024	**23,307,185**	**219,000**	**23,088,185**	**219,000**	**22,849,558**	**18,295**	**22,831,263**

D.2 Prudential consolidation - Partly recognised financial assets sold and associated financial liabilities: book values

As at 31 December 2025 there were no partly recognised financial assets sold or associated financial liabilities.

D.3 Prudential consolidation - Sale transactions with liabilities with recourse only against the assets sold and not fully derecognised: fair value

This table shows the fair value of assets and related liabilities resulting exclusively from securitisation transactions, inasmuch as they are considered the only types existing for the Group in which the transferor, i.e. the SPE, has exclusive recourse against the transferred assets, being in fact the only cash flows available for the payment of the securities issued.

	Fully recognised	Partly recognised	Total	
			31/12/2025	31/12/2024
A. Financial assets held for trading	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Equity instruments	-	-	-	-
3. Loans	-	-	-	-
4. Derivatives	-	-	-	-
B. Other financial assets mandatorily measured at fair value	**87,033**	**-**	**87,033**	**219,000**
1. Debt securities	-	-	-	-
2. Equity instruments	-	-	-	-
3. Loans	87,033	-	87,033	219,000
C. Financial assets designated at fair value	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Loans	-	-	-	-
D. Financial assets measured at fair value through other comprehensive income	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Equity instruments	-	-	-	-
3. Loans	-	-	-	-
E. Financial assets at amortised cost (fair value)	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-
2. Loans	-	-	-	-
Total financial assets	**87,033**	**-**	**87,033**	**219,000**
Total associated financial liabilities	**-**	**-**	**X**	**X**
Net value as at 31/12/2025	**87,033**	**-**	**87,033**	**X**
Net value as at 31/12/2024	**200,705**	**-**	**X**	**200,705**

B. Financial assets sold and fully derecognised with recognition of continuing involvement

The Group has none of this type at the reporting date.

C. Financial assets sold and fully derecognised

Multi-originator sales of loans to mutual investment funds

This Section provides the qualitative and quantitative information relating to multi-originator sales of loan portfolios made by the Group during 2025 and in previous years, attributable to the scheme of sale to a mutual investment fund with allocation of the relative units to Group itself.

QUALITATIVE INFORMATION

Main objectives

In general, the business and strategic objective in this case is to assign the management of several exposures classified as high risk to specialist, independent operators (i.e. represented by asset management companies, hereinafter also "SGR"), which, through changes in management, should enable more effective company turnaround than what the Bank could achieve by continuing to manage its own exposure. The strategies pursued by the asset management company specifically focus on managerial leverage that is difficult for single banks to activate, such as, merely by way of example: converting the loans into equity, joining the management bodies of the companies to carry out effective operational turnaround, developing distressed M&A operations to safeguard the value of the companies through business partnerships, directly repossessing the property in the case of real estate operators and, lastly, third party investors contributing new financing to relaunch the companies.
In that view, the intervention of an asset management company enables the creation of suitable mechanisms to safeguard the rights of the contributing banks, through the powers assigned to specific investor committees. In addition, in order to align the interests of the asset management company with those of the contributing banks, the structure of fees to the asset management company generally entails management fees consistent with the net assets of the fund, as well as performance fees or a carried interest on the extra yield of the transaction.

Accounting treatment

In accounting terms, pursuant to the accounting standard IFRS 9, the above sale transactions resulted in the derecognition of the loans sold, as the Group did not substantially retain the risks or rewards of the transferred assets, and also did not retain any substantial control over the assets, as the control was instead assumed by the fund management company. In particular, the risks and rewards that the Group may obtain from the units held in exchange for the loans are not anchored to the occurrence, amount or timing of the events that involve the loans sold, given that the economic and financial dynamics linked to the single loans will not automatically or directly influence the returns of individual unitholders (including Banco BPM) which, instead, will depend on the general performance of the fund managed by the asset management company. In that regard, it must be noted that, as these are multi-originator transactions, the loans contributed by the single participants may differ from those contributed by other participants and, where these concern the same debtor, may also change the percentage of exposure contributed by each participant.
In relation to said derecognition, the fund units obtained as a conversion from the sale were recognised in the accounting portfolio of "Other financial assets mandatorily measured at fair value". The difference between these derecognised loans and the recognition value of the fund units was recognised in the income statement as an effect of the loans, based on the regulations set out in paragraph 3.2.12 of the accounting standard IFRS 9.
With regard to the need to consolidate the mutual funds subscribed - in line with that illustrated in "Part A – Accounting policies, A.1, Section 3 – Scope of consolidation and methods" with regard to the requirements of the accounting standard IFRS 10 for holding control over an entity - no funds were identified that required consolidation. Based on the powers assigned to the bodies establishing the fund (Board of Directors, Investors Committee, Investors' Meeting) and the majorities required to pass the related resolutions, no funds were identified in which the Group is deemed to hold the power to manage significant activities.

New transactions in the year

In 2025, no transactions were completed with Funds not already in the Banco BPM portfolio.

QUANTITATIVE INFORMATION

Breakdown of units of mutual investment funds held as at 31 December 2025

As at 31 December 2025, the value of mutual investment funds in the financial statements deriving from the transactions in question totalled 510.0 million (480.2 million as at 31 December 2024), fully referring to the Parent Company.

The change in 2025 is attributable to the net balance between new subscriptions of 106.5 million, the distributions received by the SGRs (-54.7 million), and the valuation effects, which overall were a negative -22.0 million.

The table below provides the breakdown of funds held, indicating the fund management company, the first closing date and the subsequent contributions, as well as the investment policy followed by the fund.

Fund name	Book value as at 31.12.2025 (*)	Asset Management Company	First closing date/subsequent contributions	Fund investment policy
IDeA Corporate Credit Recovery I	126	Dea Capital Alternative Funds SGR	23 June 2016 27 June 2017 4 July 2019	Past due loans, unlikely to pay or corresponding or similar categories of loans and/or loans subject to restructuring disbursed to target companies, participating financial instruments or shares issued by the above and any short-term loans deriving from self-liquidating credit lines granted to said target companies.
IDeA Corporate Credit Recovery II	84,632	Dea Capital Alternative Funds SGR	28 December 2017 18 February 2019 4 April 2023 23 December 2024 24 March 2025 30 September 2025	Past due loans, unlikely to pay or corresponding or similar categories of loans and/or loans subject to restructuring disbursed to target companies, from participating financial instruments or shares issued by the above and any short-term loans deriving from self-liquidating credit lines granted to said target companies.
IDeA Corporate Credit Recovery II - USD Shipping segment	3,143	Dea Capital Alternative Funds SGR	21 December 2018	Past due loans, unlikely to pay or corresponding or similar categories of loans and/or loans subject to restructuring disbursed to target companies operating in the field of shipping and maritime transport, without specific sector restrictions, from participating financial instruments or shares issued by the above and any short-term loans deriving from self-liquidating credit lines granted to said target companies.
Clessidra Restructuring Fund	20,298	Clessidra SGR	25 September 2019	Past due loans, unlikely to pay, forborne performing and non-performing loans, performing high risk loans disbursed to target companies, from participating financial instruments/shares/convertible bonds issued by said companies, loans disbursed in the form of debtor-in-possession financing transactions to support the target companies in restructuring the debt disbursed.
Back2bonis	43,655	Prelios SGR	23 December 2019 20 December 2021 27 December 2023	Untranched asset backed securities issued as part of securitisation transactions carried out pursuant to Law 130/99, whose underlying is represented by receivables mainly classifiable as "unlikely to pay" loans, not due from consumer debtors, as well as loans disbursed to those debtors as part of debt restructuring transactions, recovery and/or turnaround and/or similar operations or as part of repossessions and similar actions on collateral.
iCCT Fund - Accelerated Segment Class A Class A1 iCCT Fund - Core Segment	37,661	Illimity SGR	3 October 2022 24 March 2023 18 December 2023 26 June 2024 17 December 2024	Unlikely to Pay loans disbursed to "Corporate Large & Medium Size" customers deriving from loans granted to companies in financial distress. The purpose of the transaction is to ensure a more proactive and effective management of secured loans, through i) the disbursement of new loans where deemed necessary to develop the business and/or rebalance the corporate debt, ii) the possibility of intervening directly in the equity of the target companies, changing their governance and guiding restructuring processes, and iii) a better and more effective restructuring of the company, exploiting the specific skills of the Group of the assignee SGR. In January 2025, the fund was subject to a demerger that led to the split into two Funds: Accelerated Segment with closed investment period and dedicated to target companies in run-off and Core Segment within which target companies in progress were placed, and with a subscription period which is still open.
Efesto Fund	64,304	FinInt SGR	6 July 2022 16 November 2022 22 December 2023 26 June 2024 20 December 2024 18 March 2025	Unlikely to Pay and non-performing loans disbursed to "Corporate Large & Medium Size" customers deriving from loans granted to companies in financial distress. The purpose of the transaction is to ensure a more proactive and effective management of secured loans, through i) turn-around activities and extraordinary distressed M&A transactions, disbursement of new finance and private equity-style management, ii) settlement activities out-of-court and in the structuring of composition procedures.

Fund name	Book value as at 31.12.2025 (*)	Asset Management Company	First closing date/subsequent contributions	Fund investment policy
UTP Italia Fund	26,155	Sagitta SGR	11 November 2022	Unlikely to Pay and, to a lesser extent, non-performing loans disbursed to "Small-Medium" customers deriving from loans granted to retail entities and SMEs in financial distress. The aim of the transaction is to ensure a more proactive and effective management of secured loans, through i) the disbursement of new loans where deemed necessary to develop the business and/or rebalance the counterparty's indebtedness, ii) a better and more effective restructuring of the borrower, taking advantage of the specific skills of the Group of the assignee SGR and iii) proactive management of the loan portfolio according to the principles of ethical management of exposures inspired by the ESG framework.
Lendlease Msg Heartbeat (**)	26,700	Lendlease Italy Sgr	30 June 2023	Unlikely to Pay loans disbursed to the Risanamento group. The purpose of the transaction is to unblock the implementation of the real estate project in the Santa Giulia area owned by Risanamento. The MSG project promoted by Risanamento is one of the main urban redevelopment initiatives and involves the development of buildings for different uses, with the involvement of the Lendlease Group (LL).
Eleuteria Fund	13,065	Prelios SGR	18 November 2023 19 January 2024	Unlikely to Pay loans disbursed to "Small-Medium" customers deriving from loans granted to retail entities and SMEs in financial distress. The aim of the transaction is to ensure a more proactive and effective management of secured loans, through i) the disbursement of new loans where deemed necessary to develop the business and/or rebalance the counterparty's indebtedness, ii) a better and more effective restructuring of the borrower, taking advantage of the specific skills of the Group of the assignee SGR and iii) remediation of the economic conditions, thanks to support in the turnaround of the company.
City Regeneration Fund - Class B Class C Classe E (**)	71,947	Redo SGR Società benefit	10 November 2023 12 June 2024 14 November 2025	This is an alternative closed-end real estate investment fund reserved to qualified investors, with the aim of making sustainable investments pursuant to Art. 9 of Regulation (EU) 2019/2088 (so-called "Fund pursuant to Art. 9 SFDR"), in real estate initiatives aimed at urban regeneration and which have a social impact. The management is entrusted to Redo SGR Società benefit (benefit corporation), a leading company in affordable housing and in urban regeneration with a social impact.
R&L Fund	95,555	IQ EQ Fund Management	15 April 2024	Past due loans, unlikely to pay or corresponding or similar categories of loans and/or loans subject to restructuring disbursed to target companies, participating financial instruments or shares issued by the above and any short-term loans deriving from self-liquidating credit lines granted to said target companies.
UCR Fund	22,787	Sagitta SGR	15 July 2024 23 December 2024	Past due loans, unlikely to pay or corresponding or similar categories of loans and/or loans subject to restructuring disbursed to target companies, participating financial instruments or shares issued by the above and any short-term loans deriving from self-liquidating credit lines granted to said target companies.

(*) Assets included in the financial statement item "20 c. Financial assets at fair value through profit and loss - other financial assets mandatorily measured at fair value".
(**) Real estate funds based on the real estate development underlying the completion of the transaction.

It is also specified that the fund units held represent the Group's maximum exposure to risk; with regard to the above transactions, there are no guarantees or irrevocable credit lines issued to the fund, nor are there commitments to subscribe additional units of the fund.

Lastly, for the transactions carried out through the scheme of the sale of receivables to a securitisation SPE pursuant to Law 130/99 and the concurrent subscription of ABS by the originators, refer to that illustrated in paragraph "C. Securitisation transactions" above.

Significant events during the year

iCCT Fund – Credit & Corporate Turnaround Fund (Illimity SGR)

On 1 January 2025, the iCCT Fund carried out a demerger of its assets into two Funds: iCCT Fund - Core Segment ("iCCT Core") and iCCT Fund - Accelerated Segment ("iCCT Accelerated"). The iCCT Core Fund is characterised by a proactive management approach and contains positions still being processed by the Fund's management team; in addition it has an investment period which is still active. The iCCT Accelerated Fund includes only the positions already worked proactively and addressed by the Fund's management team, which is why the positions are in run-off without the possibility of making further contributions. With the demerger, in January 2025, Banco BPM obtained A units of the iCCT Core Fund for a FV at initial recognition of 19.86 million against the derecognition of units of the iCCT Accelerated Fund for the same book value.

IDeA Corporate Credit Recovery II (Dea Capital Alternative Funds SGR)

On 24 March 2025, Banco BPM sold a loan, resulting from the consolidation of short-term facilities, for a GBV of 720 thousand, used to consolidate the exposure and to restructure the underlying debtor. The carrying amount of the units was 647 thousand, compared to a fair value at initial recognition of 558 thousand.
On 30 September 2025, Banco BPM sold a pool loan for a GBV of 40 million, in order to consolidate the exposure and to restructure the underlying debtor. The carrying amount of the units was 27.76 million, compared to a fair value at initial recognition of 23.46 million.

As at 31 December 2025, the fair value of the units of this Fund held by the Bank was 84.63 million.

Efesto Fund (Finint SGR)

On 18 March 2025, Banco BPM sold lease receivables classified as NPL and UTP mainly to SMEs and included in the broader transaction called Project Toledo, used to dispose the leasing portfolio held by Banco BPM. The carrying amount of the units was 28.10 million, compared to a fair value at initial recognition of 27.19 million.

As at 31 December 2025, the fair value of the units of this Fund held by the Bank was 64.3 million.

Retail & Leisure Fund (IQ EQ Fund Management)

On 15 April 2025, Banco BPM transferred a receivable classified to UTP to a single counterparty, which manages a shopping centre. The carrying amount of the units was 71.13 million, compared to a fair value at initial recognition of 40.26 million.

As at 31 December 2025, the fair value of the units of this Fund held by the Bank was 95.55 million.

Euro Milano Class E Fund included in the Fund (Near SGR - former Redo SGR)

On 14 November 2025, Banco BPM sold a partially leased property for office use in the outskirts of Rome. The carrying amount of the class E units of the Euro Milano Fund (controlled by the Re-City Fund managed by Near SGR) was 13.5 million.

As at 31 December 2025, the total fair value of the units of this Fund held by the Bank was 71.95 million.

D. Covered bond transactions

Covered bond issue programmes

QUALITATIVE INFORMATION

Strategic goals

The Covered Bonds ("CB") issue is part of Banco BPM Group's Strategic Plan, and represents a tool to diversify sources of funding, to reduce the relative cost and to extend the maturities of liabilities.

As at the date of these financial statements, Banco BPM Group has two Covered Bond programmes in place, specifically, the "BPM CB1" and "BPM CB2" programmes.

At the former BPM Group level, on 13 November 2007, the Board of Directors of Banca Popolare di Milano authorised a CB issue programme ("BPM CB1"), for a maximum amount of 10 billion, relative to only residential landed and mortgage loans, structured, however, to also include commercial mortgages. Subsequently, on 10 March 2015, the Board of Directors of the former BPM Group approved a second CB programme ("BPM CB2") structured to only include the sale of residential landed and mortgage loans for a maximum amount of 10 billion.

During the previous year, with a view to streamlining the CB programmes of Banco BPM Group, the CB Programme launched in 2010 by former Banco Popolare Group concerning residential mortgages ("Residential CB" or "BP CB1"), whose nominal value had been increased from the initial 5 billion to 10 billion in February 2011, was dismantled in advance.

Structure of the Programmes

Following the merger by incorporation of BPM S.p.A. into Banco BPM, which was completed in November 2018, Banco BPM acted as sole Originator Bank for the assets pursuant to Art. 7-bis of Italian Law no. 130 of 30 April 1999, as subsequently amended and supplemented, as well as Issuer Bank for the Group's CB programmes.

With reference to the "BPM CB1" and "BPM CB2" Programmes, the monetary receivables deriving from residential landed and mortgage loans having the characteristics set forth in Art. 2 of the MEF Decree (Mortgage Loans), as subsequently replaced by Article 7-novies "Eligible Assets" of Italian Law 130/99 and relative implementing provisions of the Bank of Italy, together with the commercial loans of only the BPM CB1 Programme, were transferred to the SPE BPM Covered Bond S.r.l. (80%-owned by Banco BPM) within the sphere of the "BPM CB1" Programme and to the SPE BPM Covered Bond 2 S.r.l. (80%-owned by Banco BPM) within the sphere of the "BPM CB2" Programme.

It should be noted that in the previous year, following the entry into force in Italy of the Covered Bond Directive (CBD) resulting from the new Bank of Italy regulation which amended Circular no. 285 of 17 December 2013 "Supervisory provisions for banks" with regard to Covered Bonds (CB), the contractual documentation of the "BPM CB1" and "BPM CB2" programmes has been aligned with the new reference regulatory framework and the new requirements introduced by the CBD.

Therefore, the covered bonds issued during the year under the two programmes are sold under the brand name "European Covered Bond (Premium)".

Subordinated loan

For all Banco BPM Group's CB programmes, the Originator Banks (now only Banco BPM) granted a Subordinated Loan to the SPEs on the sale of assets to provide them with the financial resources required to acquire the related receivables (except when the SPE provided for the direct payment of the assets purchased). The SPEs must repay the subordinated loans on the final repayment date, also taking into account the extension of the deferral of the repayment date in the event of the Issuer's default, in accordance with the applicable priority of payments and within the limits of the funds available. In any event, at each interest payment date, there is an option to repay the subordinate loans in advance provided that the residual principal amount of the loans is equal to or higher than the residual debt of the Covered Bonds outstanding and that the tests contemplated by the regulations and by contract are complied with. Interest is paid on subordinated loans at a fixed or floating rate equal to the interest rate of the respective CB Series issued, plus any excess spread generated by the structure.

Derivative Contracts

None of the CB Programmes of Banco BPM Group have hedging derivatives in place on the cover pool (so-called "Mortgages Pool Swap").

In December 2025, following the repayment on maturity of the Second Series of CBs issued as part of the "BPM CB2" Programme, the relative derivative contract called "Covered Bond Swap" matured.
As at 31 December 2025, therefore, no "Covered Bond Swap" contracts were in place for either the "BPM CB1" Programme or the "BPM CB2" Programme.

Guarantees

In order to guarantee the repayment of the Covered Bonds should the Issuer not fulfil its obligations to pay, the SPEs have issued an unconditional and irrevocable primary guarantee valid for separate assets for the benefit of the investors that will subscribe the Covered Bonds. The guaranteed amount is equal to total interest and principal that must be paid to the investors on each class of Covered Bond. The regulations require that the integrity of the guarantee should be ensured during the life of the Covered Bonds and to this end, specific tests are envisaged that take the amount and the

characteristics of both the assets assigned and the CBs issued into account. The tests are carried out quarterly by the Group's Finance department and are checked by the risk control unit. The accuracy of the tests carried out when the individual CB series are issued and then on a quarterly basis is also checked by an external party, the Asset Monitor, which, in accordance with the Supervisory Provisions, must be an audit firm other than that assigned to audit the financial statements. The Asset Monitor must also check the quality and integrity of the assets sold and draw up an annual report containing the results of the checks carried out. The control system also avails of the Internal Audit department, which verifies the adequacy of the internal checks, also on the basis of the annual report drawn up by the Asset Monitor.

The current control system envisaged for covered bond transactions was appropriately updated, to provide for the new control mechanisms relating to the new framework on transfers, to the new minimum coverage requirement of 5%, liquidity requirements, limits on liquid assets in segregated assets and the liquidity reserve.

Regulatory and contractual tests (coverage requirements)

Regulatory tests, conducted quarterly on the portfolios of each of the issue programmes, and updated to comply with the new supervisory provisions, are as follows:

- the Nominal Value Test, which verifies that the nominal value of the residual loans in the portfolio sold is higher than the nominal value of the outstanding CBs;
- the NPV Test, which checks that the present value of the residual loans in the portfolio sold is greater than the present value of the outstanding CBs;
- the Interest Coverage Test, which verifies that the interest collected and to be collected, net of the costs of the SPE, is higher than the interest to be paid to the holders of CBs.

If the requirements of all of the tests are met, payments may be made in accordance with the "order of payment". In accordance with the contractual documentation of the programmes, the Asset Coverage Test on the portfolio should also be respected, which checks that the nominal value of the loans, weighted on the basis of any delays in the payment of the latter and the level of over-collateralisation envisaged by the contracts, is higher than the nominal value of the outstanding CBs. The infringement of the regulatory and contractual tests leads to an obligation for the originator banks to add to the portfolio.

The new implementing provisions provide for a minimum level (equal to 5%) of coverage of liabilities (so-called Overcollateralisation Test), measured by the ratio between the assets included in the cover pool and the bonds issued. The contractual documentation of the "BPM CB1" and "BPM CB2" programmes, which already establishes a minimum level of excess collateral of 7.5%, was updated in order to provide for the possibility of using an over-collateralisation level lower than 7.5%, but in any case not lower than the 5% coverage requirement.

Liquidity requirements: liquid assets and new liquidity reserve

In addition to residential and commercial mortgages and derivative contracts that meet the conditions envisaged by Law, segregated assets may also include liquid assets that meet the requirements of the supervisory provisions. These liquid assets can be calculated according to predetermined percentages, which depend on the creditworthiness class of the Bank that holds them, and are calculated with respect to the nominal value of the outstanding covered bonds.
As part of the aforementioned requirements for liquid assets, the new provisions require the Bank to hold a Liquidity Buffer, in order to continuously ensure, for the entire duration of the programme, that the assets forming part of the segregated assets include a buffer of liquid assets and exposures to banks (the latter in compliance with the limits and rating requirements envisaged by the regulations) that is at least equal to the maximum cumulative net liquidity outflow for the next 180 days.

Integration of eligible assets

With regard to the control activities envisaged for sales, whether they are supplementary or aimed at supporting new issues, the maximum sale percentages of eligible assets referring to the CET1 and Tier 1 capital limits of the originator Bank are no longer referred to. The new provisions require banks to set internal operating limits on the amount of eligible assets that can be committed to covered bond programmes and that these limits are consistent with the risk objectives and tolerance thresholds defined in the RAF (Risk Appetite Framework), with particular reference to those

relating to liquidity risk (LCR Liquidity Coverage Requirement, NSFR Net Stable Funding Requirement), the overall level of encumbered assets and non-performing loans (NPL ratio).

With reference to the sales carried out in November 2025, the risk control function of Banco BPM has shown that these sales are consistent with the proposed operating limits and the tolerance thresholds envisaged by the Risk Appetite Framework approved by the Board of Directors of Banco BPM for 2025. In addition, the Compliance function also issued an opinion on the compliance of the aforementioned sales with the new reference regulatory framework.

CB issues

Both of Banco BPM Group's Covered Bond Programmes comply with the new regulatory framework contained in Title I-bis of Law no. 130/1999 and relative implementing provisions envisaged by Bank of Italy Circular no. 285, chapter 3, part three. Therefore, the bonds issued during the year under the two Programmes are sold under the brand name "European Covered Bond (Premium)".

Furthermore, the first issue of European Covered Bonds (Premium) made in 2025 as part of the BPM CB2 Programme, also represented the first Social Covered Bond placed by Banco BPM Group as part of the Green, Social and Sustainability Bonds Framework.

Collection and administrative management services

For each Group CB Programme, the collection and management of the receivables sold is carried out by Banco BPM, which acts as the sole Servicer. In particular, with reference to each CB Programme of the Group, the amounts collected are paid into the accounts held in the name of the respective SPEs (BPM Covered Bond S.r.l. for the "BPM CB1" Programme and BPM Covered Bond 2 S.r.l. for the "BPM CB2" Programme) opened at Banco BPM and, on a daily basis, are transferred to the accounts of the respective SPEs opened at Banco BPM.

Banco BPM also acts as Administrative Servicer, namely it provides administrative services and fulfils tax-related requirements on behalf of all three SPEs.

QUANTITATIVE INFORMATION

BP Covered Bond S.r.l.

Following the closure of the Residential CB Programme ("BP CB1"), which took place during the previous year, the Shareholders' Meeting of the special purpose vehicle BP Covered Bond S.r.l. (i) on 30 September 2025, resolved the early dissolution up of the company and its liquidation with legal effect from 7 October 2025 and (ii) on 18 December 2025, approved the final liquidation financial statements as at 4 December 2025 accompanied by the relative allocation plan.
Once the liquidation process is concluded, during 2026, BP Covered Bond S.r.l. in liquidation will be removed from the relevant Companies' Register.

Existing and significant programmes during 2025

BPM Covered Bond Programme ("BPM CB1")

In previous years, a total of fifteen portfolios of eligible assets were sold to the SPE BPM Covered Bond S.r.l., with total residual debt of approximately 20.3 billion.

In November 2025, by signing the relative contracts, Banco BPM sold a new portfolio of residential mortgage loans, including disbursements to Group employees, and commercial mortgage loans, for a total residual debt of 780.3 million to the SPE BPM Covered Bond S.r.l. ("Eighth Banco BPM Portfolio", sixteenth sale to the SPE).

The SPE paid the purchase prices of the various portfolios using the Subordinated Loans granted by the Originator Banks, now Banco BPM, and the available liquidity deriving from the amortisation of the loan portfolio deposited in

its current accounts held at Banco BPM. The Originator Banks, now Banco BPM, acted as Servicer, managing the collection of the receivables.

The table below shows the overall value of the loans sold to the SPE as at 31 December 2025:

Bank	Value as at 31/12/2025	Value as at 31/12/2024
Banco BPM	9,342,803	9,873,628

The amounts indicated represent performing, unlikely to pay, non-performing past due and bad loans, net of the relative write-down provisions, amortised cost, including mortgage loan instalments.

The table below shows non-performing loans:

Bank	Value as at 31/12/2025	Value as at 31/12/2024
Banco BPM	67,796	56,258

In 2025, the mortgage loans portfolio generated collections totalling 1,474 million, of which 1,206 million represented principal and 268 million represented interest.

Bonds issued by Banco BPM

As part of the "BPM CB1" Programme, Banco BPM issued fourteen CB Series, listed on the Luxembourg Stock Exchange, for a total of 13,650 million, over 1,000 million relating to Series 14 transferred from another programme, originally subscribed by institutional investors or by Banco BPM itself. These have been repaid for a total of 6,700 million.

As at 31 December 2025, there were eight Series of covered bonds outstanding, fully repurchased by Banco BPM, and used for refinancing operations with the ECB or for Long-Term Repo, Collateral Switch and Securities Lending transactions with market counterparties, for a total of 7,950 million, broken down as follows:

Date of issue	Series/Tranche	Notional value	Coupon	Maturity	Issue Price (flat quotation)	Moody's Rating (**)
19/11/2015	7th Series	900,000	3-month Euribor + 60 bps	19/11/2027 (1)	100.00	Aa2
07/11/2016	8th Series	1,000,000	3-month Euribor + 30 bps	07/11/2029 (2)	100.00	Aa2
26/04/2018	9th Series	1,900,000	3-month Euribor + 30 bps	26/04/2029 (3)	100.00	Aa2
25/09/2019	11th Series	650,000	3-month Euribor + 80 bps	25/03/2030 (4)	100.00	Aa2
21/12/2023	12th Series (Premium)	600,000	3-month Euribor + 75 bps	21/12/2027	100.00	Aa2
28/02/2024	13th Series (Premium)	900,000	3-month Euribor + 75 bps	28/02/2028	100.00	Aa2
28/03/2018	14th Series (*)	1,000,000	1-month Euribor + 30 bps	30/06/2029 (5)	100.00	Aa2
26/07/2024	15th Series (Premium)	1,000,000	3-month Euribor + 60 bps	26/07/2028	100.00	Aa2
Total		**7,950,000**				

(1) In November 2022, the maturity date was extended from 19 November 2022 to 19 November 2027.
(2) In October 2021, the maturity date was extended from 7 November 2021 to 7 November 2025; in October 2025, the maturity date of 7 November 2025 was extended to 7 November 2029.
(3) In April 2021, the maturity date was extended from 26 April 2021 to 26 April 2025; in April 2025, the maturity date was extended from 26 April 2025 to 26 April 2029.
(4) In March 2025, the maturity date was extended from 25 March 2025 to 25 March 2030.
(5) In April 2021, the maturity date was extended from 30 June 2021 to 30 June 2025; in June 2025, the maturity date was extended from 30 June 2025 to 30 June 2029.
(*) Bond transferred on 21 June 2024 from the BP CB1 Programme (formerly Series 12) to the BPM CB1 Programme.
(**) Rating as at 31 December 2025.

Other information

In May and November 2025, Banco BPM arranged for the repurchase en bloc, inter alia, of (i) the positions which, as at 30 April 2025 and 31 October 2025 respectively, were classified as bad loans and (ii) the repurchase of a portion of mortgages previously sold to the SPE and no longer classifiable as eligible. The considerations for these repurchases were paid to the SPE in May and November 2025 respectively.

As part of the Programme, the maturity dates of the retained Covered Bonds maturing in 2025 were renewed; in particular (i) the maturity date of the Eleventh Series of retained CBs, with a nominal value of 650 million, was extended from 25 March 2025 to 25 March 2030, (ii) the maturity date of the Ninth Series of retained CBs, with a nominal value of 1,900 million was extended from 26 April 2025 to 26 April 2029 (iii) the Fourteenth Series of retained CBs, with a nominal value of 1 billion was extended from 30 June 2025 to 30 June 2029 and (iv) the Eighth Series of retained CBs, with a nominal value of 1 billion, was extended from 7 November 2025 to 7 November 2029.

On the Guarantor Payment Dates of 15 January, 15 April, 15 July and 15 October 2025, the subordinated loan granted by Banco BPM to the SPE was repaid for a total of 1,480 million.

Programme Rating

In November 2025, following the upgrading of Italy, the rating agency Moody's Investors Services, increased the rating of the covered bonds issued under the Programme from "Aa3" to "Aa2".

Events occurring after the end of the year

The subordinated loan granted by Banco BPM to the SPE was repaid for 300 million on the Guarantor Payment Date of 15 January 2026.

BPM Covered Bond 2 Programme ("BPM CB2")

During previous years, thirteenth residential landed and mortgage loan portfolios were sold to the SPE BPM Covered Bond 2 S.r.l. for a total value of approximately 15.1 billion.

In November 2025, by signing the relative contracts, Banco BPM sold a new portfolio of residential mortgage loans, excluding disbursements to Group employees and including mortgage loans disbursed by Webank, for a total residual debt of 447.9 million to the SPE BPM Covered Bond 2 S.r.l. ("Ninth Banco BPM Portfolio", fourteenth sale to the SPE).

To pay the purchase price of the portfolios, the SPE used a subordinated credit facility granted by the Originator Banks. The Originator Banks, now Banco BPM, acted as Servicer, managing the collection of the receivables.

The table below shows the overall value of the loans sold to the SPE as at 31 December 2025:

Bank	Value as at 31/12/2025	Value as at 31/12/2024
Banco BPM	7,700,112	8,132,137

The amounts indicated represent performing, unlikely to pay, non-performing past due and bad loans, net of the relative write-down provisions, amortised cost, including mortgage loan instalments.

The table below shows non-performing loans:

Bank	Value as at 31/12/2025	Value as at 31/12/2024
Banco BPM	30,654	23,167

In 2025, the mortgage loans portfolio generated collections totalling 1,021 million, of which 856.5 million represented principal and 164.5 million represented interest.

Bonds issued by Banco BPM

As part of the "BPM CB2" Programme, Banco BPM issued twelve CB Series, which are listed on the Luxembourg Stock Exchange, for a total nominal value of 8,500 million, of which 4,250 million was repaid, plus a Registered Covered Bond of 100 million transferred from another issue programme. All bonds issued by the programme have been placed on the capital market.

As at 31 December 2025, there are seven Series of covered bonds in place for a total of 4,350 million, broken down as follows:

Date of issue	Series/Tranche	Notional value	Coupon	Maturity	Issue Price (flat quotation)	Moody's Rating (*)
24/01/2011	Registered CB (1)	100,000	5.250%	03/04/2029	96.590	Aa2
15/03/2022	7th Green Series	750,000	0.750%	15/03/2027	99.868	Aa2
27/06/2023	8th Series (Premium)	750,000	3.750%	27/06/2028	99.879	Aa2
18/09/2023	9th Series (Premium) first tranche	500,000	3.875%	18/09/2026	99.764	Aa2
29/09/2023	9th Series (Premium) second tranche	250,000	3.875%	18/09/2026	99.430	Aa2
24/01/2024	10th Series (Premium)	750,000	3.375%	24/01/2030	99.781	Aa2
28/05/2024	11th Series (Premium)	500,000	3.250%	28/05/2031	99.348	Aa2
06/03/2025	12th Social Series (Premium)	750,000	2.625%	06/09/2029	99.757	Aa2
Total		**4,350,000**				

(1) The bonds were placed in the form of private placements with market investors; they were transferred on 27 April 2023 from the original BP CB1 programme.
(*) Rating as at 31 December 2025.

Other information

As part of the programme, Banco BPM arranged for the full repayment, by natural termination at maturity, of the following CB Series (i) on 23 January 2025, full repayment of the "Fourth Series" of CBs for a nominal value of 750 million (ii) on 2 December 2025, full repayment of the "Second Series" of CBs for a nominal value of 750 million and (iii) on 5 December 2025, full repayment of the "Sixth Series" of CBs for a nominal value of 500 million.

In addition, on 6 March 2025, Banco BPM issued the "Twelfth Series" of CBs for a nominal value of 750 million. This is the first issue of European Covered Bonds (Premium) in 2025 and the first Social Covered Bond placed by the Group as part of the Green, Social and Sustainability Bonds Framework.

In May and November 2025, Banco BPM arranged for the repurchase en bloc, inter alia, of (i) the positions which, as at 30 April 2025 and 31 October 2025 respectively, were classified as bad loans and (ii) the repurchase of a portion of mortgages previously sold to the SPE and no longer classifiable as eligible. The considerations for these repurchases were paid to the SPE in May and November 2025 respectively.

On the Guarantor Payment Dates of 20 January, 18 April, 18 July and 20 October 2025, the subordinated loan granted by Banco BPM to the SPE was repaid for a total of 1,200 million.

Programme Rating

In November 2025, following the upgrading of Italy, the rating agency Moody's Investors Services, increased the rating of the covered bonds issued under the Programme from "Aa3" to "Aa2".

Events occurring after the end of the year

The subordinated loan granted by Banco BPM to the SPE was repaid for 250 million on the Guarantor Payment Date of 19 January 2026.

Accounting representation

On the consolidated financial statements of Banco BPM S.p.A. (as Issuer Parent Company and originator bank) the SPEs belong to the Group and are included in the consolidation on a line-by-line basis.

The main balance sheet items linked to the issue of CBs are shown below:

- loans sold by the originator banks to the SPEs continue to be recognised in Balance Sheet assets under item "40. Financial assets at amortised cost - b) - Loans to customers", and the relative interest is recognised in the income statement item "10. Interest and similar income". As at 31 December 2025, the book value of the mortgages is (i) 9,343 million for the BPM CB1 programme, and (ii) 7,700 million for the BPM CB2 programme. Said value is specifically indicated under the "Assets pledged to secure own liabilities and

commitments" under liabilities of "Part B – Information on the Consolidated balance sheet, Other information" of these Notes to the financial statements;
- the CBs issued are recognised under debt securities in issue (item 10 c) of Liabilities; the securities issued also include funding transactions by means of repurchase agreements on the series of CBs repurchased, in line with the clarifications to this regard set out by the Supervisory Authority. The book value of the CBs as at 31 December 2025 amounted to (i) 6,445 million relative to the BPM CB1 programme and (ii) 4,426 million relative to the BPM CB2 programme. Note that the issues of part of the BPM CB1 programme are not posted inasmuch as used as collateral for monetary policy operations with the Eurosystem, as described previously.

The consolidated income statement has the following components:
- interests on the loans sold (cover pool), as mentioned above, posted under the item "Interest and similar income";
- interest on the Covered Bonds issued, posted under the item "Interest and similar expense".

E. Prudential consolidation - Credit risk measurement models

When measuring the credit risk of portfolios, the Bank uses an econometric model for management purposes, supported by an extensive set of data and risk variables, known as the Portfolio Model.
Through the use of Credit-VaR metrics, this model enables the distribution of the probability of losses of the loan portfolio to be defined, taking into account the different concentration, migration and default risk components, also in the event of a joint non-fulfilment of counterparties, in a predefined context of correlations between exposures in portfolio. This distribution is used to measure the maximum potential loss over a yearly time period and with a specific level of confidence of 99.9%. More specifically, in order to obtain this distribution, the model's processing engine uses a Monte Carlo simulation approach, which simulates a sufficiently high number of scenarios so as to provide a good empirical approximation of the theoretical distribution of loan portfolio losses. The maximum potential loss of the portfolio is calculated in terms of the change in the fair value of loans in the event of both the migration and default of customers.
For other residual exposures that are not part of the portfolio model, economic capital is calculated for the purpose of management control of risk through the use of supervisory regulatory metrics.
Lastly, the portfolio model periodically undergoes stress testing to evaluate the credit risk sensitivity of the Group's portfolio to changes in economic-financial and climate factors.
As at 31 December 2025, the expected credit loss, calculated on the Basel III validation perimeter (for which Banco BPM was authorised by the Regulator to use internal rating systems to calculate the capital requirements on credit risks), was 0.47% of the exposure to default, while the overall loss (measured by the C-VaR method in the 99.9th percentile, the most recent figure available with reference to the performing portfolio model perimeter) amounted to 2.15% of the exposure at default.

The internal models for estimating PD, LGD and EAD are subject to an internal validation process by the Internal Validation function and to a third-tier control by the Audit Function. The outcome of these processes is outlined in special reports submitted to the Corporate Bodies and sent to the European Central Bank/Bank of Italy.

Outcome of backtesting of rating systems

In order to calculate capital requirements against Credit Risk and only on the scope of the Parent Company, Banco BPM Group adopts internal estimates of PD and of LGD for Business and Private Customer portfolios.

The comparison between estimates and empirical data is made separately for PD, LGD and CCF, by means of backtesting conducted by the Internal Validation function.

With reference to the PD models, Banco BPM Group adopts performance measurements to check the accuracy ratio (AR) of the estimates and calibration tests ("classical" binomial tests on a multi-period and single period basis) to compare the default rates (DRs) recorded over an annual time horizon with the estimated PD values.

Regarding the Business customer segment, the latest backtesting showed a good discriminatory power of models, both in terms of single modules and final integrated scores, which produced values comparable and at times superior to those obtained during the development phase. With regard to the calibration, satisfactory values were found for all models.
Overall, the model performed well for the Private customer segment. With regard to calibration, the results of the binomial tests were satisfactory.

With regard to the LGD parameter, testing was conducted on both the performing and in default components. Internal Validation did not detect significant problems with the estimates generated for the private and business models. However, aspects of further improvement on the default scope remain to be explored, especially with reference to unlikely to pay exposures.

Testing was conducted in relation to CCFs. Internal Validation did not detect significant problems with the estimates generated for both the retail and corporate models.

In general, the models were fine-tuned, mainly with a view to making the models more compliant with legislative requirements.

1.2 MARKET RISKS

1.2.1 Interest rate risk and price risk - regulatory trading book

QUALITATIVE INFORMATION

A. General aspects

Market risk is the risk that the Group may generate less revenues than expected, or suffer from the impairment of balance sheet items or capital losses from financial positions held, due to sharp and adverse changes in market conditions, in particular interest rates, share prices, exchange rates, commodities and the associated volatilities and correlations (generic risk), or due to events that may impair the issuer's redemption capability (default risk) or which in any event result in a change in the solvency of the issuer (credit spread risk). Market risks can materialise both with regard to the trading book, which includes trading instruments and the associated derivative instruments, and with regard to the banking book, which includes financial assets and liabilities that are accounted for differently than those included in the trading book.
The organisational model adopted by Banco BPM Group for the trading books exposed to interest rate risk and price risk requires the centralisation in the Parent Company's Finance Department of the management of Treasury positions and the proprietary portfolio.

With reference to the internal model for the calculation of capital absorption against market risk, it should be noted that, starting from the 31 December 2020 reporting date, Banco BPM Group has used the model extended to all risk factors to calculate the Market Risk capital requirement. Said requirement is therefore calculated on the basis of the VaR, Stressed VaR – including the specific risk of debt securities – and of the IRC.

On 14 April 2023, the ECB also granted authorisation to extend the approach of the IMA model to the exchange rate risk of Banking Book positions.

Parent Company's Portfolio

The Parent Company's trading book is held as part of its Investment Banking activities.

The Parent Company holds a trading book, the main interest rate risk exposures of which concern transactions on both money markets and the associated hedging derivatives, as well as those on the markets for OTC derivatives and structured products and listed derivatives.
Transactions are connected to both plain vanilla and structured instruments and listed and unlisted derivatives, including trades on the secondary market of structured products issued by the Group. The destructuring of complex transactions

based on the underlying enables the centralised management of the interest rate, exchange rate and price risks within the specific offices of the Bank's Finance Department, which use sophisticated position keeping systems.
Trading in interest rate derivatives mainly consists of optimising the flows generated by the need to hedge interest rate risk by institutional customers (for example, Banks, Funds and Insurance companies), and corporate customers of the Bank, taking on the risk as its own and managing it using dynamic hedging strategies. The Parent Company operates as a market maker on OTC derivatives, mainly on the Euro interest rate curves. The process of rebalancing risks on an ongoing basis entails, also based on market liquidity, the use of trading in regulated futures and the related options on short and medium/long-term interest rates.
Trading in bonds issued by financial companies or corporates, traded on the secondary market (Eurobonds) derives from the need to meet customer requests, mainly from institutional customers. On the secondary market, the Bank operates as a market maker on bonds from corporate, financial and supranational issuers, primarily denominated in Euro, through trading on multilateral trading facilities or OTC.
With regard to the composition of the portfolio, at the end of December, net bond exposure, excluding Banco BPM issues, amounted to a nominal value of around 108 million, represented by 142 million in Italian financial securities, 66 million in Corporate bonds, 57 million in German government bonds, 1 million in Supranational bonds and a short position in Italian government bonds (-142 million) and foreign financial bonds (-16 million), the latter mainly comprised of financial CDS Itraxx, used to hedge the positions in financial securities.
The exposure to credit spread risk totalled approximately -8 thousand euro (net of Banco BPM issues), considering a shock of 1 basis point, deriving mainly from Italian government bonds (credit spread sensitivity: approximately +20 thousand euro) and offset by financial securities (approximately -16 thousand euro), most of which Italian and foreign government bonds (approximately -12 thousand euro).
The sensitivity (delta) to the overall interest rate risk at the end of December, netting long and short exposures on the various currencies and yield curve nodes, was +18 thousand euro, assuming a parallel change in the interest rate curve of 1 basis point. The greatest exposure to interest rate risk was recorded on the Euro (+7 thousand euro, positive rho), USD (+6 thousand euro, negative rho) and CHF (+2 thousand euro, negative rho) curves.

The main exposures to equity risk are related to trading on cash markets and associated listed or plain vanilla derivatives on the derivatives and OTC structured products market and the listed derivatives market.
Specifically, the scope includes portfolios of equities and related listed derivatives, held for trading purposes, for market making transactions on individual stock futures and options and for activities related to specialist services (continuous exposure of proposals to buy/sell), as well as transactions in structured instruments and listed derivatives. The destructuring of complex operations based on the underlying enables the centralised management of the interest rate, exchange rate and price risks within the specific offices, which use a sophisticated position keeping system specialised in interest rate and credit spread, exchange rate and price risks. The system is integrated with pricing models and risk measurement (Greeks) developed in-house by the Financial Engineering function and validated by the Parent Company's Risk Function.

The overall exposure to the price risk of the equity portfolio equals a delta equivalent long position of around +11.3 million, divided between the Eurozone (+9.3 million) and Asia (+2 million). With regard to the Vega indicator (sensitivity to changes in the implicit volatility of the underlying), relating to the equity risk class, at the end of December the exposure was positive, approximately 2 million, considering a parallel shock of 1% on volatility levels. That exposure mainly originates from liquid share indices and "Large Cap" single stocks.
Lastly, the sensitivity to the dividend risk factor, considering a parallel shock of 10% on the levels of this parameter, was approximately +175 thousand euro as at 31 December, concentrated mainly in the Utilities, Banking and Insurance sectors.

The above-mentioned risk exposures are monitored daily to ensure that the operating limits, for the entire portfolio and for the individual underlying assets, established in accordance with the RAF limits set by the Board of Directors are complied with.

B. Interest-rate risk and price risk management processes and measurement methods

The task of controlling the financial risk management, with a view to identifying the different types of risk, defining the methods to measure the same, to controlling limits at strategic level and verifying the consistency between the

operations of the same and the risk/return targets assigned, is centralised in the Parent Company under the responsibility of the Risk Function.
Financial risks are monitored on a daily basis, both through the use of deterministic indicators (sensitivity to market risk factors and indicators referred to the issuer) and probabilistic indicators (Value at Risk - VaR). The VaR, which indicates the maximum potential loss associated with market movements in unexceptional conditions, over a certain time horizon and with a certain confidence interval, represents a synthetic risk measurement.
The approach used to calculate the VaR is based on historical simulation. The values calculated are provided with a confidence interval of 99% and a time horizon of one day. The correlations used are those implicit in the historical scenarios of risk factors applied to estimate the empirical distribution of values in the trading book.
With regard to the Internal model (IMA) used to quantify the Regulatory Capital Requirement, in addition to the Ordinary VaR calculated under current conditions, a VaR under stressed conditions (Stressed VaR) is calculated, which adopts the period between August 2008 and August 2009 as the most severe scenario. The period of stress is monitored with a frequency and a method defined by internal regulations, which enable it to be promptly identified when changes in the composition of the portfolio occur, at the same time guaranteeing a certain degree of stability.
The Historical Simulation VaR model is used both to calculate the capital requirement, as envisaged by prudential requirements for market risk, and for operational purposes.

QUANTITATIVE INFORMATION

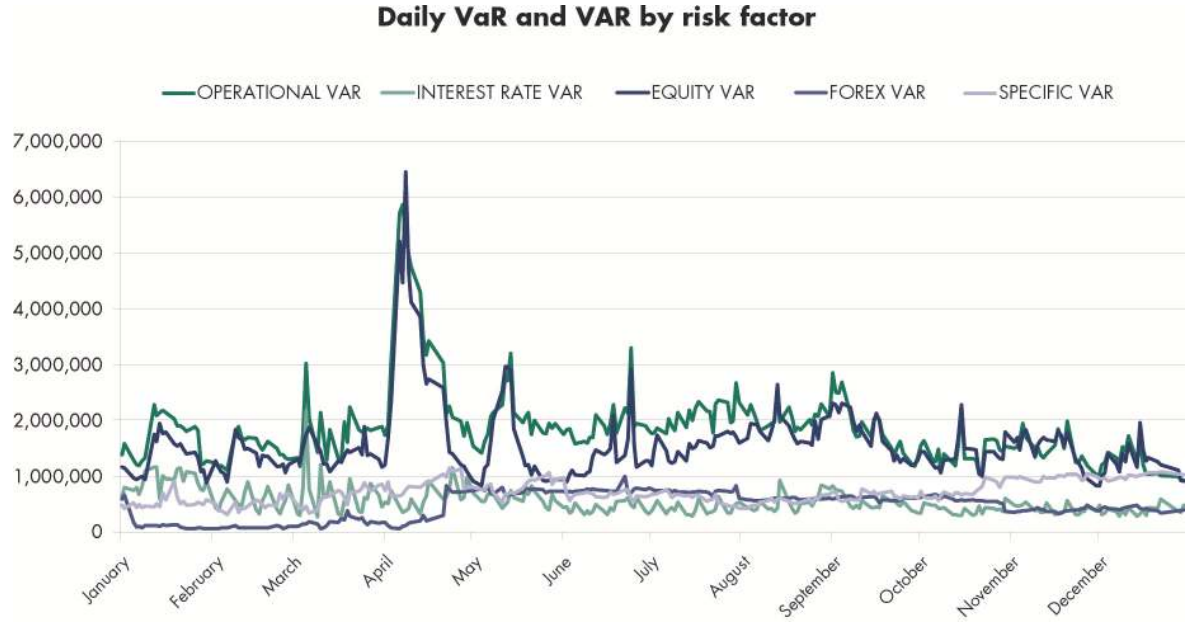
Regulatory trading book: internal models and other sensitivity analysis methods

Operational VaR

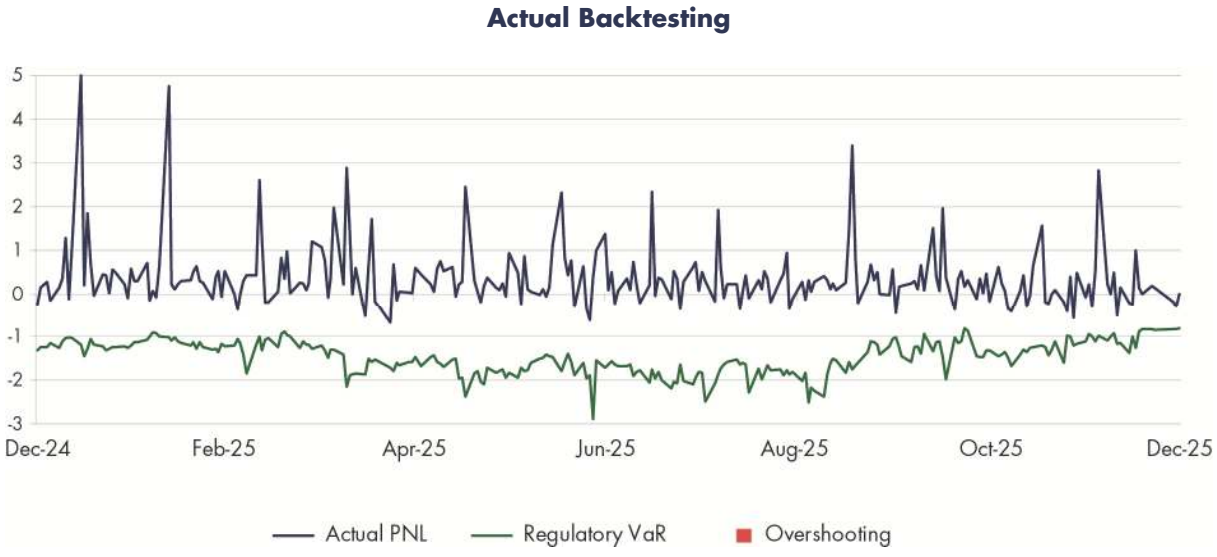
The operational Value at Risk (VaR) measurement considers the interest rate risk, equity risk, trading and banking book exchange rate risk and credit spread risk, as well as the benefit of correlation between the risks. Correlation risk and dividend risk are also considered, measured through stress testing techniques, with the benefit of diversification with respect to the first risk group cited.
The capital requirement for supervisory purposes is measured with an internal validated model, for equity risk, trading and banking book exchange rate risk, interest rate risk and specific credit risk, while the commodity risk factor is measured with the standard method.
A table containing the operational VaR figures and the performance graph relating to 2025, referring to the regulatory trading book of Banco BPM, are shown below.

Regulatory trading book ***(in millions of euro)***	**2025**			
	31 December	**average**	**maximum**	**minimum**
Interest Rate Risk	0.482	0.535	2.167	0.270
Trading and banking book exchange rate risk	0.395	0.465	0.989	0.055
Equity Risk	0.915	1.569	6.446	0.820
Dividend and Correlation Risk	0.114	0.292	1.198	-0.014
Specific Debt Securities Risk	1.028	0.705	1.147	0.305
Total uncorrelated	2.934			
Diversification effect	-2.005			
Combined risk (*)	0.929	1.851	5.867	0.929

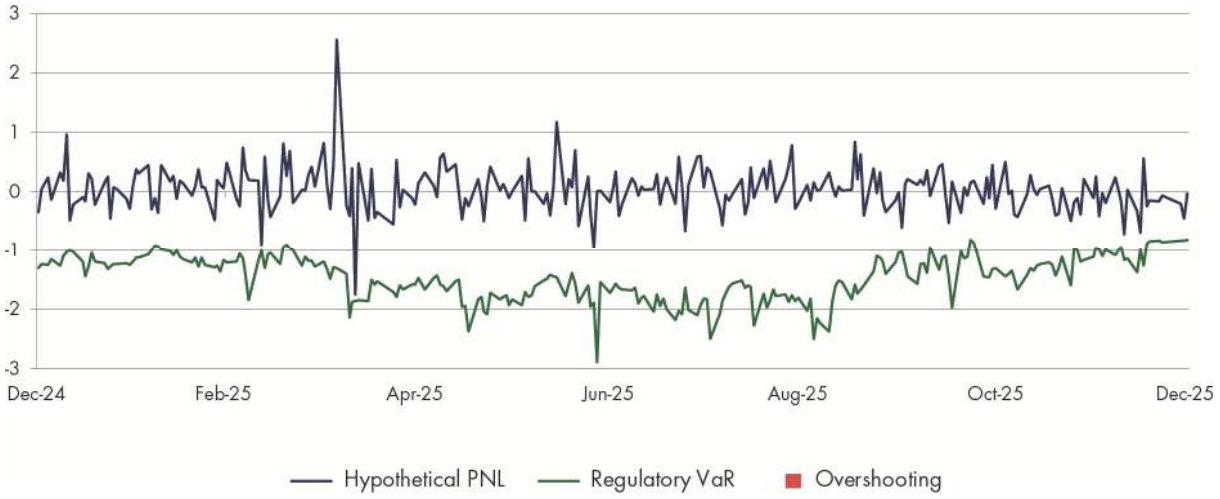
(*) Overall operational VaR.



The prevailing risk component in 2025 is that relating to equity risk (levels and volatility), followed in order of importance by interest rate risk. The specific risk component on debt securities is low, although it rose in the second half of the year, in line with a low exposure to the bond segment.
Consistent with the validation of the internal model for the calculation of the capital requirement relating to market risks, backtesting is conducted on the regulatory trading book on a daily basis, with a view to verifying the solidity of the VaR model adopted. The backtesting referred to the VaR method, calculated on the risk components included in the model, is shown below.
For backtesting purposes, as envisaged by supervisory regulations in force, we used the equally-weighted VaR measurement instead of applying a decay factor, which is used in operational approaches.



Hypothetical Backtesting



In the last 250 observations, Banco BPM did not record any hypothetical and actual backtesting overruns.

FRTB (Fundamental Review of the Trading Book)

To address the numerous critical issues that emerged during the global financial crisis of 2008, the CRR (Capital Requirements Regulation) came into force in 2013, a European regulation that adopts Basel II and III standards in order to guarantee the financial stability of institutions by defining robust capital requirements for credit, operational and market risks.

Since then, banking regulations on market risk management have been further revised, with a first implementation of the FRTB (Fundamental Review of the Trading Book) framework within CRR II in 2019, the introduction of requirements of incremental reporting starting from 2021, and a subsequent integration of the FRTB standards with the entry into force in July 2024 of the new CRR III regulation. In particular, the new framework introduced:

- more stringent rules for the classification and movement of instruments within the trading and banking book;
- metrics for measuring the capital requirement for market risk using the standardised approach, more prudential and sensitive to market movements;
- more stringent requirements for internal models, which continue to be allowed, but are subject to approval by the Regulator.

In order to ensure a level playing field between EU financial institutions and other jurisdictions, the Commission had initially postponed the date of application of the new framework from 1 January 2025 to 1 January 2026 (delegated act of July 2024). Subsequently, in June 2025, a further delegated act was adopted, which moved the entry into force to 1 January 2027.

In this regard, Banco BPM Group is actively working on the development and alignment of the systems, structures and activities with the new regulations introduced. In particular, it should be noted that:

- as regards the Standard model (FRTB SA), the request for the use of alternative sensitivities (as made possible by Art. 325t) was approved by the Regulator, as they are considered more precise than those required by the regulation;
- as regards the internal model (FRTB IMA), given the complexity of calculating the new measures and the recent organisational reorganisation of the trading book structures, Banco BPM decided not to request authorisation for the application of the model (it may request it subsequently, if necessary).

Outcomes of internal validation activities

Banco BPM Group adopts internal models to quantify capital requirements for Market Risk, on which the Internal Validation function conducts qualitative and quantitative analyses to assess their soundness and the accuracy of the estimates for all significant risk components. Furthermore, it expresses an opinion on the regular functioning, on the predictive capacity, on the performance of internal risk measurement methods and on the adequacy of operating

processes to ensure, on a continuous basis, the compliance of internal methods with company needs and the evolution of the reference market.
With reference to backtesting, the data produced to support overruns is analysed, as well as specific statistical tests (Proportion of Failures test, Time Until First Failure test, Christoffersen Interval Forecast test, Mixed Kupiec test and Conditional Coverage test) that are conducted in regard to different portfolio hierarchical levels and time frames. The results of the analysis showed that the model has a good ability to predict the number of backtesting overruns, also taking into account market trends.
Additionally, the adequacy of the scaling method used to quantify the capital requirement, as required by regulations, was reviewed.
To verify the severity of the stressed period used in the Stressed VaR risk measurement, appropriate analysis is carried out to assess any alternative periods that are more conservative than the one currently used to quantify the risk. The analyses showed the adequacy of the stressed period used in the quantification of risk.
Lastly, the Internal Validation function validates sample pricing models and performs benchmark models in order to evaluate the robustness of those in production.
On a periodic basis Internal Validation also verifies the robustness of the non-modelled risk framework (RNIME), as required by supervisory regulations.
As regards MiFiD 2 regulations, the Internal Validation Function coordinated the working group created specifically to produce the Annual Validation Reports on the Trading Algorithm on its own behalf (Parent Company) and on behalf of third-parties (Akros) to be sent to CONSOB (after the assessment of the Audit and Compliance functions), with overall results of the self-assessment process considered adequate.

1.2.2 Interest rate risk and price risk - banking book

QUALITATIVE INFORMATION

A. General aspects, management processes and measurement methods for interest rate risk and price risk

The interest rate risk relating to the banking book is mainly associated with the core activity performed by the bank acting as an intermediary in the process of transformation of maturities. In particular, the issue of fixed-rate bonds, the granting of fixed-rate commercial and mortgage loans, and funding from demand current accounts represent a fair value interest rate risk, while floating-rate financial assets and liabilities represent a cash flow interest rate risk.
The Asset & Liability Management unit of the Parent Company's Finance Function is responsible for managing interest rate risk and operates in compliance with the limits for exposure to interest rate risk defined by the RAF and/or the framework of operating limits and the indications of the Finance Committee.
The Parent Company's Risk Function is in charge of monitoring and controlling the interest rate risk of the banking book, also for the financial subsidiaries. This activity is performed on a monthly basis to verify that the limits in terms of changes in net interest income or the economic value of the banking book are complied with.
During 2025, the usual periodic activities were carried out to maintain and update internal models.
It should also be noted that the Supervisory reports (ad hoc collection) required by the new EBA guidelines of 2022 have been regularly transmitted: CSRBB and NII+FV Changes in the area of STE, SOT EV and SOT NII, launched starting from 31 December 2023. In addition, starting from September 2024, ITS supervisory reports were introduced at individual level (including legal entities), as required by the Regulator.
As part of the monitoring of interest rate risk, the risk measures used within the RAF are:

- the change in expected net interest income over a twelve-month time horizon, in accordance with both a static and a dynamic balance sheet perspective, in the Constant Balance Sheet - CBS scenario, following a sudden parallel shock of the spot rate curves of +/- 100 bps for static monitoring and +/- 200 bps for dynamic monitoring, equating the measure to the static SOT NII (income perspective);
- the change in economic value following a parallel shock of the spot rate curves of +/-200 bps in the Balance Sheet Run-Off scenario in relation to Tier 1 (capital perspective);
- the percentage change, at the end of the 12 months following the analysis date, of the sum of total NII and the change in economic value of the Banking Book positions measured at fair value, following a parallel shift of +/- 200 basis points of the risk-free rate curves and in static balance sheet assumptions, in relation to Tier 1;
- exposure to the risk of changes in the spread without migration or default of the counterparty, from an economic perspective, in accordance with a simplified approach (narrow scope), including the impact

relating to the spread curves applied to the segments linked to loans at fair value, to government and non-government securities and, as regards liabilities, funding at fair value and issues, for the reference currency (or relevant currencies). The scenarios applied are Widening and Tightening spreads, in relation to Tier 1;

- the value at risk of the banking book through the VaR (Value at Risk) methodology over a 12-month time horizon and with a confidence interval of 99.9%. The 12-month holding period is obtained through a bootstrap statistical procedure that recombines the historical scenarios, in order to obtain a distribution of annual P&Ls, from which to extract the desired percentile. This measurement is monitored as an early warning RAF indicator (capital perspective).

With regard to economic value analyses, Banco BPM Group maintained the monthly frequency of application of stress tests on the relevant currencies, reporting the results to the Finance Committee, in any case also following normal operating practice, as well as internal regulations, to carry out the same stress tests by applying sudden shocks, parallel or non-parallel, on the rate curves to all currencies in which banking book items are denominated.
Additionally, during the ICAAP exercise, the impact of extreme yet plausible changes in risk factors on FHS VaR is assessed from a capital adequacy perspective.

QUANTITATIVE INFORMATION

1. Banking book: distribution of financial assets and liabilities by residual duration (by repricing date)

Currency of denomination: Euro

Type/Residual duration	On demand	Up to 3 months	From over 3 months to 6 months	From over 6 months to 1 year	From over 1 year to 5 years	From over 5 years to 10 years	Over 10 years	Unlimited duration
1. On-balance sheet assets	**22,734,459**	**55,096,467**	**8,454,120**	**4,032,238**	**22,358,696**	**26,459,437**	**13,180,299**	**-**
1.1 Debt securities	429,958	2,194,797	4,346,777	1,492,937	13,239,785	20,133,701	1,859,344	-
- with early redemption option	42,138	832,158	54,524	126,633	1,145,084	480,288	75,788	-
- other	387,820	1,362,639	4,292,253	1,366,304	12,094,701	19,653,413	1,783,556	-
1.2 Loans to banks	5,344,101	3,189,921	7,169	924	1,460	-	-	-
1.3 Loans to customers	16,960,400	49,711,749	4,100,174	2,538,377	9,117,451	6,325,736	11,320,955	-
- current accounts	7,332,357	121,979	832	5,244	29,942	176	-	-
- other loans	9,628,043	49,589,770	4,099,342	2,533,133	9,087,509	6,325,560	11,320,955	-
- with early redemption option	3,592,675	43,926,107	3,796,530	2,164,151	8,156,467	6,302,616	11,290,725	-
- other	6,035,368	5,663,663	302,812	368,982	931,042	22,944	30,230	-
2. On-balance sheet liabilities	**105,508,164**	**13,006,278**	**867,579**	**3,189,936**	**14,939,159**	**2,542,542**	**296,644**	**-**
2.1 Due to customers	104,106,927	2,534,293	443,026	138,607	818,004	323,142	295,754	-
- current accounts	102,658,222	84,711	171,900	14,278	76	-	-	-
- other payables	1,448,705	2,449,582	271,126	124,329	817,928	323,142	295,754	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	1,448,705	2,449,582	271,126	124,329	817,928	323,142	295,754	-
2.2 Due to banks	218,624	3,328,651	2,232	202,367	2,257,198	1,303	739	-
- current accounts	19,048	-	-	-	-	-	-	-
- other payables	199,576	3,328,651	2,232	202,367	2,257,198	1,303	739	-
2.3 Debt securities	1,182,610	7,143,334	422,321	2,848,962	11,863,957	2,218,097	151	-
- with early redemption option	175,539	6,777,345	298,351	79	4,628,648	1,055,497	-	-
- other	1,007,071	365,989	123,970	2,848,883	7,235,309	1,162,600	151	-
2.4 Other liabilities	3	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	3	-	-	-	-	-	-	-
3. Financial derivatives	**6,117,972**	**51,604,743**	**6,970,593**	**13,501,725**	**30,279,992**	**17,224,217**	**2,826,130**	**-**
3.1 With underlying security	135,564	391,863	-	-	138,274	91,766	82,147	-
- Options	-	-	-	-	-	-	-	-
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other derivatives	135,564	391,863	-	-	138,274	91,766	82,147	-
+ Long positions	27,944	309,716	-	-	-	-	82,147	-
+ Short positions	107,620	82,147	-	-	138,274	91,766	-	-
3.2 Without underlying security	5,982,408	51,212,880	6,970,593	13,501,725	30,141,718	17,132,451	2,743,983	-
- Options	107	48,442	29,644	142	47,164	24,805	6,182	-
+ Long positions	107	48,199	29,620	97	62	32	126	-
+ Short positions	-	243	24	45	47,102	24,773	6,056	-
- Other derivatives	5,982,301	51,164,438	6,940,949	13,501,583	30,094,554	17,107,646	2,737,801	-
+ Long positions	1,602,301	19,331,200	6,046,700	12,429,050	18,920,385	4,970,000	465,000	-
+ Short positions	4,380,000	31,833,238	894,249	1,072,533	11,174,169	12,137,646	2,272,801	-
4. Other off-balance sheet transactions	**33,390,824**	**33,390,824**	**-**	**-**	**-**	**-**	**-**	**-**
+ Long positions	27,432,804	5,958,020	-	-	-	-	-	-
+ Short positions	5,958,020	27,432,804	-	-	-	-	-	-

Currency of denomination: other currencies

Type/Residual duration	On demand	Up to 3 months	From over 3 months to 6 months	From over 6 months to 1 year	From over 1 year to 5 years	From over 5 years to 10 years	Over 10 years	Unlimited duration
1. On-balance sheet assets	**189,466**	**512,725**	**178,621**	**38,253**	**1,361,644**	**1,359,576**	**199,339**	**-**
1.1 Debt securities	23,306	30,615	14,385	-	1,334,004	1,351,073	195,210	-
- with early redemption option	1,532	1,717	-	-	59,332	61,847	-	-
- other	21,774	28,898	14,385	-	1,274,672	1,289,226	195,210	-
1.2 Loans to banks	88,199	77,757	622	337	-	-	-	-
1.3 Loans to customers	77,961	404,353	163,614	37,916	27,640	8,503	4,129	-
- current accounts	35,685	-	-	-	-	-	-	-
- other loans	42,276	404,353	163,614	37,916	27,640	8,503	4,129	-
- with early redemption option	39,270	201,144	146,989	34,503	26,986	8,503	4,129	-
- other	3,006	203,209	16,625	3,413	654	-	-	-
2. On-balance sheet liabilities	**1,119,329**	**2,518,861**	**30,107**	**7,070**	**-**	**-**	**-**	**-**
2.1 Due to customers	921,058	551,794	27,554	687	-	-	-	-
- current accounts	898,408	68,919	27,554	687	-	-	-	-
- other payables	22,650	482,875	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	22,650	482,875	-	-	-	-	-	-
2.2 Due to banks	198,271	1,967,067	2,553	6,383	-	-	-	-
- current accounts	1,131	-	-	-	-	-	-	-
- other payables	197,140	1,967,067	2,553	6,383	-	-	-	-
2.3 Debt securities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
2.4 Other liabilities	-	-	-	-	-	-	-	-
- with early redemption option	-	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-	-
3. Financial derivatives	**30,311**	**1,805,947**	**340,950**	**765,208**	**1,898,648**	**809,640**	**173,506**	**-**
3.1 With underlying security	-	-	-	-	-	-	-	-
- Options	-	-	-	-	-	-	-	-
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
- Other derivatives	-	-	-	-	-	-	-	-
+ Long positions	-	-	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	-	-
3.2 Without underlying security	30,311	1,805,947	340,950	765,208	1,898,648	809,640	173,506	-
- Options	-	6	-	-	-	-	6	-
+ Long positions	-	6	-	-	-	-	-	-
+ Short positions	-	-	-	-	-	-	6	-
- Other derivatives	30,311	1,805,941	340,950	765,208	1,898,648	809,640	173,500	-
+ Long positions	30,311	1,782,438	334,141	765,208	-	-	-	-
+ Short positions	-	23,503	6,809	-	1,898,648	809,640	173,500	-
4. Other off-balance sheet transactions	**-**	**37,952**	**17,942**	**-**	**-**	**-**	**-**	**-**
+ Long positions	-	10,005	17,942	-	-	-	-	-
+ Short positions	-	27,947	-	-	-	-	-	-

2. Banking book: internal models and other sensitivity analysis methods

The Group makes use of an Asset & Liability Management procedure to measure on a monthly basis the impact ("sensitivity") from changes in the interest rate structure on the management aggregates of the financial margin and of the economic value of capital related to the banking book.
With regard to the impact on the management aggregate of the financial margin, which represents a reasonable proxy of net interest income in the financial statements, the ALM system estimates its changes on a one-year horizon in the assumption of deterministic shocks of the interest rate curves (bps increases/decreases applied to all the interest rate curves as if it were a sudden, single and parallel change), and shocks to adjust to the forward rates implied in money market rates, and again shocks from projections that reflect alternative scenarios. Estimates are based on the assumption that the capital structure remains unchanged in terms of aggregate assets and liabilities, as well as in terms of financial characteristics (rates, spreads, duration).
With regard to the economic value of capital, the same assumptions on the interest rate curve changes are applied, measuring the change in present value of all transactions and comparing it with the value of Own Funds (Tier 1).
For the purposes of sensitivity analyses, risk measurement metrics are monitored by applying a floor to the development of rates which, however, is currently not relevant in the face of a market scenario characterised by a sudden increase in risk-free rates after years of negative interest rates.

In 2025, interest rate risk exposure, at consolidated level, from income (NII) and capital (EV) perspectives, remained within the Risk Appetite Framework risk limits.

The table below shows exposure to interest rate risk at the end of 2025 in accordance with operational risk measures.

Risk ratios (%)	2025				2024	
	31 December	average	maximum	minimum	31 December	average
For shift + 100 bps						
Financial margin at risk/Financial margin	3.37%	5.62%	7.01%	3.37%	6.30%	6.35%
For shift - 100 bps						
Financial margin at risk/Financial margin	-3.64%	-5.88%	-7.56%	-3.64%	-6.73%	-7.04%
For shift + 100 bps						
Economic value at risk/Economic value of capital	-6.21%	-6.15%	-6.82%	-5.51%	-6.43%	-5.01%
For shift - 100 bps						
Economic value at risk/Economic value of capital	5.98%	4.75%	5.98%	4.00%	3.32%	0.88%

With reference to the banking book, the Group also assesses the exposure to default and migration risk of the rating classes of the debt securities classified as HTCS and HTC using a method which involves calculating the VaR spread and the Incremental Default Risk (IDR), to take into consideration the Default component of the HTCS portfolio and the Incremental Risk Charge to capture the Rating Migration component of the HTC portfolio.

Outcomes of internal validation activities

Banco BPM Group adopts behavioural models in order to capture idiosyncratic elements of customer segments and produce rate risk estimates that are more appropriate to the characteristics of the banking book. In this context, Internal Validation carries out reperforming, benchmarking and backtesting analyses in order to verify the robustness of rate risk estimates. The analyses carried out in 2025 did not reveal critical issues.

1.2.3 Exchange rate risk

QUALITATIVE INFORMATION

A. General aspects, management processes and measurement methods for exchange rate risk

The Money Market & Forex Unit, where the management of the Parent Company's exchange rate risk is centralised, hedges currency exposures both relating to other desks and to its own market making activities, with a view to the unitary and dynamic management of exchange rate risk and exchange rate volatility "on the book", thus with the possibility to carry out hedging "upstream" and to assume risks within the preset limits defined by the internal policies. The Group's total net exposure at the end of the year, adding all the exchange rate positions against the Euro, was around +6.1 million euro (long foreign currency, short Euro), concentrated mainly in JPY (Japanese Yen: exposure +6 million euro), TRY (Turkish Lira: exposure +1.4 million euro) and CHF (Swiss Franc: exposure -2.4 million euro).

B. Exchange rate risk hedging

Exchange rate risk exposures are monitored on a daily basis and are hedged by the various desks so as to meet the risk limits defined by the Group.
It should be noted that, since last year, the capital markets activities that involve the assumption of exchange rate risk are centralised within the Parent Company.

QUANTITATIVE INFORMATION

The table below shows the distribution, by currency, of the assets, liabilities and derivatives of the Group, based on the rules for preparation envisaged by Bank of Italy Circular no. 262 and subsequent amendments.

In this regard, note that the imbalance resulting from the above-mentioned distribution does not necessarily represent the Group's actual foreign exchange position, as can be inferred from operational risk results. This mainly results from the fact that the table includes certain instruments in foreign currency, operationally related to other instruments which, however, are not subject to exposure as they are denominated in euro, although a part of the cash flows depends on exchange rate risk.

1. Breakdown by currency of assets and liabilities and of derivatives

Items	Currencies					
	USD	GBP	CHF	JPY	CAD	OTHER
A. Financial assets	**3,781,944**	**123,812**	**150,720**	**55,302**	**15,803**	**115,336**
A.1 Debt securities	2,801,399	87,471	51,517	-	-	8,213
A.2 Equity instruments	249,592	14,481	15,216	49,510	14,026	60,457
A.3 Loans to banks	73,592	3,803	69,334	2,499	968	16,719
A.4 Loans to customers	657,361	18,057	14,653	3,293	809	29,947
A.5 Other financial assets	-	-	-	-	-	-
B. Other assets	**48,365**	**10,349**	**9,092**	**3,773**	**1,047**	**11,338**
C. Financial liabilities	**3,499,478**	**58,630**	**23,363**	**15,594**	**34,070**	**46,091**
C.1 Due to banks	2,128,187	1,032	4,539	5,975	17,406	18,993
C.2 Due to customers	1,371,291	57,598	18,824	9,619	16,664	27,098
C.3 Debt securities	-	-	-	-	-	-
C.4 Other financial liabilities	-	-	-	-	-	-
D. Other liabilities	**27,227**	**1,407**	**1,093**	**135**	**463**	**4,645**
E. Financial derivatives						
- Options						
+ Long positions	46,795	-	4,270	2,932	148	-
+ Short positions	179,581	-	4,934	2,007	-	3,229
- Other derivatives						
+ Long positions	14,875,917	91,623	47,343	72,352	37,516	73,340
+ Short positions	14,944,339	178,104	212,764	61,240	5,834	73,656
Total assets	**18,753,021**	**225,784**	**211,425**	**134,359**	**54,514**	**200,014**
Total liabilities	**18,650,625**	**238,141**	**242,154**	**78,976**	**40,367**	**127,621**
Imbalance (+/-)	**102,396**	**(12,357)**	**(30,729)**	**55,383**	**14,147**	**72,393**

2. Internal models and other sensitivity analysis methods

The exchange rate risks generated by the trading book and the banking book are monitored through an internal VaR model illustrated in the "Interest rate risk and price risk - Regulatory trading book" section, where the values assumed by this indicator are shown.

1.3 Derivative instruments and hedging policies

Derivative instruments

With regard to derivative transactions, Banco BPM Group has introduced specific and robust validation and control processes of the pricing models and related market parameters.

Validation and control process of Market Parameters

Banco BPM Group adopted a Fair Value Policy, applicable to all legal entities, which defines the accounting rules to be used to value market parameters. To comply with this Policy, a strict process was put in place to count, validate and control the market parameters used to measure the market value and to estimate the risk of derivative positions. This process is implemented by the Parent Company's CRO Function and envisages, in particular:

- the constant update of the Parameter Manual, containing the main parameters used and their most significant features, and the definition of the source;
- the constant update of parameter control methods;
- the daily validation and control of the listed parameters, automatically fed by external infoproviders;
- the daily validation and control of illiquid parameters used for operational purposes.

In order to support control activities, the Group introduced an advanced application system (fed by the front office system and, for benchmarking purposes, by alternative and highly specialised infoproviders) to monitor the performance of the parameters over time, featuring the statistical analysis of variations and operating warnings.

Validation and control process of pricing models of OTC derivative products

Banco BPM Group works with OTC derivative instruments using, for the purposes of their valuation, quantitative pricing models in line with market best practices, which are already included in the Front Office application or, for special structures, models developed internally.
In order to ensure a precise and strict control over the adoption of new pricing models - be they market or in-house developed models - a validation process is in place, with the following features:

- the validation of the models carried out by the Market Risk Unit of the CRO Function;
- model validation based on strict consistency and robustness tests;
- the official validation of the new pricing models by the Parent Company's Risk Committee and, when these entail the creation of a new product, also by the Product Innovation Committee with the involvement of the main members of corporate management.

Note that, based on the current prudential policy pursued by the Group, innovative financial instruments can be entered only after a thorough analysis of the reliability and accuracy of their pricing models.

With regard to fair value measurement for the purposes of the accounting valuation of financial instruments, the Parent Company also estimates fair value adjustments (Valuation Adjustments) in order to reflect the risk relating to the pricing models used for the valuation of financial instruments.
The adjustments are deemed necessary to include all factors considered relevant to market participants, as well as to take into account any uncertainties in the measurement of fair value. In this regard, these adjustments must have the sole purpose of best reflecting the price of a possible market transaction and must not represent merely prudential adjustments, as they are not consistent with the fair value objectives. In relation to the type of instrument/model used, possible adjustments are represented by:

- model risk: this adjustment must be made to cover the risk that the valuation models, though validated, may generate fair values not directly observable or not immediately comparable with market prices;
- liquidity risk: this adjustment is made to take account of the size of the "bid - ask spread", i.e., the actual cost of divesting in markets with low efficiency;
- counterparty risk and risk of non-fulfilment of own contractual obligations.

The results of the valuation models used must be constantly calibrated, to assess the predictive capacity of the model to reproduce the market prices available for the same or similar instruments; they are also subject to continuous review, when new information becomes available, if information previously used is no longer available, the improvement of valuation techniques or changes in market conditions.

OTC financial and credit derivatives: counterparty risk/financial risk – Internal models

With regard to counterparty risk, defined as the risk that the counterparty in a transaction defaults before the final settlement of the cash flows of such transaction (EU Regulation no. 575/2013), the Group uses, both for supervisory reporting purposes and for internal management purposes, standardised methods to calculate exposures on the entire reference scope relating to derivatives and securities financing transactions (repurchase agreements and securities lending).
As regards derivative transactions, exposure to counterparty risk is calculated on the basis of the SA-CCR approach (Standardised Approach for Counterparty Credit Risk) (Ref. EU Regulation 2019/876), which makes it possible to better reflect the risks associated with derivative transactions.
Starting from March 2023, the internal method (Shortcut Method), previously used for management purposes to estimate risk exposures in OTC derivatives subject to Collateral Agreements (CSA), was prudentially replaced by the standardised approach (SA-CCR) also adopted in the Supervisory reporting area, which entered into force in June 2021 and applied to the entire scope of derivative transactions.
The above cited internal method continues to be implemented in the Parent Company lending process chain for transactions in OTC collateralised derivatives, together with a daily monitoring and reporting system.

Membership of Clearing Houses for transactions in OTC Derivatives and Credit Derivatives has enabled the mitigation of risks.
In accordance with the Basel III Framework, additional capital requirements regarding the following are to be calculated:

- own funds for the Credit Valuation Adjustment (CVA Risk), through the adoption of the Basic Approach, as required by Regulation (EU) no. 1623/2024;
- exposures relating to operations with Qualifying Central Counterparties (QCCP) by adopting the methods envisaged by Arts. 306-308 of Regulation (EU) no. 876/2019.

Total counterparty risk is determined by applying the credit parameters (PD, LGD, weightings) established (AIRB or Standard internal model) to the exposure measures defined above.

Compliance with the operating limit, determined in accordance with the RAF limit set by the Board of Directors, is verified on a monthly basis on the entire scope.

With regard to fair value measurement for the purposes of the accounting valuation of financial instruments, the Parent Company also estimates fair value adjustments (Valuation Adjustments) in order to reflect counterparty risk on OTC derivative exposures.
The above adjustments are made with reference to both credit exposures (CVA - Credit Valuation Adjustment) and debt exposures (DVA - Debit Valuation Adjustment), to take into account the probability of bankruptcy of the counterparty and the reporting bank, respectively. In order to determine the exposure, an advanced simulation approach (Monte Carlo) is adopted for the quantification of the CVA and DVA, in line with market best practices.

The Group has met the obligation envisaged by European Legislation (EU Delegated Regulation 2016/2251), by exchanging, based on the relative contracts (CTA - Collateral Transfer Agreement), the initial margins of OTC derivatives not cleared by a central counterparty, which provide additional protection in the event that one of the two counterparties is not able to meet its commitments over the life of the contract.
The Group uses the SIMM (Standard Initial Margin Model) method, whose calculation is mostly risk-sensitive, and is based on aggregate sensitivities by risk and product category.

1.3.1 Trading derivative instruments

A. FINANCIAL DERIVATIVES

A.1 Trading financial derivatives: year-end notional values

Underlying assets/Derivative types	Total 31/12/2025				Total 31/12/2024			
	Over the Counter			Organised markets	Over the Counter			Organised markets
	Central counterparties	Without central counterparties			Central counterparties	Without central counterparties		
		With netting arrangements	Without netting arrangements			With netting arrangements	Without netting arrangements	
1. Debt securities and interest rates	96,531,965	35,884,985	12,744,667	2,732,800	41,684,928	36,380,797	12,009,177	2,941,300
a) Options	-	27,418,821	1,985,036	90,500	-	26,942,337	2,176,899	112,700
b) Swaps	96,531,965	8,466,164	10,759,631	-	41,684,928	9,438,460	9,832,278	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	2,642,300	-	-	-	2,828,600
e) Other	-	-	-	-	-	-	-	-
2. Equity instruments and share indices	-	6,870,473	492,678	5,282,517	-	6,087,867	368,021	4,605,331
a) Options	-	6,870,473	492,678	4,749,169	-	6,087,867	358,021	4,165,496
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	10,000	-
d) Futures	-	-	-	533,348	-	-	-	439,835
e) Other	-	-	-	-	-	-	-	-
3. Currencies and gold	-	27,887,887	981,306	-	-	27,826,814	865,272	-
a) Options	-	71,612	287,377	-	-	214,190	392,868	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	27,816,275	689,999	-	-	27,612,624	468,731	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	3,930	-	-	-	3,673	-
4. Commodities	-	86,066	1,160	-	-	174,993	18,284	-
5. Other	-	-	-	-	-	-	-	-
Total	**96,531,965**	**70,729,411**	**14,219,811**	**8,015,317**	**41,684,928**	**70,470,471**	**13,260,754**	**7,546,631**

A.2 Trading financial derivatives: gross positive and negative fair value - breakdown by products

Derivative types	Total 31/12/2025				Total 31/12/2024			
	Over the Counter			Organised markets	Over the Counter			Organised markets
	Central counterparties	Without central counterparties			Central counterparties	Without central counterparties		
		With netting arrangements	Without netting arrangements			With netting arrangements	Without netting arrangements	
1. Positive fair value								
a) Options	-	543,364	5,477	441,316	-	316,565	14,142	202,543
b) Interest rate swaps	493,499	307,982	104,195	-	644,619	260,945	103,652	-
c) Cross currency swaps	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-
e) Forwards	-	200,170	3,820	-	-	622,945	8,041	-
f) Futures	-	-	-	-	-	-	-	-
g) Other	-	4,937	207	-	-	3,418	1,066	-
Total	**493,499**	**1,056,453**	**113,699**	**441,316**	**644,619**	**1,203,873**	**126,901**	**202,543**
2. Negative fair value								
a) Options	-	423,744	207,132	170,274	-	231,897	129,089	151,369
b) Interest rate swaps	299,823	87,291	159,038	-	402,437	105,088	217,451	-
c) Cross currency swaps	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-
e) Forwards	-	184,367	6,649	-	-	624,402	8,044	-
f) Futures	-	-	-	-	-	-	-	-
g) Other	-	4,941	93	-	-	3,952	176	-
Total	**299,823**	**700,343**	**372,912**	**170,274**	**402,437**	**965,339**	**354,760**	**151,369**

A.3 OTC trading financial derivatives: notional values, gross positive and negative fair value by counterparties

Underlying assets	Central counterparties	Banks	Other financial companies	Other entities
Contracts not included in netting arrangements				
1) Debt securities and interest rates				
- notional value	X	240,000	295,625	12,209,042
- positive fair value	X	30,461	1,511	74,582
- negative fair value	X	-	1,045	164,912
2) Equity instruments and share indices				
- notional value	X	240,000	79,498	173,180
- positive fair value	X	-	-	12
- negative fair value	X	18,654	7,686	171,607
3) Currencies and gold				
- notional value	X	28,482	2,251	950,573
- positive fair value	X	4	59	6,926
- negative fair value	X	142	6	8,830
4) Commodities				
- notional value	X	-	-	1,160
- positive fair value	X	-	-	144
- negative fair value	X	-	-	30
5) Other				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
Contracts included in netting arrangements				
1) Debt securities and interest rates				
- notional value	96,531,965	26,322,602	6,829,915	2,732,468
- positive fair value	493,499	324,829	24,309	13,370
- negative fair value	299,823	45,627	26,641	39,823
2) Equity instruments and share indices				
- notional value	-	4,189,310	2,681,163	-
- positive fair value	-	228,363	259,701	-
- negative fair value	-	329,476	69,376	-
3) Currencies and gold				
- notional value	-	25,592,784	1,980,611	314,492
- positive fair value	-	178,690	19,710	2,544
- negative fair value	-	177,895	5,061	1,505
4) Commodities				
- notional value	-	44,523	5,200	36,343
- positive fair value	-	4,480	191	266
- negative fair value	-	1,968	-	2,971
5) Other				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-

A.4 Residual life of OTC financial derivatives: notional values

Underlying/Residual life	Up to 1 year	From over 1 year to 5 years	Over 5 years	Total
A.1 Financial derivatives on debt securities and interest rates	87,345,420	47,042,288	10,773,909	145,161,617
A.2 Financial derivatives on equity instruments and share indices	1,254,055	3,952,039	2,157,057	7,363,151
A.3 Financial derivatives on currencies and gold	28,560,743	308,450	-	28,869,193
A.4 Financial derivatives on commodities	86,471	755	-	87,226
A.5 Other financial derivatives	-	-	-	-
Total 31/12/2025	**117,246,689**	**51,303,532**	**12,930,966**	**181,481,187**
Total 31/12/2024	**69,237,535**	**46,551,381**	**9,627,237**	**125,416,153**

B. CREDIT DERIVATIVES

B.1 Trading credit derivatives: year-end notional values

Transaction categories	Trading derivatives	
	on a single party	on several parties (basket)
1. Protection purchased		
a) Credit default products	25,000	68,000
b) Credit spread products	-	-
c) Total rate of return swaps	-	-
d) Other	-	-
Total 31/12/2025	**25,000**	**68,000**
Total 31/12/2024	**30,000**	**53,000**
2. Protection sold		
a) Credit default products	-	-
b) Credit spread products	-	-
c) Total rate of return swaps	-	-
d) Other	-	-
Total 31/12/2025	**-**	**-**
Total 31/12/2024	**-**	**5,000**

B.2 Trading credit derivatives: gross positive and negative fair value - breakdown by products

Derivative types	Total 31/12/2025	Total 31/12/2024
1. Positive fair value		
a) Credit default products	-	444
b) Credit spread products	-	-
c) Total rate of return swaps	-	-
d) Other	-	-
Total	**-**	**444**
2. Negative fair value		
a) Credit default products	4,511	2,639
b) Credit spread products	-	-
c) Total rate of return swaps	-	-
d) Other	-	-
Total	**4,511**	**2,639**

B.3 OTC trading credit derivatives: notional values, gross (positive and negative) fair value by counterparty

	Central counterparties	Banks	Other financial companies	Other entities
Contracts not included in netting arrangements				
1) Protection purchased				
– notional value	X	-	-	-
– positive fair value	X	-	-	-
– negative fair value	X	-	-	-
2) Protection sold				
– notional value	X	-	-	-
– positive fair value	X	-	-	-
– negative fair value	X	-	-	-
Contracts included in netting arrangements				
1) Protection purchased				
– notional value	68,000	25,000	-	-
– gross positive fair value	-	-	-	-
– gross negative fair value	4,399	112	-	-
2) Protection sold				
– notional value	-	-	-	-
– gross positive fair value	-	-	-	-
– gross negative fair value	-	-	-	-

B.4 Residual life of OTC trading credit derivatives: notional values

Underlying/Residual life	Up to 1 year	From over 1 year to 5 years	Over 5 years	Total
1 Protection sold	-	-	-	-
2 Protection purchased	25,000	68,000	-	93,000
Total 31/12/2025	**25,000**	**68,000**	**-**	**93,000**
Total 31/12/2024	**5,000**	**83,000**	**-**	**88,000**

B.5 Credit derivatives connected with the fair value option: annual changes

This case is not present for the Group; thus the relevant table has been omitted.

1.3.2 Hedge accounting

QUALITATIVE INFORMATION

A. Fair value hedging

The management of interest rate risk in the Banking Book is carried out centrally by the Parent Company within a specific delegated department, and the primary objective of management decisions is to mitigate the rebalancing of the dynamics of economic value volatility with the volatility of net interest income as the market rate curve changes, in accordance with the provisions of specific regulations (BCBS, EBA and the Bank of Italy).
The Group utilises an integrated Asset Liability Management (ALM) system with the aim of calculating the risk measurements that also include the use of behavioural models and measures, and management tends to pursue a natural compensation for the risks generated by the gaps in liabilities and assets. The items for which hedges are present are above all on-demand items, bond issues, mortgage loans and the securities portfolio.
In regard to the accounting of these hedging relationships:

- demand items are hedged through fair value hedges;

- bonds placed with ordinary customers are hedged via the fair value option, while fair value hedging is used for bonds placed with institutional investors;
- the securities portfolio is usually hedged through fair value hedges (or, in some specific cases, cash flow hedges);
- loans are hedged through fair value hedges.

For further details, please refer to "Part A – Accounting policies, A.2 – Key financial statement items" of these Notes to the financial statements.

The price risk of the alternative asset portfolio is monitored on a daily basis and is not hedged.

B. Cash flow hedging

Cash flow hedges are extremely limited and only concern certain securities on the balance sheet (these are mainly inflation-linked securities).

C. Foreign investment hedging

The only foreign investment hedges made by the Group concern the interest held by Banca Aletti in the subsidiary Banca Aletti & C. (Suisse) S.A., in which the book value is expressed in a currency other than euro (Swiss francs). In the separate financial statements, the hedge directly refers to the interest recorded in Banca Aletti's financial statements, while at the consolidated financial statement level, following on from a process of consolidation, the hedge regards the assets and liabilities of the aforementioned subsidiary.

D. Hedging instruments

The main sources of ineffectiveness that could change the hedging relationship during the period of validity are as follows:

- misalignment between the notional value of the derivative and of the hedged underlying recorded on initial designation or subsequently generated, as in the case of repurchases of bond loans;
- inclusion in the effectiveness test of the value of the variable leg of the hedging derivative, in the case of fair value hedges.

During the year, no conditions arose that determined hedge ineffectiveness.

During the year, the Group did not implement any dynamic hedging, as defined by IFRS 7, paragraph 23C.

E. Hedged items

Regarding the hedged risks and the relative hedging instruments used, please refer to previous points A and B.
As outlined in "Part A – Accounting policies, A.2 – Key financial statement items" of these Notes to the financial statements, the derivatives can be designated as hedges, provided that the hedging relationship between the hedged instrument and the hedging instrument is formally documented and it is effective at the time the hedge is originated and prospectively throughout its entire life. The hedge effectiveness depends on the extent to which the changes in the fair value or in the expected cash flows of the hedged instrument are actually offset by those of the hedging instrument. Therefore, effectiveness is measured by comparing said changes, while considering the aim pursued by the entity when the hedge was established.
A hedge is effective (within the limits established as a range of 80% to 125%) when changes in the fair value (or in the cash flows) of the hedging instrument neutralise almost completely the changes in the hedged instrument attributable to the hedged risk.
Subsequent to initial recognition with reference to the partial or total ineffectiveness of the hedging relationships:

- for fair value hedges, the changes in fair value of the hedged element are offset by the changes in fair value of the hedging instrument. Said offset is recognised by charging the changes in value to the income statement, in item "90. Fair value gains/losses on hedging derivatives", referring both to the hedged element (referring to the changes generated by the underlying risk factor), as well as to the hedging instrument. Any resulting difference, which represents the partial ineffectiveness of the hedge, represents the net effect on the income statement. If the hedging relationship ends, the hedged instrument reacquires the measurement approach of

the class to which it originally belonged; for instruments measured at amortised cost, the cumulative revaluations/write-downs recognised as a result of changes in fair value of the hedged risk are recognised in the income statement under interest income and expense throughout the residual life of the hedged item, on the basis of the effective interest rate. If the hedged item is sold or repaid, the share of fair value not yet amortised is recognised immediately in the income statement;

- for cash flow hedges, the portion of changes in the fair value of the derivative that is determined to be an effective hedge is recognised in shareholders' equity (item "120. Valuation reserves"), while it is recognised in the income statement only when changes in cash flows to be offset arise in the hedged item. The portion of gains or losses of the hedging instrument that is considered ineffective is charged to the income statement (item "90. Fair value gains/losses on hedging derivatives"). Said portion is equal to any difference between the cumulative fair value of the hedging instrument and the cumulative fair value of the hedged instrument. In any event, the fluctuations in fair value of the hedged item and the related hedge must lie within the 80%-125% range. If the cash flow hedge is no longer considered effective, or the hedging relationship is terminated, the total amount of gains or losses on the hedging instrument, already recognised under item "120. Valuation reserves", is recognised in the income statement only when the hedging transaction will take place or when it is no longer deemed possible that the transaction will take place. In this last circumstance, the profits or losses are transferred from the shareholders' equity item to the income statement item "90. Fair value gains/losses on hedging derivatives".

With reference to the impacts of the macroeconomic environment on the effectiveness of the Group's hedging relationships in place as at 31 December 2025, no particular critical elements emerged.
In this regard, the risk that the hedging relationship may be interrupted due to the increased risk of counterparty default appears remote, considering that almost all hedging derivatives are entered into with central counterparties, as shown in the following tables.
In addition, for fair value macro hedges, no elements have emerged related to the risk of any prepayment, even unexpected, as this risk is already included in the model. As a further safeguard against unexpected prepayments, there is the circumstance that the hedged portion represents a fraction of the amount that can be potentially hedged.

QUANTITATIVE INFORMATION

A. FINANCIAL HEDGING DERIVATIVES

A.1 Financial hedging derivatives: year-end notional values

Underlying assets/Derivative types	Total 31/12/2025				Total 31/12/2024			
	Over the Counter			Organised markets	Over the Counter			Organised markets
	Central counterparties	Without central counterparties			Central counterparties	Without central counterparties		
		With netting arrangements	Without netting arrangements			With netting arrangements	Without netting arrangements	
1. Debt securities and interest rates	**65,843,049**	**1,225,548**	**-**	**-**	**61,181,273**	**1,071,928**	**1,000,000**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	65,843,049	833,685	-	-	61,181,273	446,527	1,000,000	-
c) Forwards	-	391,863	-	-	-	625,401	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
2. Equity instruments and share indices	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Currencies and gold	**-**	**-**	**27,944**	**-**	**-**	**-**	**27,962**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	27,944	-	-	-	27,962	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Commodities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
5. Other	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**65,843,049**	**1,225,548**	**27,944**	**-**	**61,181,273**	**1,071,928**	**1,027,962**	**-**

A.2 Financial hedging derivatives: gross positive and negative fair value - breakdown by products

Derivative types	Positive and negative fair value								Changes in value used to calculate hedge ineffectiveness	
	Total 31/12/2025				Total 31/12/2024					
	Over the Counter			Organised markets	Over the Counter			Organised markets	Total 31/12/2025	Total 31/12/2024
	Central counterparties	Without central counterparties			Central counterparties	Without central counterparties				
		With netting arrangements	Without netting arrangements			With netting arrangements	Without netting arrangements			
1. Positive fair value										
a) Options	-	-	-	-	-	-	-	-	-	-
b) Interest rate swaps	1,002,935	7,401	-	-	1,235,418	2,234	-	-	-	-
c) Cross currency swaps	-	-	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	1,642	179	-	-	16,802	-	648	-	-
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
Total	**1,002,935**	**9,043**	**179**	**-**	**1,235,418**	**19,036**	**-**	**648**	**-**	**-**
2. Negative fair value										
a) Options	-	-	-	-	-	-	-	-	-	-
b) Interest rate swaps	726,723	88,682	-	-	1,003,719	78,529	8,451	-	-	-
c) Cross currency swaps	-	-	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	155	-	-	-	207	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
Total	**726,723**	**88,837**	**-**	**-**	**1,003,719**	**78,736**	**8,451**	**-**	**-**	**-**

A.3 OTC financial hedging derivatives: notional values, gross positive and negative fair value by counterparty

Underlying assets	Central counterparties	Banks	Other financial companies	Other entities
Contracts not included in netting arrangements				
1) Debt securities and interest rates				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
2) Equity instruments and share indices				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
3) Currencies and gold				
- notional value	X	27,944	-	-
- positive fair value	X	179	-	-
- negative fair value	X	-	-	-
4) Commodities				
- 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 included in netting arrangements				
1) Debt securities and interest rates				
- notional value	65,843,049	1,000,549	224,999	-
- positive fair value	1,002,935	7,735	1,308	-
- negative fair value	726,723	39,360	49,477	-
2) Equity instruments and share indices				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
3) 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	-	-	-	-

A.4 Residual life of OTC financial hedging derivatives: notional values

Underlying/Residual life	Up to 1 year	From over 1 year to 5 years	Over 5 years	Total
A.1 Financial derivatives on debt securities and interest rates	14,316,194	31,923,816	20,828,587	67,068,597
A.2 Financial derivatives on equity instruments and share indices	-	-	-	-
A.3 Financial derivatives on currencies and gold	27,944	-	-	27,944
A.4 Financial derivatives on commodities	-	-	-	-
A.5 Other financial derivatives	-	-	-	-
Total 31/12/2025	**14,344,138**	**31,923,816**	**20,828,587**	**67,096,541**
Total 31/12/2024	**12,103,456**	**32,037,297**	**19,140,410**	**63,281,163**

B. CREDIT HEDGING DERIVATIVES

B.1 Credit hedging derivatives: year-end notional values

This case is not present for the Group; thus the relevant table has been omitted.

B.2 Credit hedging derivatives: gross positive and negative fair value - breakdown by products

This case is not present for the Group; thus the relevant table has been omitted.

B.3 OTC credit hedging derivatives: notional values, gross positive and negative fair value by counterparty

This case is not present for the Group; thus the relevant table has been omitted.

B.4 Residual life of OTC credit hedging derivatives: notional values

This case is not present for the Group; thus the relevant table has been omitted.

C. NON-DERIVATIVE HEDGING INSTRUMENTS

C.1 Hedging instruments other than derivatives: breakdown by accounting portfolio and hedge type

This case is not present for the Group; thus the relevant table has been omitted.

D. HEDGED INSTRUMENTS

D.1 Fair value hedges

	Micro hedges: book value	Micro hedges - net positions: book value of assets or liabilities (before netting)	Micro hedges			Macro hedges: Book value
			Accumulated changes in the fair value of the hedged instrument	Termination of the hedge: residual accumulated changes in fair value	Changes in value used to calculate hedge ineffectiveness	
A. Assets						
1. Financial assets measured at fair value through other comprehensive income - hedging of:	**10,511,862**	**-**	**(144,082)**	**-**	**-**	**-**
1.1 Debt securities and interest rates	10,511,862	-	(144,082)	-	-	X
1.2 Equity instruments and share indices	-	-	-	-	-	X
1.3 Currencies and gold	-	-	-	-	-	X
1.4 Loans	-	-	-	-	-	X
1.5 Other	-	-	-	-	-	X
2. Financial assets at amortised cost – hedging of:	**12,699,603**	**-**	**(165,480)**	**-**	**-**	**5,743,103**
2.1 Debt securities and interest rates	12,699,603	-	(165,480)	-	-	X
2.2 Equity instruments and share indices	-	-	-	-	-	X
2.3 Currencies and gold	-	-	-	-	-	X
2.4 Loans	-	-	-	-	-	X
2.5 Others	-	-	-	-	-	X
Total 31/12/2025	**23,211,465**	**-**	**(309,562)**	**-**	**-**	**5,743,103**
Total 31/12/2024	**19,984,305**	**-**	**(183,615)**	**-**	**-**	**6,070,945**
B. Liabilities						
1. Financial liabilities at amortised cost - hedging of:	**7,932,188**	**-**	**2,793**	**-**	**-**	**27,686,000**
1.1 Debt securities and interest rates	7,932,188	-	2,793	-	-	X
1.2 Currencies and gold	-	-	-	-	-	X
1.3 Other	-	-	-	-	-	X
Total 31/12/2025	**7,932,188**	**-**	**2,793**	**-**	**-**	**27,686,000**
Total 31/12/2024	**8,914,238**	**-**	**49,717**	**-**	**-**	**24,916,000**

D.2 Cash flow hedges and foreign investment hedges

	Changes in value used to calculate hedge ineffectiveness	Hedging reserves	Termination of the hedge: residual value of the hedging reserves
A. Cash flow hedges			
1. Assets	**-**	**9,150**	**-**
1.1 Debt securities and interest rates	-	9,150	-
1.2 Equity instruments and share indices	-	-	-
1.3 Currencies and gold	-	-	-
1.4 Loans	-	-	-
1.5 Other	-	-	-
2. Liabilities	**-**	**-**	**-**
2.1 Debt securities and interest rates	-	-	-
2.2 Currencies and gold	-	-	-
2.3 Other	-	-	-
Total (A) 31/12/2025	**-**	**(9,150)**	**-**
Total (A) 31/12/2024	**-**	**(2,492)**	**1,829**
B. Foreign investment hedges	**X**	**(1,500)**	**-**
Total (A+B) 31/12/2025	**-**	**(10,650)**	**-**
Total (A+B) 31/12/2024	**-**	**(4,315)**	**1,829**

E. EFFECTS OF HEDGING TRANSACTIONS ON SHAREHOLDERS' EQUITY

E.1 Reconciliation of shareholders' equity components

	Cash flow hedging reserve					Foreign investment hedging reserve				
	Debt securities and interest rates	Equity instruments and share indices	Currencies and gold	Loans	Other	Debt securities and interest rates	Equity instruments and share indices	Currencies and gold	Loans	Other
Opening balance	**(663)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Fair value changes (effective portion)	(12,678)	-	-	-	-	-	-	-	-	-
Reclassifications to income statement	-	-	-	-	-	-	-	-	-	-
of which: future transactions no longer expected	-	-	-	-	-	X	X	X	X	X
Other changes	4,191	-	-	-	-	-	-	-	-	-
of which: transfers at the initial book value of hedged instruments	-	-	-	-	-	X	X	X	X	X
Closing balance	**(9,150)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

The table relating to Hedging instruments (non-designated items) is omitted as the category is not present for the Group.

1.3.3 Other information on derivatives (trading and hedging)

A. FINANCIAL AND CREDIT DERIVATIVES

A.1 OTC financial and credit derivatives: net fair value by counterparty

	Central counterparties	Banks	Other financial companies	Other entities
A. Financial derivatives				
1) Debt securities and interest rates				
- notional value	44,120,867	-	-	-
- net positive fair value	176,448	-	-	-
- net negative fair value	-	-	-	-
2) Equity instruments and share indices				
- notional value	-	-	-	-
- net positive fair value	-	-	-	-
- net negative fair value	-	-	-	-
3) Currencies and gold				
- notional value	-	2,105	1,825	-
- net positive fair value	-	-	-	-
- net negative fair value	-	-	-	-
4) Commodities				
- notional value	-	-	-	-
- net positive fair value	-	-	-	-
- net negative fair value	-	-	-	-
5) Other				
- notional value	-	-	-	-
- net positive fair value	-	-	-	-
- net negative fair value	-	-	-	-
B. Credit derivatives				
1) Protection purchased				
- notional value	-	-	-	-
- net positive fair value	-	-	-	-
- net negative fair value	-	-	-	-
2) Protection sold				
- notional value	-	-	-	-
- net positive fair value	-	-	-	-
- net negative fair value	-	-	-	-

1.4 LIQUIDITY RISK

QUALITATIVE INFORMATION

Challenges and impacts related to the current macroeconomic context

Although the macroeconomic scenario has been characterised by high volatility given the geopolitical tensions, the Group's risk profile showed robust levels of liquidity and funding, well above the regulatory thresholds and internal limits. In addition, the scenario and the relative impacts on the Group's liquidity and funding position are constantly monitored and reported to the competent corporate bodies.

A. General aspects, management processes and measurement methods for liquidity risk

Liquidity risk means the risk that the Group is not able to meet its payment commitments, which are certain or envisaged with reasonable certainty. Two types of liquidity risk are normally identified:

- Liquidity and Funding Risk, i.e. the risk that the Group may not be able, in the short-term (liquidity) and/or in the long-term (funding), to efficiently meet its payment commitments and obligations;
- Market Liquidity Risk, i.e. the risk that the Group may not be able to liquidate an asset without incurring capital losses due to the limited depth of the reference market and/or as a result of the timing with which it is necessary to carry out the transaction.

In Banco BPM Group, liquidity and funding risk is governed by the "Liquidity, funding risk and ILAAP regulation", which establishes: the roles and responsibilities of the corporate bodies and the corporate functions, the metrics used for risk measurement, the guidelines for conducting stress tests, the Liquidity Contingency Plan and the overall reporting framework related to the Group's liquidity and funding risk.
Liquidity risk is managed and monitored as part of the Internal Liquidity Adequacy Assessment Process (ILAAP), which is the process the Group uses to identify, measure, monitor, mitigate and report its liquidity risk profile. As part of this process, the Group makes an annual self-assessment regarding the adequacy of the overall liquidity risk management and measurement framework, which also covers governance, methodologies, information systems, measurement tools and reporting. The results of the risk profile adequacy assessment and the overall self-assessment are reported to the Corporate Bodies and submitted for the attention of the Supervisory Authority.
Liquidity governance is centralised within the Parent Company. Liquidity risk monitoring and control is conducted on a daily (short-term liquidity) and a monthly basis (structural liquidity); its objective is to monitor the evolution of the risk profile by verifying its adequacy with respect to the Risk Appetite Framework and the operational limits envisaged. Stress tests are conducted on a monthly basis, in order to test the Group's ability to withstand unfavourable scenarios and the estimates of the liquidity that can be generated with the countermeasures (so-called action plan, an integral part of the Liquidity Contingency Plan) that can be activated when a stress scenario occurs, are updated.
More specifically, the Group uses a monitoring system that includes short-term liquidity indicators (with a time horizon from intraday to twelve months) and long-term ones (beyond twelve months). To this end, both regulatory metrics (LCR, NSFR, ALMM) and metrics processed internally, which include the use of estimation models of behavioural and/or optional parameters, are adopted.
In 2025, the liquidity and funding profile of Banco BPM Group was found to be adequate, complying with both internal and regulatory risk limits. The monitoring of all ordinary activities related to the measurement, monitoring and reporting of the Group's exposure to liquidity and funding risks was maintained, including Supervisory Reporting and periodic dialogue with the JST. With reference to the 2024 audit – included in the annual Supervisory Evaluation Plan - on "Liquidity and Funding risk" (on-site inspection OSI-2024-ITBPM-0241688), in 2025 Banco BPM Group effectively finalised the findings that had emerged, in compliance with the timescales shared and planned with the ECB, as part of the Action Plan Report.
As regards ILAAP, it should also be noted that in 2025, Banco BPM fully consolidated Anima within the prudential scope of the Group for the purposes of measuring and monitoring liquidity and funding metrics.
In addition, activities related to the implementation of the improvement actions envisaged by the ILAAP 2025 Action Plan were carried out, including the extension and optimisation of controls on funding and encumbrance indicators. It should also be noted that, during the fourth quarter of 2025, the Group participated in the Joint Liquidity Exercise performed jointly by the Single Resolution Board (SRB) and the ECB, with positive results in terms of punctuality, completeness and accuracy of the information provided.

Outcomes of internal validation activities

The Internal Validation Function conducts qualitative and quantitative analyses to assess the soundness and accuracy of liquidity risk estimates. Furthermore, as regards ILAAP, the Function expresses an opinion on the regular functioning, on the predictive capacity, on the performance and on the prudence of the internal methodologies for measuring liquidity and funding risks. The analyses carried out in 2025 did not highlight any particular aspects of improvement.

QUANTITATIVE INFORMATION

1. Distribution of financial assets and liabilities by residual duration of the contracts. Currency of denomination: Euro

Items/Time bands	On demand	From over 1 day to 7 days	From over 7 days to 15 days	From over 15 days to 1 month	From over 1 month to 3 months	From over 3 months to 6 months	From over 6 months to 1 year	From over 1 year to 5 years	Over 5 years	Unlimited duration
On-balance sheet assets	**23,375,026**	**7,136,226**	**1,892,097**	**3,198,748**	**4,619,929**	**6,281,918**	**10,005,315**	**55,110,763**	**55,235,908**	**1,307,120**
A.1 Government securities	304,934	-	50,000	225,125	150,535	1,168,197	1,230,596	13,453,711	21,747,083	-
A.2 Other debt securities	151,787	5,002	37,392	42,649	34,154	86,782	219,838	4,489,857	5,145,031	552
A.3 UCIT units	1,695,397	-	-	-	-	1,445	-	3,664	101,953	784
A.4 Loans	21,222,908	7,131,224	1,804,705	2,930,974	4,435,240	5,025,494	8,554,881	37,163,531	28,241,841	1,305,784
- Banks	5,572,510	737,065	1,010,968	478,351	313,266	11,778	10,202	551,467	-	1,095,979
- Customers	15,650,398	6,394,159	793,737	2,452,623	4,121,974	5,013,716	8,544,679	36,612,064	28,241,841	209,805
On-balance sheet liabilities	**106,325,567**	**18,855,453**	**1,085,454**	**1,172,421**	**2,821,368**	**643,270**	**3,161,379**	**23,441,467**	**4,673,931**	**-**
B.1 Deposits and current accounts	103,633,869	62,522	42,892	129,859	468,712	411,236	77,933	3,497	1,315	-
- Banks	634,842	15,005	-	-	-	-	-	-	-	-
- Customers	102,999,027	47,517	42,892	129,859	468,712	411,236	77,933	3,497	1,315	-
B.2 Debt securities	1,182,611	52	350,022	29	152,122	122,998	2,629,946	18,173,732	3,915,443	-
B.3 Other liabilities	1,509,087	18,792,879	692,540	1,042,533	2,200,534	109,036	453,500	5,264,238	757,173	-
Off-balance sheet transactions										
C.1 Financial derivatives with exchange of capital										
- Long positions	-	1,190,211	859,607	2,523,044	5,188,285	3,973,246	2,176,391	259,642	82,147	-
- Short positions	79,727	1,297,084	555,206	1,996,996	5,443,509	3,802,461	2,156,736	322,940	91,766	-
C.2 Financial derivatives without exchange of capital										
- Long positions	1,772,322	9,803	25,317	13,645	112,998	133,515	371,773	-	-	-
- Short positions	1,236,493	3,127	14,866	31,161	127,344	141,592	366,506	-	-	-
C.3 Deposits and loans to be received										
- Long positions	27,432,804	-	-	-	-	-	-	-	-	-
- Short positions	-	27,383,076	-	-	49,728	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds										
- Long positions	-	5,958,020	-	-	-	-	-	-	-	-
- Short positions	5,958,020	-	-	-	-	-	-	-	-	-
C.5 Financial guarantees given	83,640	200	281	2,536	12,289	7,203	174,192	168,496	54,449	-
C.6 Financial guarantees received	-	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with exchange of capital										
- Long positions	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-
C.8 Credit derivatives without exchange of capital										
- Long positions	-	-	-	-	-	-	-	-	-	-
- Short positions	4,511	-	-	-	-	-	-	-	-	-

2. Distribution of financial assets and liabilities by residual duration of the contracts. Currency of denomination: other currencies

Items/Time bands	On demand	From over 1 day to 7 days	From over 7 days to 15 days	From over 15 days to 1 month	From over 1 month to 3 months	From over 3 months to 6 months	From over 6 months to 1 year	From over 1 year to 5 years	Over 5 years	Unlimited duration
On-balance sheet assets	**189,009**	**72,862**	**28,781**	**109,679**	**107,348**	**131,388**	**80,675**	**1,692,703**	**1,862,277**	**3,828**
A.1 Government securities	16,557	-	-	-	12,766	-	-	1,227,152	1,579,737	-
A.2 Other debt securities	6,750	-	-	-	4,255	6,809	2	262,406	197,664	-
A.3 UCIT units	29,873	-	-	-	-	-	-	-	-	-
A.4 Loans	135,829	72,862	28,781	109,679	90,327	124,579	80,673	203,145	84,876	3,828
- Banks	88,199	64,710	11,685	627	741	623	339	-	-	-
- Customers	47,630	8,152	17,096	109,052	89,586	123,956	80,334	203,145	84,876	3,828
On-balance sheet liabilities	**1,118,489**	**98,896**	**25,485**	**67,936**	**2,327,402**	**30,741**	**7,364**	**-**	**1,751**	**-**
B.1 Deposits and current accounts	1,083,869	98,896	25,485	67,936	1,274	30,741	7,364	-	-	-
- Banks	186,863	54,203	25,057	43,970	888	2,659	6,651	-	-	-
- Customers	897,006	44,693	428	23,966	386	28,082	713	-	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	34,620	-	-	-	2,326,128	-	-	-	1,751	-
Off-balance sheet transactions										
C.1 Financial derivatives with exchange of capital										
- Long positions	51	1,397,249	550,220	1,968,306	5,273,557	3,778,344	2,139,128	140,059	-	-
- Short positions	-	1,288,400	652,209	2,376,486	5,134,585	3,897,186	2,159,357	155,558	-	-
C.2 Financial derivatives without exchange of capital										
- Long positions	32,530	-	-	-	-	-	-	-	-	-
- Short positions	18,698	-	-	-	76	175	145	-	-	-
C.3 Deposits and loans to be received										
- Long positions	-	8,148	-	-	-	-	-	-	-	-
- Short positions	-	-	8,148	-	-	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds										
- Long positions	-	-	-	-	1,857	17,941	-	-	-	-
- Short positions	-	19,798	-	-	-	-	-	-	-	-
C.5 Financial guarantees given	1,040	-	-	-	-	-	5,423	10,827	-	-
C.6 Financial guarantees received	-	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with exchange of capital										
- Long positions	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-
C.8 Credit derivatives without exchange of capital										
- Long positions	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-

Self-securitisation transactions

As outlined in the previous section "1.1 Credit risk, C. Securitisation transactions", Banco BPM has subscribed to securities that can be used for refinancing operations with the ECB or for repurchase agreements with market counterparties, against "self-securitisation" transactions generated by Group companies or banks. The "self-securitisation transactions" outstanding as at 31 December 2025 are shown below.

SPE	Originator	Securities issue date	Transaction	Type of securitisation
Self-securitisation transactions not derecognised from the financial statements				
BPL Mortgages S.r.l.	Banco BPM	December 2012	BPL Mortgages 5	Performing residential mortgage loans
BPL Mortgages S.r.l.	Banco BPM	April 2022	BPL Mortgages 8	Mortgage, landed, agricultural and other loans granted to performing SMEs
BPL Mortgages S.r.l.	Banco BPM	November 2025	BPL Mortgages 9	Performing unsecured loans deriving from mortgages granted to small and medium-sized enterprises guaranteed by the Central Guarantee Fund for SMEs

Transactions closed during 2025

Consumer credit securitisation – ProFamily SPV (February 2021)

In 2025, early repayment was made of the securities issued as part of the securitisation transaction completed by Special Purpose Entity Profamily SPV S.r.l. in February 2021 concerning a portfolio of consumer loans. In particular, (i) on 10 March 2025, with the signature of the relative contracts, Banco BPM repurchased the entire residual portfolio of receivables underlying the securitisation transaction and (ii) at the time of the final payment date of 20 March 2025, the SPE closed the transaction and arranged the early repayment of the securities still outstanding and the full payment of interest on these securities due pursuant to the contractual documentation. On 25 March 2025, the "Termination Agreement" was signed, whereby the contracts signed and the existing relationships in the context of the securitisation transaction were closed.

New synthetic securitisation transaction in the year

Securitisation of performing unsecured loans granted to small and medium-sized enterprises guaranteed by the Central Guarantee Fund for SMEs - BPL Mortgages 9 (November 2025)

On 24 October 2025, with the signature of the relative contracts, Banco BPM sold to the SPE BPL Mortgages S.r.l. a portfolio of performing loans resulting from mortgages granted to small and medium-sized enterprises guaranteed by the Central Guarantee Fund for SMEs managed by MedioCredito Centrale - Banca del Mezzogiorno S.p.A. for a sale value (including accruals) of 5,545.2 million, carrying out a new securitisation called "BPL Mortgages 9". On 25 November 2025, to fund the purchase of the loans, the SPE issued two classes of securities: (i) Class A (Senior Notes), rated, listed on the Euronext Access Milan Professional segment of Borsa Italiana and (ii) Class J (Junior Notes), unrated and unlisted. Both classes of securities were subscribed by Banco BPM. The Senior Class A Notes obtained eligibility from the ECB from 16 December 2025, they are therefore transferable as collateral from 17 December 2025 and will be used by Banco BPM as collateral in (i) long-term repos (ii) collateral switches with market counterparties and (iii) monetary policy with the ECB.

As part of this transaction, the Originator, Banco BPM, took on the role of Servicer, managing the collection of receivables and also acts as Interim Account Bank and Transaction Bank.

Loan portfolio

Bank	Value 31/12/2025	Value 19/10/2025 (*)
Banco BPM	5,012,771	5,545,167

The amounts indicated represent performing, unlikely to pay, non-performing past due and bad loans, net of the relative write-down provisions, amortised cost, including mortgage loan instalments.
(*) Economic effects of the sale (first day of the SPE) from the valuation date of 19 October 2025 excluded, legal effects from the date of signature of the sale agreement (24 October 2025). The accruals included in the sale value amounted to 10.7 million.

Issue characteristics

Class	Type	Issue value	Value 31/12/2025	Interest rate	Maturity	Rating Moody's/S&P (*)
A	Senior	4,700,000	4,700,000	3-month Euribor + 0.5%	April 2050	Aa3/AA-
J	Junior (1)	834,448	834,448	Additional Return	April 2050	unrated

(1) Unlisted Junior Notes.
(*) Rating as at 31 December 2025.

Accessory financial transactions

The structure of the transaction envisaged the establishment of an initial Cash Reserve of 188 million, constituted at the date of issue of the securities mainly through the disbursement of a subordinated loan totalling 174 million by Banco BPM. Subsequent to the issue date, the Target Cash Reserve Amount was 4% of the outstanding amount of the Class A notes (with a minimum amount of 18.8 million). The first Interest Payment Date of the transaction will be on 28 April 2026. As at 31 December 2025, the subordinated loan amounted to 174 million and the interest accrued to be paid by the SPE was 0.8 million.

Outstanding self-securitisation transactions

Securitisation of mortgage, landed, agricultural and other loans granted to small and medium-sized enterprises – BPL Mortgages 8 (April 2022)

On 29 March 2022, with the signature of the relative contracts, Banco BPM sold to the SPE BPL Mortgages S.r.l. a portfolio of mortgage, landed, agricultural and other loans, disbursed in favour of small and medium-sized enterprises for a sale value (including accruals) of 2,459.5 million, carrying out a new securitisation called "BPL Mortgages 8". On 27 April 2022, to fund the purchase of the loans, the SPE issued two classes of securities: (i) Class A (Senior Notes), rated, listed on the Euronext Access Milan Professional segment of Borsa Italiana and (ii) Class J (Junior Notes), unrated and unlisted.
In December 2024, the transaction was restructured through (i) the buyback by Banco BPM of non-performing loans and other loans not consistent with European regulations on simple, transparent and standardised (STS) securitisations, as well as with the CRR, previously transferred as part of the securitisation transaction and (ii) the sale by Banco BPM to the SPE of an additional portfolio of loans disbursed by Banco BPM for a sale value (including accruals) of 3,243.4 million.
On 10 February 2025, to fund the purchase of the subsequent portfolio, net of repurchased loans, the SPE issued an additional Series ("2025 Series") of asset-backed securities with limited recourse, with two classes: (i) 2025 Class A Notes (Senior Notes), listed on the Euronext Access Milan Professional segment of Borsa Italiana and (ii) 2025 Class J Notes (Junior Notes), unrated and unlisted.
All classes of securities were subscribed by Banco BPM. The Senior Notes are used by Banco BPM as collateral in (i) long-term repos (ii) collateral switches with market counterparties and (iii) monetary policy with the ECB.

As part of this transaction, the Originator, Banco BPM, took on the role of Servicer, managing the collection of receivables and also acts as Interim Account Bank and Transaction Bank.

Loan portfolio

Bank	Value 31/12/2025	Value 31/12/2024
Banco BPM	2,629,410	3,889,000

The amounts indicated represent performing, unlikely to pay, non-performing past due and bad loans, net of the relative write-down provisions, amortised cost, including mortgage loan instalments.

Issue characteristics

Class	Type	Issue value	Value 31/12/2025	Interest rate	Maturity	Rating Moody's/DBRS (*)
A	Senior 2022	1,800,000	241,212	3-month Euribor + 0.7% (1)	October 2064	Aa2/A
J	Junior 2022 (2)	656,397	656,397	Additional Return	October 2064	unrated
A	Senior 2025	2,851,700	1,766,216	3-month Euribor + 0.8%	October 2064	Aa2/A
J	Junior 2025 (2)	234,210	234,210	Additional Return	October 2064	unrated
	Total	**5,542,307**	**2,898,035**			

(1) In any event, this interest rate cannot be higher than 1.7%.
(2) Unlisted Junior Notes.
(*) Rating as at 31 December 2025.

Accessory financial transactions

The structure of the transaction envisaged the establishment of an initial Cash Reserve of 72 million, constituted at the date of issue of the securities mainly through the disbursement of a subordinated loan totalling 67 million by Banco BPM, fully repaid during the previous years. Following the transaction restructuring, at the time of the issue of the new 2025 Series Notes, in February 2025, the Cash Reserve was further increased by 111.3 million via the disbursement by Banco BPM, of a limited loan of the same amount. As at 31 December 2025, the residual balance of the subordinated loan amounted to 5.5 million (portion repaid during the year of 105.8 million) and interest to be paid amounted to 110 thousand. The Target Cash Reserve Amount was 4% of the outstanding amount of the Class A notes (with a minimum amount of 12.9 million); as at 31 December 2025, the Cash Reserve amounted to 90.8 million (target level).

Other information

In February 2025, at the time of the issue of the 2025 Series Notes, the 2022 Class A Senior Note was also subject to an update of the "A1" rating (pre-restructuring "Aa3") by the rating agency Moody's Investors Services and "A" (pre-restructuring "AA (low)") by the rating agency DBRS.

The rating agency Moody's Investors Services increased the rating of the 2022 Class A Senior Notes and the 2025 Class A Senior Notes (i) from "A1" to "Aa3" in June 2025 and (ii) following the upgrade of Italy, from "Aa3" to "Aa2" in December 2025.

Securitisation of residential mortgage and landed loans – BPL Mortgages 5 (December 2012)

The securitisation transaction was originated by Banco Popolare and Credito Bergamasco, now both Banco BPM, and was finalised in a number of phases. On 7 December 2012, with the signature of the relative contracts, the Originator Banks sold an initial portfolio of performing residential landed and mortgage loans to the SPE BPL Mortgages S.r.l. for a sale value (including accruals) of 2,505.2 million and on 21 December 2012, the SPE issued two classes of bonds. Subsequently, in 2016, 2019 and 2024, portfolio restructuring was carried out, which resulted in the sale/repurchase of loans and the issue of additional notes. In particular, in the context of the 2024 restructuring, to finance the purchase in June of the new portfolio of loans with a transfer value of 1,807 million, net of repurchased loans for a value of 442 million, in August, the SPE issued a Fourth Series of asset-backed securities with only one Class A4 ("Senior Notes") for a nominal value of 1,365 million.
All Classes of Notes were subscribed by Banco BPM and all Senior Notes are traded on the Euronext Access Milan Professional segment of Borsa Italiana. The Senior Notes are used by Banco BPM as collateral in (i) long-term repos (ii) collateral switches with market counterparties and (iii) monetary policy with the ECB.

As part of this transaction, the Originator Banks, now Banco BPM, took on the role of Servicer, managing the collection of receivables; Banco BPM also has the role of Interim Account Bank and Transaction Bank.

Loan portfolio

Bank	Value 31/12/2025	Value 31/12/2024
Banco BPM	2,740,773	3,079,125

The amounts indicated represent performing, unlikely to pay, non-performing past due and bad loans, net of the relative write-down provisions, amortised cost, including mortgage loan instalments.

Issue characteristics

Class	Type	Issue value	Value 31/12/2025	Interest rate	Maturity (*)	Rating Moody's/DBRS (**)
A1	Senior	2,440,400	168,582	1-month Euribor + 0.3%	January 2062	Aa2/AA
B1	Junior (1)	1,148,455	392,765	Additional Return	January 2062	unrated
A2	Senior	995,100	146,367	1-month Euribor + 0.25%	January 2062	Aa2/AA
A3	Senior	1,504,300	327,148	1-month Euribor + 0.25%	January 2062	Aa2/AA
B3	Junior (1)	69,670	69,670	Additional Return	January 2062	unrated
A4	Senior	1,365,000	1,073,299	1-month Euribor + 0.80%	January 2062	Aa2/AA
	Total	**7,522,925**	**2,177,831**			

(1) Unlisted Junior Notes.
(*) In August 2024, to coincide with the issue of the Fourth Series, the Final Maturity Date of the previous Series A1, A2 and A3 was postponed from 30 October 2058 to 31 January 2062.
(**) Rating as at 31 December 2025.

Accessory financial transactions

The structure of the transaction envisages the establishment of a Cash Reserve, the initial amount of which was 64 million, and was constituted mainly through the disbursement, which took place on 21 December 2012, of a subordinated loan totalling 60 million by the Originator Banks, now Banco BPM.
As part of the transaction restructuring that took place during 2019, on 14 March 2019, the Cash Reserve was further increased by 24.6 million through the disbursement by Banco BPM, of a limited loan of the same amount.
In the context of the third restructuring of the transaction, in August 2024, the cash reserve was increased by 25.4 million through the disbursement by Banco BPM of a limited mortgage for the same amount. As at 31 December 2025, the outstanding subordinated loan amounted to 110 million and the interest to be paid was 23.6 million; the Cash Reserve amounted to 54.1 million. The Target Cash Reserve Amount was 3% of the outstanding amount of the Class A notes (with a minimum amount of 40 million).

Other information

In November 2025, the rating agency Moody's Investors Services, following the upgrading of Italy, increased the rating of the Class A1, Class A2, Class A3 and Class A4 Senior Notes from "Aa3" to "Aa2".

1.5 BANKING GROUP - OPERATIONAL RISKS

QUALITATIVE INFORMATION

A. General aspects, management processes and measurement methods for operational risk

Type of risk

Operational risk is defined as the risk of losses suffered as a result of inadequacy or malfunction of procedures, human resources and internal systems, or of external events. Losses resulting from fraud, human error, interruption of operations, non-availability of systems, contractual breaches and natural disasters are included in this type of risk. Operational risk also encompasses legal risk, while strategic and reputational risks are not included.

Risk sources

The main sources of operational risk are: the low reliability of operational processes - in terms of effectiveness/efficiency - internal and external frauds, operational mistakes, the qualitative level of physical and logical security, inadequate IT structure compared to the size of operations, the growing recourse to automation, the outsourcing of corporate functions, a limited number of suppliers, changes in strategies, incorrect personnel management and training policies and finally social and environmental impacts.

Risk management model and organisational structure

Banco BPM Group fully adopts the Standardised Measurement Approach to calculate capital requirements for all companies that make up the Supervised Group, including Anima Holding and its subsidiaries, while with regard to the other qualitative-quantitative elements envisaged by Supervisory Regulations, as requested by the ECB, it meets all of the requirements of the CRR (Regulation (EU) no. 575/2013 as subsequently amended) for the SMA method.

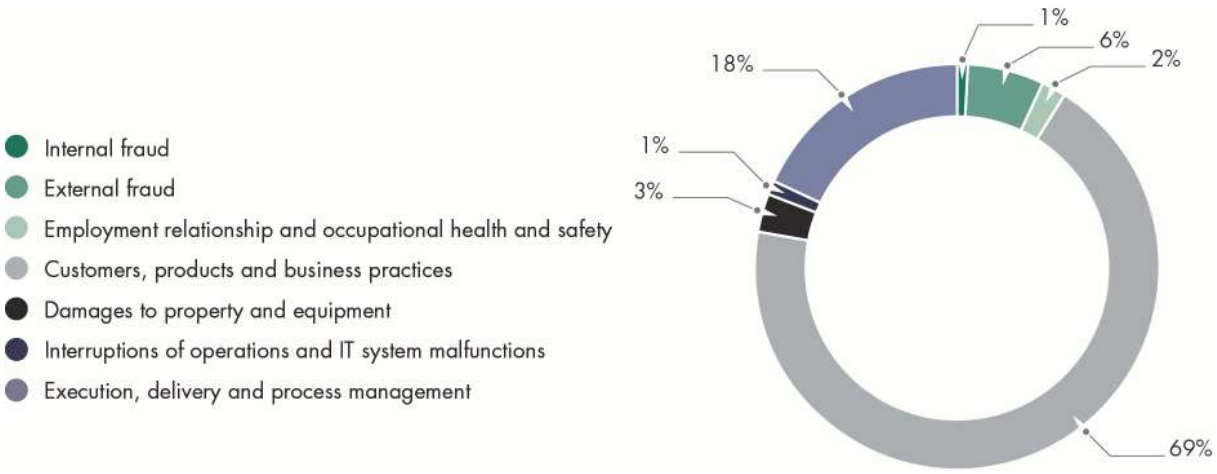
Also in compliance with the relevant regulations, the Group adopted an operational risk management model that illustrates the management methods and the people involved in risk identification, measurement, monitoring, mitigation and reporting. In particular, the model refers to centralised oversight functions (governance and control functions) and decentralised oversight functions (coordinators and ORM contacts, which are specifically involved in the key processes of collecting operating loss data, continuously assessing the operating scenario and forecasting exposure to risk). This model is governed by a specific Group Regulation approved by the Corporate Bodies.
Banco BPM Group adopts a reporting model, consisting of a management IT system for the Corporate Bodies and Top Management (significant losses and related recoveries, overall assessment of the risk profile, RAF indicator profile, capital absorption and risk management policies implemented and/or planned) and an operational reporting system, for the purposes of an adequate risk management in the relevant areas.

In line with the mission of Banco BPM Group, the main risk impacts regard the "Commercial practices" category, followed by "Processes", which together represent the predominant portion of total risk and which, for the most part, arise in the Group's commercial networks. With reference to the category of "External Fraud", given the trend of increasingly sophisticated techniques (e.g. identity theft, cyber risk phenomena, etc.), the Group is constantly reinforcing physical and logical security, therefore containing these phenomena both in terms of frequency and the average impact on loss events of this kind. The Group takes the appropriate mitigating measures (e.g. training, implementation of application processes/procedures) as protection against the main risk factors that arise.

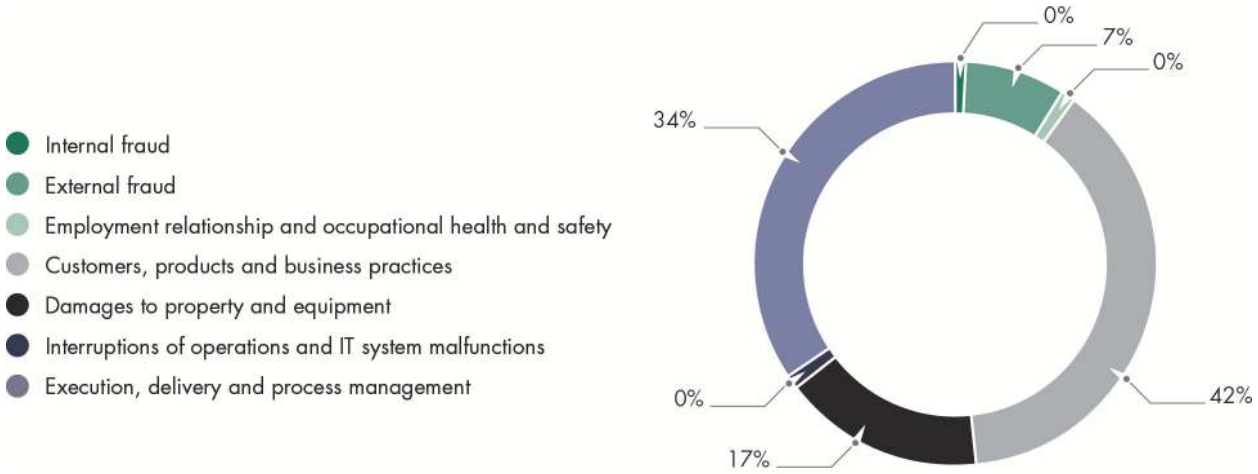
QUANTITATIVE INFORMATION

Regarding the sources of operational risk, an analysis was conducted with reference to operational risk events, with a gross loss greater than or equal to 200 euro (minimum materiality threshold) and with a reporting date of 1 January 2016 or later.
The loss data in question, recorded in the Group's Loss Collection management archive, have been broken down by type of event, with views by impact and by number of events, according to the event classification standards provided by the Regulator.

Breakdown by impact



Breakdown by number of events



The analysis of the graphs reveals that the main event categories in terms of impact relate to:

- commercial practices, with losses resulting from failures to meet professional obligations towards customers or from the nature or characteristics of the product or service provided. The category in question includes operational risk impacts connected to the diamond situation;
- processes, with losses related to errors/inefficiencies/delays in the execution, delivery and management of processes;
- external crimes, with losses due to fraud, undue appropriation or infringement of the law by parties outside the Bank, including phenomena relating to cyber risk.

Validation activities

In the area of Operational Risk, the Internal Validation Unit oversees the management framework and the calculation of Pillar II risks through annual audits on measurement methods and stress scenarios applied to the entire Group perimeter.

Section 3 - Risks to insurance companies

3.1 INSURANCE RISKS

Introduction

The Banco BPM Vita Insurance Group (hereinafter "Insurance Group") represents the completion of the process of insourcing the Life insurance business envisaged by Banco BPM's Strategic Plan.
Specifically, this objective was achieved by acquiring exclusive control over Vera Vita and BBPM Life by Banco BPM Vita and the simultaneous activation of a long-term strategic partnership with Crédit Agricole Assurances S.A. in the Non-Life/Protection sector through the sale to the same of the controlling interest in the share capital of Banco BPM Assicurazioni and Vera Assicurazioni.
During 2024 and the first few months of 2025, the process of insourcing the activities of Vera Vita, which until April 2025 were carried out by Generali Italia, as part of the service agreement entered into when control was acquired, continued. To proceed with said migration, the insourcing activities entailed implementing a new portfolio system (Universo), as well as the porting of the accounting (SAP 4Hana) and actuarial (Prophet) systems, in order to also align Vera Vita with the technological architecture already in use at the Insurance Group. In May 2025, the full migration of Vera Vita to the target IT systems of Banco BPM Vita was completed.
On 13 October 2025, an application was submitted to IVASS for the authorisation of the merger by incorporation of Vera Vita S.p.A. into Banco BPM Vita S.p.A. In line with the timescales envisaged by the regulations and with the operating plan of the insurance Group, the merger is expected to be completed in the first half of 2026.

The Insurance Group aims to create value by managing the risks inherent to its business. The risks to which the Insurance Group is exposed are managed and monitored in compliance with the Risk Appetite Framework.
The portfolio of insurance liabilities, the portfolio of financial assets, the organisation and the economic, regulatory and financial scenario of the various insurance companies belonging to the Insurance Group represent the sources of the risks to which the Group is exposed. These aspects are analysed and monitored on a permanent basis, as part of the Insurance Group's risk management and control system.
This risk management system, proportional to the nature, scope and complexity of the business activity in question, allows the most significant risks to be identified, assessed, including forward-looking evaluations, and controlled. Significant risks means those whose consequences may undermine the solvency of individual insurance companies and the Group, or constitute a serious obstacle to the achievement of corporate objectives.
In this regard, information is continuously collected on the internal and external, existing and future risks that may affect the overall activities of the Insurance Group.
The risk management system is based on the joint activity of five main players: Board of Directors, Top Management, Risk Owner, Risk Management Function and Actuarial Function.

Among these, the role played by the Risk Management function of the different companies is crucial, as it has the task of ensuring an integrated risk assessment, and is responsible for the effectiveness of the risk management system. Specifically, in compliance with the provisions of IVASS Regulation no. 38/2018, as amended:

- it periodically submits to the Board of Directors, also through the Internal Control and Risk Committee, the results of the controls and analyses carried out, as well as the results of the annual assessment of operational risks and evidence of operational incidents;
- it contributes to the definition of the "Policy for risk management and for current and forward-looking risk and solvency assessment" and monitors its implementation;
- it organises meetings with the managers of the corporate functions and with the Chief Executive Officer to gather information on the risks identified;
- it carries out, in agreement with the Chief Executive Officer, a selection of the current and potential risks to undergo scenario analyses and stress tests, on the basis of the risks identified, in collaboration with the competent functions reporting to the Chief Risk Officer of the Parent Company Banco BPM;
- it performs the calculations and assessments relating to the risks under its responsibility from a current and forward-looking perspective, it aggregates the results of the calculations and assessments provided by the other corporate functions to the extent of their competence, and determines the Solvency Capital Ratio;
- it prepares the reports relating to the overall risk position, which includes assessments relating to the Solvency Ratio, the Solvency Capital Requirement and Own Funds;

- it prepares a stress test plan that concerns both the current solvency situation, and a scenario analysis to be carried out from a forward-looking perspective, to be performed with the contribution of the other corporate functions to the extent of their competence;
- it carries out continuous monitoring of solvency, verifying that the risks considered do not jeopardise the stability of the Companies and the interests of policyholders, periodically reporting the results of its assessments through Risk Appetite Monitoring (RAM);
- it is responsible for assessing the overall ORSA process and validating it.

In carrying out its role, the Risk Management function must obviously be able to understand the nature of the risks identified, their origin, the possibility or need to control them and the effects that may derive from them, both in terms of losses and opportunities. The analysis process includes both a qualitative assessment and, for quantifiable risks, the adoption of methods for measuring risk exposure, including, where appropriate, systems to calculate the amount of the maximum potential loss.
In measuring risks, the Function considers, where possible, the interrelations among risks, assessing them both individually and on an aggregate basis. The risk assumption, measurement and management policies are defined and implemented with reference to the integrated overview of the assets and liabilities in the financial statements, considering that the development of asset-liability management techniques and models is fundamental for the correct understanding and management of the risk exposures that may derive from interrelations, and from the lack of balance between assets and liabilities.
The risk identification and assessment processes are carried out on an ongoing basis, to take into account both changes in the nature and size of the business and in the market context, and the emergence of new risks or changes in existing ones. Particular attention is paid to the assessment of the risks arising from the offer of new products or from the entry into new markets.
The processes are defined to promptly identify the emergence of risks that may damage the balance sheet or income statement, or the exceeding of the thresholds set in the Risk Appetite Framework. Adequate emergency plans are prepared for the major sources of risk identified.

The risks of the Group are quantified within the context of the calculation of the solvency capital requirement, on the basis of the standard formula, according to the methodology and parameters defined by the reference regulations. The analyses conducted by the Risk Management function show the adequacy of the standard formula for the assessment of the Group's risk profile.
The Group's risk profile also includes those risks not measured by the standard formula, but in any event monitored and managed under the risk management and control system.

LIFE BUSINESS - QUALITATIVE INFORMATION

The main risk factors of the life insurance portfolio (Banco BPM Vita and Vera Vita) are linked to underwriting risks.
Underwriting risk is the risk relating to underwriting insurance contracts, associated with the events covered, the processes followed for the pricing and selection of risks, the unfavourable performance of the actual loss ratio compared to that estimated (underwriting risk) and the quantification of insufficient technical reserves with respect to the commitments undertaken towards policyholders and injured parties (reserve risk).

This risk can be divided into the following types:

- Mortality risk, namely the risk of losses or unfavourable changes in the value of insurance liabilities, deriving from a change in the level, trend or volatility of mortality rates, in the event that an increase in mortality leads to an increase in technical reserves;
- Longevity risk, which concerns the risk of losses, or adverse changes in the value of insurance liabilities, deriving from a change in the trend or volatility of mortality rates, where a decrease in mortality leads to an increase in reserves;
- Disability/morbidity risk, which is the risk of losses, or adverse changes in the value of insurance liabilities, deriving from a change in the level, trend or volatility of disability and morbidity rates. The Insurance Group is not exposed to this type of risk;
- Lapse risk, namely the risk of loss or change in insurance liabilities due to a change in the exercise rates of this option by the policyholders;

- Expense risk, which regards the risk of loss or unfavourable change in the value of insurance liabilities, resulting from changes in the level, trend or volatility of the expenses incurred with relation to the management of insurance contracts;
- Revision risk, which represents the risk of an unfavourable change in the value of liabilities, deriving from fluctuations in the level, trend or volatility of the annuity revision rates. The Insurance Group is not exposed to this type of risk;
- Catastrophe risk, namely the risk of loss or unfavourable change in the value of insurance liabilities, deriving from the significant uncertainty of the assumptions relating to the determination of premiums and the establishment of reserves in relation to the occurrence of extreme and exceptional events linked to natural events or those caused by man.

The Insurance Group is also exposed to the health underwriting risk, connected with the obligations envisaged in insurance policies against accidents and disease; however, this is marginal.
The health underwriting risk includes exclusively:

- Premium risk: this represents the risk connected to the contracts to be signed in the following year and to the contracts still in force at the valuation date, namely the risk that the premiums relating to the new contracts plus the premium reserve are not sufficient to cover the cost of claims plus expenses generated by contracts;
- Reserve risk: represents the risk associated with fluctuations in claim settlements both in terms of timing and amount. It therefore refers to the risk of an insufficient amount in the claims reserve set aside at the valuation date with respect to a time horizon of one year.

LIFE BUSINESS - QUANTITATIVE INFORMATION

The risk module includes the risks associated with all types of life insurance contracts, with the exception of health insurance contracts. The Group determines the capital requirement for Life underwriting risk by aggregating, through the correlation coefficients of the Standard Formula, the SCRs determined for each of the sub-modules (Mortality Risk, Longevity Risk, Lapse Risk, Expense Risk, Catastrophe Risk). The calculation of the capital requirements for the risk sub-modules that impact the balance sheet of the Companies is obtained, in line with that described in the Delegated Acts, through the use of the Scenario Based approach.
This assessment shows that the exposure to the risk of massive surrender (Lapse Mass Risk) contributes predominantly to the Life underwriting risk before the division between the sub-modules as shown in the table below:

	% Weight on Underwriting SCR	% Weight on overall SCR
Mortality risk	5.8%	2.7%
Longevity risk	1.5%	0.7%
Disability-morbidity risk	0.0%	0.0%
Lapse risk	91.6%	43.1%
Expense risk	12.8%	6.0%
Revision risk	0.0%	0.0%
Catastrophe risk	2.1%	1.0%

The concentration of gross direct premiums broken down by Class I, Class III and Class VI as at 31 December 2025, with reference to the Life business of the Insurance Group is shown below.

Gross premium	31/12/2025	%
CLASS I	2,304,714	56.0%
CLASS III	1,808,089	44.0%
CLASS VI	253	0.0%
Total	**4,113,056**	**100.0%**

3.2 FINANCIAL RISKS

LIFE BUSINESS - QUALITATIVE INFORMATION

When conducting its Life business, the Insurance Group is required to invest the premiums collected in a variety of financial assets, mostly long-term, with the main objective of guaranteeing the return expected by policyholders, honouring its future commitments. The main risks to which the various companies are exposed, therefore, derive from market risks, which may result in losses or unfavourable changes in the financial situation due to fluctuations in the market value of the assets in the financial statements.

Market risks can be divided into the following types:

- Interest rate risk: derives from unfavourable changes and the volatility of interest rates;
- Equity risk: reflects possible unfavourable changes in the level and volatility of the market value of financial instruments and capital;
- Real estate risk: reflects possible adverse changes in the level and volatility of real estate market prices;
- Currency risk: derives from adverse changes in the level and volatility of currency exchange rates;
- Spread risk: depends on the sensitivity of the value of the assets to changes in the level or volatility of corporate securities, covered bonds, structured bonds, derivatives or bonds issued by sovereign countries with respect to the structure at maturity of risk-free interest rates;
- Concentration risk: derives from an expected change in the value of exposures towards issuers, on which there is an accumulation of exposure with the same counterparty or with a group of interconnected parties belonging to the same sector or to the same geographical area.

With regard to market risks, the various companies do not use any specific mitigation techniques, but rather monitor these risk factors through the calculation and subsequent control of risk indicators defined in the Risk Appetite Framework (RAF).

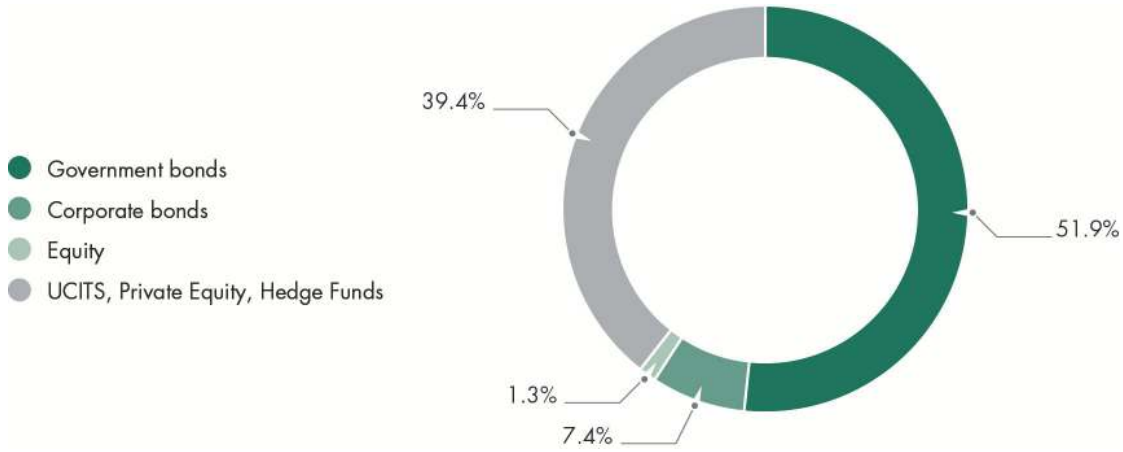
In particular, given the breakdown of the assets portfolio, the Insurance Group is mainly exposed to Equity risk, Spread risk and exposure to Italian government bonds.

LIFE BUSINESS - QUANTITATIVE INFORMATION

Note that the data contained in the tables of this section have been taken from the financial statements of the Group's insurance companies. These figures may differ from the actual contribution of the companies to the respective items of the consolidated financial statements due to consolidation entries (PPA) and the elimination of intercompany balances.

The following table shows the breakdown by asset class of the investment portfolio relating to the life business as at 31 December 2025.

Financial assets	**31/12/2025**	**%**
Government bonds	9,906,653	51.9%
Corporate bonds	1,403,019	7.4%
Equity	251,179	1.3%
UCITS, Private Equity, Hedge Funds	7,510,749	39.4%
Total	**19,071,600**	**100.0%**



Analysing the breakdown of the securities portfolio, it should be noted that the percentage weight of investments in government bonds is absolutely predominant, standing at over 50%, and is followed by investments in investment fund units, whose weight is equal to over 39%. With reference to the latter type of assets, note that most of these instruments are related to unit-linked products marketed by the various insurance companies.

Below is a breakdown of financial assets mandatorily measured at fair value (included in item 20 c) of Balance Sheet assets) both by product (table A) and by debtor/issuer (table B):

Table A Items/Amounts	**Total 31/12/2025**		
	L1	**L2**	**L3**
1. Debt securities	524,989	497,317	-
1.1 Structured securities	-	29,126	-
1.2 Other debt securities	524,989	468,191	-
2. Equity instruments	250,773	-	-
3. UCIT units	7,204,658	-	359,599
4. Loans	-	-	12,019
4.1 Repurchase agreements	-	-	-
4.2 Other	-	-	12,019
Total	**7,980,420**	**497,317**	**371,618**

L1 = Level 1
L2 = Level 2
L3 = Level 3

Table B Items/Amounts	Total 31/12/2025
1. Equity instruments	**250,773**
of which: banks	-
of which: other financial companies	-
of which: non-financial companies	-
2. Debt securities	**1,022,307**
a) Central Banks	428,035
b) Public Administrations	26,302
c) Banks	515,156
d) Other financial companies	7,045
of which: insurance companies	7,045
e) Non-financial companies	45,769
3. UCIT units	**7,564,257**
4. Loans	**12,019**
a) Central Banks	-
b) Public Administrations	-
c) Banks	12,019
d) Other financial companies	-
of which: insurance companies	-
e) Non-financial companies	-
f) Households	-
Total	**8,849,356**

Lastly, the breakdown of financial assets measured at fair value through other comprehensive income (included in item 30 of Balance Sheet assets) is provided both by product (Table C) and by debtor/issuer (Table D):

Table C Items/Amounts	Total 31/12/2025		
	L1	L2	L3
1. Debt securities	10,143,490	-	143,838
1.1 Structured securities	-	-	-
1.2 Other debt securities	10,143,490	-	143,838
2. Equity instruments	406	-	-
3. Loans	-	-	-
Total	**10,143,896**	**-**	**143,838**

L1 = Level 1
L2 = Level 2
L3 = Level 3

Table D Items/Amounts	Total 31/12/2025
1. Debt securities	**10,287,328**
a) Central Banks	84,728
b) Public Administrations	9,323,405
c) Banks	-
d) Other financial companies	879,195
of which: insurance companies	-
e) Non-financial companies	-
2. Equity instruments	**406**
a) Banks	-
b) Other issuers:	406
- other financial companies	-
of which: insurance companies	-
- non-financial companies	-
- other	406
3. Loans	**-**
a) Central Banks	-
b) Public Administrations	-
c) Banks	-
d) Other financial companies	-
of which: insurance companies	-
e) Non-financial companies	-
f) Households	-
Total	**10,287,734**

3.3 OTHER RISKS

Liquidity risk

QUALITATIVE INFORMATION

Liquidity risk is the risk deriving from the inability to efficiently meet expected and unexpected cash commitments, or to be able to meet them only through access to the credit market at adverse conditions or by liquidating financial assets at a considerable discount.

The governance of liquidity risk, over a short/medium-term time horizon, ensures that an adequate level of resources is maintained, with a view to guaranteeing all the commitments to which the Insurance Group is called upon to meet, also through risk maintenance policies and appropriate mitigation techniques for the same.
Liquidity risk management includes the assessment of the various elements that influence the liquidity requirement, including any misalignment of cash inflows and outflows of both assets and liabilities, including expected cash flows for direct insurance transactions and for reinsurance, the quantification of potential costs or financial losses deriving from a forced transaction, etc. The continuous monitoring of the various cases makes it possible to identify the global liquidity requirement in the short and medium-term, with the aim of guaranteeing the necessary requirement, including a liquidity reserve that is well matched with relation to total assets, able to meet any possible unforeseen events.
The governance of liquidity risk therefore takes into consideration both the needs related to core and non-core operating processes and investments. The analysis and monitoring of this risk is carried out periodically, taking into consideration liquidity needs in the short-term (three months after the monitoring date) and in the medium-term (beyond the following three months). Liquidity risk is one of the significant risk areas in the Company's Risk Appetite Framework (RAF), for which a monitoring is carried out periodically that envisages tolerance and capacity thresholds to which well-defined governance processes are linked within the RAF towards the internal bodies, including the Board of Directors.

This risk is managed by also considering the indications resulting from the management of assets and liabilities (ALM).

Furthermore, the Group's Italian Companies monitor liquidity risk also through periodic reporting to the Supervisory Authority, where required by ad hoc surveys.

QUANTITATIVE INFORMATION

Undiscounted/discounted net cash flows of insurance contracts issued and reinsurance that are liabilities: time distribution

Items/Time bands	Up to 1 year	From over 1 year to 2 years	From over 2 years to 3 years	From over 3 years to 4 years	From over 4 years to 5 years	Over 5 years	Total
Life business segment							
1. Insurance contracts issued with direct participation features	1,365,160	1,734,417	1,810,319	1,856,727	1,432,126	7,615,336	**15,814,085**
2. Investment contracts issued with discretionary participation features	-	-	-	-	-	-	**-**
3. Insurance contracts issued without direct participation features	-	(2,005)	(1,627)	(1,301)	(1,032)	1,416	**(4,549)**
4. Reinsurance	-	129	189	241	283	4,337	**5,179**
Non-Life business segment							
1. Insurance contracts issued	-	-	-	-	-	-	**-**
2. Reinsurance	-	-	-	-	-	-	**-**

Insurance contracts issued and reinsurance that are liabilities with surrender clauses: amounts payable on demand and book value

Items/Amounts	Amounts payable on demand	Book values
1. Insurance contracts issued with direct participation features	12,772,844	13,965,545
2. Investment contracts issued with discretionary participation features	-	-
3. Insurance contracts issued without direct participation features	-	661
4. Reinsurance	-	-

Items/Time bands	Up to 1 year	From over 1 year to 2 years	From over 2 years to 3 years	From over 3 years to 4 years	From over 4 years to 5 years	From over 5 years to 10 years	Over 10 years	Unlimited duration
A. On-balance sheet assets	**1,987,358**	**1,103,290**	**1,072,579**	**1,193,864**	**1,804,807**	**3,381,600**	**3,101,639**	**7,723,786**
A.1 Related to insurance contracts issued with direct participation features	**1,640,246**	**1,019,367**	**913,242**	**1,084,920**	**1,689,342**	**3,315,536**	**3,100,551**	**4,389,355**
A.1.1 Government securities	746,227	437,937	314,552	367,207	760,320	1,088,717	1,552,571	-
A.1.2 Other debt securities	880,767	581,430	598,690	717,713	929,022	2,226,819	1,547,980	-
A.1.3 Other financial assets	13,252	-	-	-	-	-	-	4,389,355
A.2 Other on-balance assets	**347,112**	**83,923**	**159,337**	**108,944**	**115,465**	**66,064**	**1,088**	**3,334,431**
A.2.1 Government securities	75,277	22,921	93,392	56,723	51,408	46,713	1,088	-
A.2.2 Other debt securities	224,285	59,446	63,811	39,826	52,720	19,042	-	-
A.2.3 Loans	1,358	1,556	2,134	12,395	11,337	309	-	-
A.2.4 Other financial assets	46,192	-	-	-	-	-	-	3,334,431
B. On-balance sheet liabilities	**10,619**	**109,615**	**6,142**	**6,126**	**106,126**	**2,115**	**-**	**8,000**
B.1 Participating financial instruments	-	-	-	-	-	-	-	-
B.2 Subordinated liabilities	5,703	5,703	5,719	5,703	105,703	-	-	-
B.3 Debt securities	-	-	-	-	-	-	-	-
B.4 Other financial liabilities	4,916	103,912	423	423	423	2,115	-	8,000
C. Financial derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- Long positions	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-
Total	**1,976,739**	**993,675**	**1,066,437**	**1,187,738**	**1,698,681**	**3,379,485**	**3,101,639**	**7,715,786**
- Long positions	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- Short positions	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Operational risk

Operational risk is the risk of losses deriving from inefficiencies of people, processes and systems, including those used for online sales, or from external events, such as fraud or the activity of external suppliers. In general, operational risks may also have effects on reputational aspects, therefore the management of operational risks is also considered to potentially impact the mitigation of reputational risks.

Operational risk management at individual insurance company level is carried out through the identification and qualitative and, if possible, quantitative assessment, on an annual basis, of the various categories of operational risk. Depending on the frequency and impact of the event, the various operational risk factors identified are quantified on the basis of a standardised scale of values, envisaging the implementation of appropriate risk mitigation activities where necessary.

The monitoring of operational risks is also carried out by collecting data on the operating losses of the Insurance Companies: this activity and the data collected therein contribute to the corresponding monitoring activities carried out at Group level.
The monitoring of operational risks also includes IT and security risks, carried out through methods shared with the Group and tailored to the operating specificities of the Insurance Companies in compliance with the required regulatory standards.
The aim is to contain operational risk through the adoption of adequate operating processes and through the rapid enforcement of any recommendations deriving from the review activities carried out by the control functions.

Sustainability risks

Sustainability risk is defined as an environmental, social or governance event or condition that, if it occurs, could cause a significant actual or potential negative impact on the financial position of the Insurance Company.
The exposure of Life Insurance Companies to sustainability risks, in particular climate risks, is not very significant in the short-term and is mainly due to potential Transition risks on the asset portfolio.

In light of the above, the following table shows the overall breakdown of the Solvency Requirement of the Insurance Group as at 31 December 2025, based on that provided to the European Insurance and Occupational Pensions Authority (EIOPA) in response to the Financial Stability survey.

(in millions of euro)	**31/12/2025**
Market risk	384
Counterparty Default Risk	11
Life Risk	225
Health Risk	1
Diversification Effects	(126)
Total BSCR Net	**495**

In this regard, note that it cannot be excluded that the final results of the Solvency II data process, which is expected to be concluded by mid-May 2026, may lead to a more accurate estimate of the amounts.

Section 4 - Other company risks

No significant additional risks are reported for the remaining companies falling within the consolidation scope that are not part of the Banking Group or of insurance companies. As regards the Group's real estate companies, including those acquired following credit restructuring arrangements, note that the book value at which said real estate is recognised is consistent with the value stated in specific appraisals and valuations. For an illustration of the Group's valuation policies and methods, please refer to "Part A - Accounting policies, A.4, Non-financial assets measured at fair value on a recurring basis" of these Notes to the consolidated financial statements.
The risk of impairment of real estate assets is in any event covered by a specific capital requirement, in terms of credit risk, which the Group calculates in accordance with regulatory methods. Furthermore, the Risk Function uses internal operational methods to check the adequacy of the regulatory capital requirement vis-à-vis real estate risk on a quarterly basis.

PART F – INFORMATION ON CONSOLIDATED SHAREHOLDERS' EQUITY

Section 1 - Consolidated shareholders' equity

A. QUALITATIVE INFORMATION

The Group's shareholders' equity consists of the sum of the balances of the following balance sheet liability items:

- Share capital
- Share premium reserve
- Reserves
- Advances on dividends
- Valuation reserves
- Equity instruments
- Own shares
- Profit (loss) for the year.

B. QUANTITATIVE INFORMATION

Consolidated shareholders' equity as at 31 December 2025 amounted to 15,585.2 million (of which 15,504.7 million for the Group and 80.5 million for non-controlling interests), showing a net increase of 565.8 million compared to the 14,604.0 million (of which 14,603.9 million for the Group and 0.1 million for non-controlling interests) recorded for consolidated shareholders' equity as at 31 December 2024.

B.1 Consolidated book value of shareholders' equity: breakdown by business type

Shareholders' equity items	Prudential consolidation	Insurance companies	Other businesses	Consolidation cancellations and adjustments	Total
1. Share capital	7,101,716	179,125	4,010	(183,089)	7,101,762
2. Share premium reserve	80,511	-	697	(531)	80,677
3. Reserves	4,996,524	716,359	53,838	(767,360)	4,999,361
3.5. (Advances on dividends)	(691,552)	-	-	-	(691,552)
4. Equity instruments	1,787,145	-	-	-	1,787,145
5. (Own shares)	(67,510)	-	-	-	(67,510)
6. Valuation reserves:	272,490	(10,343)	106	10,244	272,497
- Equity instruments designated at fair value through other comprehensive income	330,202	305	-	-	330,507
- Hedges of equity instruments designated at fair value through other comprehensive income	-	-	-	-	-
- Financial assets (other than equity instruments) measured at fair value through other comprehensive income	(298,142)	23,751	-	-	(274,391)
- Property, plant and equipment	359,739	-	-	-	359,739
- Intangible assets	-	-	-	-	-
- Foreign investment hedges	(1,500)	-	-	-	(1,500)
- Cash flow hedges	(9,150)	-	-	-	(9,150)
- Hedging instruments (non-designated items)	-	-	-	-	-
- Exchange rate differences	12,350	-	-	-	12,350
- Non-current assets and disposal groups held for sale	-	-	-	-	-
- Financial liabilities designated at fair value through profit and loss (changes to its own credit risk)	(56,130)	-	-	-	(56,130)
- Actuarial gains/(losses) on defined benefit pension plans	(54,147)	38	106	(3)	(54,006)
- Shares of valuation reserves related to interests in associates and joint ventures carried at equity	(10,732)	-	-	10,247	(485)
- Revenues or costs of a financial nature relating to insurance contracts issued	-	(34,437)	-	-	(34,437)
- Revenues or costs of a financial nature relating to reinsurance	-	-	-	-	-
- Special revaluation laws	-	-	-	-	-
7. Profit (loss) for the year (+/-) attributable to the Group and non-controlling interests	2,102,511	59,139	(26,530)	(32,337)	2,102,783
Total	**15,581,835**	**944,280**	**32,121**	**(973,073)**	**15,585,163**

B.2 Valuation reserves for financial assets measured at fair value through other comprehensive income: breakdown

Asset/Amounts	Prudential consolidation		Insurance companies		Other businesses		Consolidation cancellations 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	60,523	(359,252)	280,334	(230,717)	-	-	-	-	340,857	(589,969)
2. Equity instruments	229,875	(38,081)	441	-	-	-	-	-	230,316	(38,081)
3. Loans	875	(288)	-	-	-	-	-	-	875	(288)
Total 31/12/2025	**291,273**	**(397,621)**	**280,775**	**(230,717)**	**-**	**-**	**-**	**-**	**572,048**	**(628,338)**
Total 31/12/2024	**141,350**	**(588,802)**	**1,011,141**	**(699,733)**	**-**	**-**	**-**	**-**	**1,152,491**	**(1,288,535)**

B.3 Valuation reserves for financial assets measured at fair value through other comprehensive income: annual changes

	Debt securities	Equity instruments	Loans
1. Opening balance	**(508,970)**	**57,475**	**4,043**
2. Positive changes	**233,335**	**144,078**	**1,709**
2.1 Fair value increases	134,321	143,965	1,709
2.2 Credit impairment losses	1,009	X	-
2.3 Reclassification to income statement of negative reserves from disposal	84,202	X	-
2.4 Transfers to other shareholders' equity components (equity instruments)	-	113	-
2.5 Other changes	13,803	-	-
3. Negative changes	**(23,094)**	**(9,759)**	**(5,165)**
3.1 Fair value decreases	(14,878)	(3,315)	(5,165)
3.2 Credit recoveries	(1,404)	-	-
3.3 Reclassification to income statement of positive reserves: from disposal	(6,662)	X	-
3.4 Transfers to other shareholders' equity components (equity instruments)	-	(6,444)	-
3.5 Other changes	(150)	-	-
4. Closing balance	**(298,729)**	**191,794**	**587**

B.4 Valuation reserves for defined benefit plans: annual changes

	31/12/2025
1. Opening balance	**(59,022)**
2. Positive changes	**9,169**
2.1 Gains from changes in financial assumptions	5,947
2.2 Other actuarial gains	2,525
2.3 Other changes	697
3. Negative changes	**(4,153)**
3.1 Losses from changes in financial assumptions	-
3.2 Other actuarial losses	(1,891)
3.3 Other changes	(2,262)
4. Closing balance	**(54,006)**

Section 2 - Own funds and capital ratios

Please see the information on own funds and capital adequacy found in the document "Disclosure to the Public by Entities (Pillar III)", available on the website www.gruppo.bancobpm.it.

PART G – BUSINESS COMBINATIONS REGARDING COMPANIES OR DIVISIONS

Section 1 - Transactions carried out during the year

1.1 Business combinations

Anima Holding purchase transaction

As illustrated in the section dedicated to the significant events of the year in the Consolidated report on operations, following the public tender offer (OPA) for Anima Holding S.p.A. (hereinafter also "Anima Holding"), launched in November 2024 by Banco BPM Group, through the subsidiary Banco BPM Vita, on 11 April 2025, the transaction was completed for the purchase of 221,067,954 shares conferred to the public tender offer, representing 67.976% of the share capital of Anima Holding. The total disbursement made by the Group was equal to 1,547.5 million.
The transaction resulted in the acquisition of control of Anima Holding, pursuant to accounting standard IFRS 10, with the consequent line-by-line consolidation of the company and its subsidiaries, starting from the second quarter of 2025.
Taking into account the interest already held in the share capital of Anima Holding, as at 31 December 2025, Banco BPM Group - through the subsidiary Banco BPM Vita, to which the 21.973% interest previously held by Banco BPM S.p.A. had been transferred - holds a total of 292,527,616 shares, corresponding to an interest of 89.949% in the share capital of Anima Holding.

The scope of consolidation of the acquired company includes, in addition to the parent company Anima Holding, the following companies:

- Anima SGR S.p.A. ("Anima SGR"): 100% direct subsidiary;
- Anima Alternative SGR S.p.A. ("Anima Alternative"): 100% direct subsidiary;
- Castello SGR S.p.A. ("Castello SGR"): 80% direct subsidiary;
- Vita S.r.l. ("Vita S.r.l."): 60.84% subsidiary, indirectly controlled through Castello SGR, which holds 76.05%;
- Kairos Partners SGR S.p.A., ("Kairos SGR"): 100% direct subsidiary.

This section illustrates the accounting aspects of the business combination resulting from the acquisition of control of Anima Holding and its subsidiaries.

Accounting treatment pursuant to "IFRS 3 - Business combinations"

For accounting purposes, the purchase of Anima Holding and, indirectly, of its subsidiaries, is classified as a business combination, pursuant to the provisions of IFRS 3, which envisages the application of the purchase method.
In compliance with this standard, the acquiring entity is required to identify the acquisition date, as well as to determine and allocate the cost of the business combination to the identifiable assets acquired and the identifiable liabilities assumed. Identifiable assets also include any intangible assets that were not previously recognised in the financial statements of the acquired company, while liabilities also include contingent ones. These elements are measured at fair value at the acquisition date, according to the Purchase Price Allocation (PPA) process. Non-current assets (or disposal groups) classified as held for sale pursuant to IFRS 5, which are instead recognised at fair value net of costs to sell, are excluded from this criterion.
The minority interests in the acquired company may alternatively be recognised, in proportion to the share of the minority interest in the identifiable net assets of the acquired company rather than to the relative fair value.
In addition, for business combinations carried out in several phases ("step acquisition"), in which the acquirer already held an interest in the acquired company before obtaining control, IFRS 3 requires that, at the date of acquisition, the interest previously held is measured at fair value.
The difference with respect to the previous book value is charged to the income statement. The transition from the method of accounting at equity to line-by-line consolidation is in fact considered an economically significant event, comparable to a sale of the pre-existing interest at fair value and its immediate repurchase at the same value.
The surplus between the consideration transferred for the acquisition of control - including the value of the minority interests, as illustrated above, and the fair value of the interest already held by the acquirer - and the fair value of the assets and liabilities acquired, must be recognised as goodwill. If, on the other hand, the fair value of the net assets acquired exceeds the cost of the business combination, the difference is recognised in the income statement as income

resulting from the purchase at favourable conditions (badwill), subject to a new measurement aimed at ascertaining the correct identification and measurement of all the assets acquired and the liabilities assumed.
Lastly, IFRS 3 envisages that the final recognition of the business combination must be completed within a maximum period of twelve months from the acquisition date[1].
For further details on the accounting treatment of business combinations, please refer to paragraph "16 – Other information, Business combinations, goodwill and changes in interest holdings" contained in "Part A – Accounting policies, A.2 – Key financial statement items" in these Notes to the financial statements.

Date of the business combination of Anima Holding

After having identified Banco BPM Vita as the acquirer, IFRS 3 requires that the acquisition date be determined, i.e. the date on which the acquirer actually obtains control of the acquired party.
The date of acquisition of control represents the initial date of recognition of the business combination, and consequently the date from which the economic results of Anima Holding and its subsidiaries must be included, line by line, in the consolidated financial statements of the Group. This date therefore represents an essential element for the accounting of the transaction, as it is relevant both for the determination of the fair value of the assets and liabilities acquired, and for the inclusion of the economic results of the acquired entity in the scope of consolidation.
With reference to the operation in question, the transaction was finalised on 11 April 2025, which therefore represents the date on which the Group, through its subsidiary Banco BPM Vita, acquired control of Anima Holding and its subsidiaries Anima SGR, Anima Alternative, Kairos SGR, Castello SGR and Vita S.r.l., pursuant to IFRS 10. Consequently, the date of the business combination is identified as 11 April 2025.
However, considering the unavailability of a balance sheet and income statement of Anima Holding and its subsidiaries referring specifically to the date of 11 April 2025, as well as the short period of time with respect to the end of the first quarter, for accounting purposes it was assumed that the accounting position as at 31 March 2025 represents the initial consolidation position.
This situation was appropriately adjusted to take into account the significant changes in the value of the acquired entity's shareholders' equity in the period between 1 April and 11 April 2025. In the period considered, the only significant change in value is attributable to the interest held in Monte dei Paschi di Siena, corresponding to 50,290,691 shares, classified in the accounting portfolio of "Financial assets measured at fair value through other comprehensive income". The update of the relative fair value, based on the Stock Exchange listing of 11 April, determined a negative change in valuation reserves of 56.5 million (52.7 million net of the related tax effect), which was therefore considered for the purposes of determining shareholders' equity at the date of the combination.
In light of the above, the contribution to the income statement of Anima Holding and its subsidiaries is included in the consolidated financial statements, line by line, starting from 1 April 2025. With regard to the first quarter of 2025, the economic contribution of the interest - held in said period to the extent of 21.973% and qualified as an interest in associates - is instead recognised in income statement item "250. Gains (losses) of associates and joint ventures".

Overall cost of the combination (including non-controlling interests)

The total cost of the combination of Anima Holding (and subsidiaries) is equal to the sum of the fair value of the consideration transferred, the fair value of the interest already held and the non-controlling interests.

Consideration transferred for the purchase of the shares participating in the Public Tender Offer

With reference to the acquired interest, equal to 67.976% of the share capital of Anima Holding, the consideration to be considered for the purposes of the Purchase Price Allocation process ("PPA") amounts to 1,448.0 million. This amount corresponds to the overall price paid for the 221,067,954 shares conferred to the public tender offer, of 1,547.5 million, net of the dividend resolved by the shareholders' meeting of Anima Holding on 31 March 2025 and recognised as a receivable intended for immediate recovery on the payment date, of 99.5 million.

[1] IFRS 3§ 45, provides that the measurement period within which to obtain the information needed to carry out the fair value measurement of the net assets acquired - and therefore to complete the process of allocation of the business combination - ends as soon as the acquirer has received all the necessary information at the acquisition date, or has ascertained that it is not possible to obtain further information for the measurement at fair value of the assets acquired. In any event, the measurement period may not exceed one year from the acquisition date.

Revaluation at fair value of the interest previously held by the Group

In light of the accounting treatment illustrated in the previous paragraphs, the transaction in question qualifies as a business combination performed in various steps (step acquisition), as the Group already held an interest of 21.973% in the share capital of Anima Holding before acquiring control.
The measurement at fair value of the interest previously held, equal to 468.1 million, has resulted in the recognition of a positive economic effect of 205.6 million, recognised in income statement item "250. Gains (losses) of associates and joint ventures" (201.8 million net of the tax effect). It should be noted that the measurement at fair value was carried out by referring to the price of the public tender offer, equal to 7 euro per share, net of the dividend, equal to 0.45 euro per share. This approach is consistent with the book value of the interest in the consolidated financial statements, determined according to the equity method, which has already been reduced by the effect resulting from the distribution of the dividend resolved by the investee. In fact, in the consolidated financial statements, the profits that have contributed to the formation of dividends had already been included in the value of the interest in previous years, through the recognition of the share of the economic result due.

Measurement of non-controlling interests

Pursuant to IFRS 3, para. 19, for each business combination, the minority interests in the acquired company may be recognised either:

- at fair value, leading to the recognition of goodwill, also including the portion attributable to non-controlling interests (so-called full goodwill); or
- in proportion to the share of the minority interest in the identifiable net assets of the acquired company: with the consequent recognition of goodwill limited to just the portion pertaining to the Group ("partial goodwill").

The choice between the two methods can be made per individual transaction, on a transaction-by-transaction basis, without obligations of consistency with previously completed business combinations.
With reference to the Anima Holding business combination, the Group opted to measure non-controlling interests in proportion to the respective share in the identifiable net assets of Anima Holding and its subsidiaries. In line with this option, the goodwill recognised in the consolidated financial statements of Banco BPM Group refers only to the portion of Anima Holding (and its subsidiaries) held by the Group.
In particular, the total value of the non-controlling interests, totalling 45.6 million, represents the share of non-controlling interest in the fair value of the identifiable net assets of Anima Holding, equal to 10.051%, as well as the non-controlling shares in the subsidiaries Castello (20%) and Vita S.r.l. (39.16%).

Purchase Price Allocation (PPA) process

The process in question envisages that the cost of the business combination is attributed to the net identifiable assets of the acquiree, measured on the basis of the respective fair value at the acquisition date, in order to determine a residual unallocated difference, to be recognised as goodwill, if the cost of the business combination exceeds the fair value of the net assets acquired, or as income from the acquisition at favourable conditions (badwill) in the opposite case. In greater detail, IFRS 3 requires that, at the acquisition date, the difference between the overall cost of the business combination - which, as illustrated in the previous paragraph, is equal to the sum of the fair value of the consideration paid, the fair value of the interest already held and the non-controlling interests - shall be determined, along with the fair value of the identifiable net assets acquired, including contingent liabilities.

As shown in the following table, the Purchase Price Allocation process led to the recognition of goodwill of 1,550.6 million, obtained as the difference between the total cost of the acquisition, of 1,961.7 million and including the non-controlling interest, and the fair value of the identifiable net assets of Anima Holding and its subsidiaries, measured at the acquisition date and equal to 411.1 million.
In this regard, it should be noted that the pre-existing credit and debit relationships between Anima Holding and its subsidiaries and Banco BPM Group, included in the identifiable net assets acquired, will be subject to effective settlement according to the original contractual terms. These relationships had no impact on the determination of goodwill, as the relative fair value was aligned with the book value.

The allocation of the purchase cost as at 31 December 2025, as shown in the following table, is to be understood as final. In order to highlight the changes, it is compared with the provisional allocation previously made.

In particular, with respect to the provisional allocation prepared in the Interim Financial Report as at 30 June 2025, the valuations originally made were confirmed, with the exception of those relating to an intangible asset referring to a management mandate, for which further analyses were carried out, aimed at a more precise evaluation of the specific contractual characteristics. The adjustment was made on the basis of new information that emerged during the measurement period, which required a different valuation of the contract with respect to the initial estimates, with the consequent recognition of higher identifiable intangible assets for a total of 17.7 million.
Considering the relative tax effects, equal to -5.3 million, as well as the impact on non-controlling interests, equal to 1.4 million, the aforementioned revision resulted in a reduction of the residual difference attributable to goodwill of 11.1 million.
In light of the above, the goodwill determined following the definitive allocation of the cost of the business combination amounted to 1,550.6 million, compared to a value of 1,561.7 million recognised on a provisional basis.
The adjustment made did not have significant effects on the income statements as at 30 June 2025 and 30 September 2025, which therefore were not subject to restatement.

Purchase Price Allocation (PPA)	**Final PPA**	**Provisional PPA**	**Delta**
Price of the acquisition transaction (67.976%) - ex-dividend	1,447,995	1,447,995	-
Fair value of the share already held (21.973%) - ex-dividend	468,061	468,061	-
Non-controlling interests in equity of Anima Holding (10.0512%) and subsidiaries (Castello and Vita S.r.l.)	45,644	44,284	1,360
Cost of the combination including non-controlling interests (A)	**1,961,700**	**1,960,340**	**1,360**
Adjusted book value of equity of Anima Holding as at 31 March 2025(*)	**1,556,950**	**1,556,950**	**-**
- Anima Holding goodwill reversal	(1,168,200)	(1,168,200)	-
- Anima Holding client relationship reversal	(356,651)	(356,651)	-
- Anima Holding trademarks reversal	(15,715)	(15,715)	-
- reversal of taxation on the aforementioned intangible assets (goodwill, trademarks and client relationships)	63,682	63,682	-
Adjusted book value of tangible equity of Anima Holding as at 31 March 2025 (*)	**80,066**	**80,066**	**-**
+ valuation attributable to intangible assets represented by trademarks	93,900	93,900	-
+ valuation attributable to intangible assets represented by client relationships and management contracts	294,345	276,659	17,686
+ adjustment to the lower fair value of the debt represented by bond issues	15,887	15,887	-
- tax effects	(73,095)	(67,838)	(5,257)
Fair value of the acquired identifiable net assets of Anima Holding (B)	**411,103**	**398,674**	**12,429**
Goodwill (A-B)	**1,550,597**	**1,561,666**	**(11,069)**

(*) adjusted to take into account the fair value adjustments of the interest held in MPS on the basis of the prices as at 11 April 2025 (52.7 million net of tax effect).

To measure the fair value of the net assets acquired, the intangible assets already recognised in the financial statements of the investee, equal to 1,540.6 million (1,476.9 million net of taxes) were eliminated from the book value of shareholders' equity of Anima Holding and its subsidiaries. At the same time, the fair value adjustments with respect to the book values of the net assets and liabilities were recognised, on the basis of the conditions existing at the date of the business combination, also including the identifiable intangible assets previously not recognised by the investee. For more information, please refer to "Section 10 - Intangible assets – Item 100" contained in "Part B – Information on the Consolidated balance sheet" of these Notes to the financial statements.

In greater detail, the main changes made to the tangible shareholders' equity of Anima Holding and its subsidiaries, determined with the support of a leading independent expert, refer to:

- trademarks totalling 93.9 million, of which 91.4 million recognised under intangible assets with an indefinite useful life attributable to the Anima trademark. The remaining 2.5 million is attributable to the valuation of the trademarks of the subsidiaries Kairos SGR and Vita S.r.l., deemed to have a finite useful life;
- customer relationships, relating to funds placed with customers by virtue of distribution agreements and management mandates, for a total value of 294.3 million;
- adjustment to the fair value of some financial liabilities represented by bond issues, which resulted in a lower value of 15.9 million with respect to the book value determined according to the amortised cost criterion;
- tax effects related to the remeasurements referred to in the previous points, totalling -73.1 million.

There are no contingent liabilities.

The overall impact on the consolidated income statement for 2025, resulting from the reversal effect of the value adjustments of the net assets and liabilities acquired, referred to above, was negative overall for -20.3 million, net of taxes.

With regard to the costs directly related to the acquisition in question, which, pursuant to IFRS 3, must be recognised in the income statement in the periods in which they were incurred, with the exception of the cost of issuing equity instruments regulated by IAS 32, these charges totalled 12.4 million and were recognised in the income statement under item "190. b) Other administrative expenses".

For the sake of completeness, the table below shows the balance sheets of Anima Holding and its subsidiaries at the acquisition date, adjusted to take account of any changes in the reserves of the interest held in MPS, compared, by financial statement item, with the values determined at fair value, based on the PPA process.

	Book value at the acquisition date	PPA allocation to identifiable net assets	Fair value of the net assets acquired
Assets			
Cash and cash equivalents	468,539		468,539
Financial assets at fair value through profit and loss	97,301		97,301
- c) other financial assets mandatorily measured at fair value	*97,301*		*97,301*
Financial assets measured at fair value through other comprehensive income (*)	310,696		310,696
Financial assets at amortised cost	257,636		257,636
Interests in associates and joint ventures	21		21
Property, plant and equipment	26,215		26,215
Intangible assets	1,545,542	(1,152,321)	393,221
- of which goodwill recognised by Anima Holding and relative reversal	*1,168,200*	*(1,168,200)*	-
- of which client relationships recognised by Anima Holding and relative reversal	*356,651*	*(356,651)*	-
- of which trademarks recognised by Anima Holding and relative reversal	*15,715*	*(15,715)*	-
- recognition of client relationships		*294,345*	*294,345*
- recognition of trademarks		*93,900*	*93,900*
Tax assets:	25,987		25,987
- current	*6,522*		*6,522*
- deferred	*19,465*		*19,465*
Other assets	85,001		85,001
Total assets	**2,816,938**	**(1,152,321)**	**1,664,617**

	Book value at the acquisition date	PPA allocation to identifiable net assets	Fair value of the net assets acquired
Liabilities			
Financial liabilities at amortised cost	807,209	(15,887)	791,322
- due to customers	*219,397*		*219,397*
- debt securities in issue	*587,812*	*(15,887)*	*571,925*
Tax liabilities:	144,090	9,413	153,503
- current	*75,086*		*75,086*
- deferred	69,004	9,413	*78,417*
- of which tax liabilities on Anima Holding intangible assets and relative reversal	*63,682*	*(63,682)*	-
- of which tax liabilities on recognition of new intangibles		*68,397*	*68,397*
- of which tax liabilities - fair value adjustments of debt securities in issue		*4,698*	*4,698*
Other liabilities	291,984		291,984
Provisions for employee severance pay	6,732		6,732
Provisions for risks and charges	9,973		9,973
- commitments and guarantees given	*27*		*27*
- other provisions	*9,946*		*9,946*
Total liabilities	**1,259,988**	**(6,474)**	**1,253,514**
Shareholders' equity	**1,556,950**	**(1,145,847)**	**411,103**
Total liabilities and shareholders' equity	**2,816,938**	**(1,152,321)**	**1,664,617**

(*) adjusted to take into account the fair value adjustments of the interest held in MPS on the basis of the prices as at 11 April 2025 (52.7 million net of tax effect).

For the main fair value adjustments, a brief illustration of the valuation method and the relative results is provided below.

Intangible assets (item 130 of assets)

With reference to the business combination in question, the identification and measurement of intangible assets, carried out with the support of a leading independent expert, entailed the recognition, in the consolidated financial statements of Banco BPM Group, of new intangible assets for a total amount of 388.2 million, broken down as follows:

- trademarks, for 93.9 million;
- *client relationships*, for 294.3 million.

Trademarks

The valuation of trademarks was carried out through the application of the "Relief from Royalty Method", an income method widely used in the valuation practice to estimate the fair value of intangible assets of this type. This approach is based on the quantification of the economic benefit resulting from the direct ownership of the trademark, understood as the saving compared to using the same under a license agreement.
In particular, the value of the trademark was determined by applying a royalty rate of 1.74%, inferred from the analysis of comparable transactions in the reference sector, to the projections of consolidated revenues of Anima Holding for the period 2025-2028. The economic contribution thus estimated was then capitalised in perpetuity, assuming an indefinite useful life for the trademark, by discounting at the cost of equity (Ke) determined according to the Capital Asset Pricing Model (CAPM) and consistent with that used by Banco BPM Group as part of impairment testing. At the date of the business combination, the cost of equity was 9.7%.
The valuation also included the Tax Amortisation Benefit (TAB), representing the notional tax benefit deriving from the deductibility of the amortisation of the intangible asset for a potential market operator, estimated by assuming a maximum deduction in eighteen years and applying a notional marginal tax rate of Anima, equal to 29.6%.
The total value of the trademarks was mainly attributed to the Anima trademark, for an amount of 91.4 million, classified under intangible assets with an indefinite useful life; the residual portion, equal to 2.5 million, was instead allocated to the trademarks of Kairos SGR and Vita S.r.l., in line with the values already recognised in the consolidated financial statements of Anima Holding in relation to the recent acquisitions of these companies by the Anima Group.
In particular, the value attributed to the Kairos trademark, recognised in the financial statements of Kairos SGR following the acquisition of the exclusive right of use of the same from the previous parent company Kastor S.p.A. (formerly Kairos Investment Management), amounted to 1.9 million.

The value of the trademark referring to Vita S.r.l., a company indirectly controlled by Anima Holding through the subsidiary Castello SGR, is instead equal to 0.6 million. This trademark is linked to the transfer, completed in August 2024, of a division relating to the business of Halldis S.p.A., active in the property management sector and specialised in the management of the medium and short-term leasing of properties located in tourist destinations in Italy and France. With reference to Castello SGR, no trademark was recognised, as not considered strategic, also considering the historical absence of significant investments in advertising, marketing campaigns and sponsorships of the Castello trademark.

Client Relationships

In compliance with the provisions of IFRS 3, the valuation of relationships with customers concerned exclusively the relationships existing at the acquisition date, referring to the funds subscribed by customers on the basis of agreements with placement agents, as well as to contracts relating to management mandates.
Therefore, no valuation was attributed to the capacity to generate new relationships, as this capacity cannot be separated or transferred to third parties, except together with the company as a whole.
The valuation of Client Relationships was carried out using the Multi-period Excess Earnings Method (MEEM), an income method commonly adopted in valuation practices for estimating the fair value of customer-related and contract-based intangible assets. This approach is based on the estimate of future income flows attributable to the intangible assets subject to valuation over their respective expected useful life, determined by taking into account the evolution of the assets managed, the probability of termination of the relationships, the commission margins, the operating expenses and the relative notional tax effect.
The income flows thus determined were discounted at the cost of equity, equal to 9.7%, using a methodology consistent with that adopted by Banco BPM Group as part of the impairment testing of intangible assets.
The valuation also included the Tax Amortisation Benefit (TAB), representing the notional tax benefit for a potential third-party acquirer related to the deductibility of the amortisation of the intangible asset, determined on the basis of the useful life of the intangible assets and the notional marginal tax rate of Anima, equal to 29.6%.
The useful life of the Client Relationships was determined on the basis of the residual duration of the agreements in place with the placement agents or the contractual duration of the management mandates; for relationships without a defined contractual maturity, a useful life of 15 years was assumed, in line with the practice observed in comparable transactions in the asset management sector.

Debt securities in issue (item 30 of liabilities)

The estimate of the fair value of financial liabilities was carried out in compliance with the provisions of IFRS 13.
Specifically, the sub-item "Debt securities in issue" includes two bonds issued by Anima on 23 October 2019, maturing in 2026, and on 22 April 2021, maturing in 2028, respectively, recognised in the financial statements of Anima Holding on the basis of the amortised cost. The determination of the relative fair value, based on the Bloomberg listing of 31 March 2025, resulted in the recognition of a lower fair value of 15.9 million compared to the corresponding book values.

Deferred tax liabilities (item 80 of liabilities)

The tax effects related to the fair value adjustments led to the recognition of deferred tax liabilities totalling 9.4 million, attributable to:

- the reversal of the taxation recognised by Anima Holding on the intangibles recognised in its financial statements, which were derecognised as part of the PPA process for the purpose of determining tangible shareholders' equity, for an amount of -63.7 million;
- the tax effect connected to the fair value adjustments of the intangible assets recognised, represented by trademarks and client relationships, for a total of 68.4 million;
- the impact deriving from the valuation of the differences between the book values and the respective fair values of the bonds, equal to 4.7 million.

In compliance with the provisions of Bank of Italy Circular no. 262, the table below includes data relating to the entity subject to the business combination, expressed in millions of euro, whose income statement items were determined on the assumption that the transaction took place at the beginning of the current year:

Company name	Transaction date	(1)	(2)	(3)	(4)
Anima Holding S.p.A. (*)	11/04/2025	1,448.0	67.976%	6,080.9	2,120.9

(*) It should be noted that Anima Holding controls Anima SGR, Anima Alternative SGR, Kairos Partners SGR, Castello SGR, Vita S.r.l. (through Castello SGR).
Key:
(1) = Transaction cost. For the relative details, please refer to the above.
(2) = Percentage of interests acquired with voting right in the ordinary shareholders' meeting.
(3) = Total Group revenues: represents the total consolidated "Operating income" of the Reclassified Income Statement determined on the assumption that the business combination of the Anima Holding Group took place on 1 January 2025.
(4) = Group net profit/loss: represents the consolidated net profit determined by assuming that the business combination of the Anima Holding Group took place on 1 January 2025.

Business combinations between companies in the Group (business combinations under common control)

In the year, no business combinations occurred involving companies belonging to the Group.

Section 2 - Transactions carried out after the end of the year

No business combination transactions with companies outside of the Group were completed after the end of the year.

Business combinations between companies in the Group (business combinations under common control)

No business combinations between companies belonging to the Group were completed after the end of the year.

Section 3 - Retrospective adjustments

It was not necessary to recognise any retrospective adjustments.

PART H – TRANSACTIONS WITH RELATED PARTIES

1. Information on compensation to directors and executives with strategic responsibilities

This information relates to those who, directly or indirectly, have the power and the responsibility to plan, manage and control the business activities of Group companies.

The table below summarises the compensation paid to directors, statutory auditors and executives with strategic responsibilities (general managers and other executives meeting the above characteristics).

In total, 181 assignments were entrusted to 129 people (including 36 executives).

(thousands of euro)	2025	2024
Total gross compensation	**26,302**	**18,900**
of which:		
Non-executive directors and Statutory auditors	6,675	5,141
Non-employee executive directors	558	125
Employee executive directors	7,664	5,442
Employees	11,405	8,192
Short-term benefits (e.g. car, lodging, accident insurance policy, medical assistance) (*)	**352**	**223**
Post-employment benefits (e.g. pension fund, supplementary pension scheme) (*)	**304**	**233**
Employee termination benefits (e.g. provisions for employee severance pay, other benefits)	**9**	**95**

(*) The figure represents the taxable amount of the benefits.

2. Information on transactions with related parties

In accordance with the requirements established by accounting standard IAS 24, the paragraphs below illustrate the criteria applied by Banco BPM Group to identify related parties, expressed in specific company regulations:

- companies subject to significant influence and joint control: namely the entities in which the Parent Company Banco BPM or the Subsidiary entities exercise significant influence pursuant to IAS 28 or joint control pursuant to IFRS 11. In particular, these are the "Interests in companies subject to joint control and subject to significant influence" indicated under "Section 7 – Interests in associates and joint ventures – Item 70" of "Part B - Information on the Consolidated balance sheet" of these Notes to the financial statements;
- executives with strategic responsibilities: the members of the Board of Directors, the acting members of the Board of Statutory Auditors, the General Manager and the Co-General Managers of the Parent Company and the Group companies are classified as such, as well as the senior operational and executive managers of Banco BPM, identified by a dedicated board resolution, the Manager responsible for preparing the Company's financial reports, the Head of the Compliance function, the Head of the Internal Audit function of Banco BPM, any additional structure heads identified by the Board of Directors of Banco BPM and any extraordinary liquidators;
- close family members of executives with strategic responsibilities: only family members that are able to influence (or be influenced by) the party concerned in the relationship between the latter and Banco BPM or Group companies. The following are presumed to be as such, unless otherwise declared in writing by the executive, under the latter's own responsibility and containing adequate and analytical justification of the reasons that exclude any possible influence: spouses, common law spouses (including cohabitants whose status is not indicated in the family status certificate), offspring of the party, of the spouse or common law spouse, individuals dependent on the party, the spouse or common law spouse. Any other individual, which the party believes may influence them (or be influenced by them) in their dealings with Banco BPM or the other Group companies, is also a related party;
- equity interests attributable to executives with strategic responsibilities and their close relatives: the following entities are considered to be related parties, those in which executives with strategic responsibilities or their close relatives have control pursuant to Art. 2359, paragraph 1 of the Italian Civil Code, or joint control or exercise significant influence which is presumed when they hold, directly or indirectly, at least 20% of the

voting rights which can be exercised during ordinary shareholders' meetings, or 10% if the company has shares listed on organised markets;
- Group pension funds: the Pension Funds for employees of the Group and of any other related entity;
- holders of a significant interest: shareholders and the relative corporate groups (legal entities which are parent companies, subsidiaries or subject to joint control) which control the Parent Company, even jointly, or which exercise significant influence over Banco BPM, are considered related parties. As a minimum, a situation of significant influence is deemed to exist when the shareholder holds an interest with voting rights exceeding 10% of the share capital of Banco BPM. Parties not belonging to the Group who hold an interest in other Group companies greater than 20% of the voting rights that may be exercised in the ordinary shareholders' meeting, or 10% if the company has shares listed in organised markets, are also considered to be related parties;
- parties who themselves are in a position to appoint members of the Board of Directors by virtue of the articles of association or shareholders' agreements.

Financial and commercial transactions between subsidiaries and companies subject to significant influence and joint control.

Financial and commercial transactions with related parties fall within the sphere of ordinary operations and have been conducted as arm's length transactions.

Based on the scope of related parties, as identified on the basis of the criteria listed above, the tables below show the financial and economic relationships as at 31 December 2025 separately between:
- entities that exercise significant influence (point f) of the previous list);
- associated companies (point a) of the previous list);
- joint ventures (point a) of the previous list);
- executives with strategic responsibilities (point b) of the previous list);
- other related parties (points c), d), e) and g) of the previous list).

In this regard, it should be noted that the consolidated financial statements do not provide evidence of the relationships between the various Group companies (Parent Company and subsidiaries), as they are subject to cancellation at the time of consolidation.

Development of relations with related parties during the year

By virtue of the interest that Crédit Agricole S.A. acquired in Banco BPM in 2025, the following tables show the values of financial and economic relationships with "Entities that exercise significant influence over Banco BPM Group". On 11 April 2025, Crédit Agricole S.A. reported that it had increased its stake in the share capital of Banco BPM to 19.8%, by virtue of the authorisation received from the ECB at the beginning of the same month.
In this regard, it should be noted that relationships with the Crédit Agricole Group companies, which are in turn associates for Banco BPM Group, are shown, in continuity with previous years, in the column "Associated companies". In detail, these are relationships with the companies Agos Ducato and PiùVera Assicurazioni.
In addition, with the positive conclusion - on 4 April 2025 - of the voluntary public tender offer promoted by the subsidiary Banco BPM Vita S.p.A. on all the shares of Anima Holding S.p.A., as a result of which the insurance company holds, since 11 April 2025, a total of 89.949% of the share capital of Anima Holding, the latter - already a related party, together with its subsidiaries, by virtue of the associate shareholding held by Banco BPM S.p.A. - became a subsidiary of Banco BPM S.p.A. through Banco BPM Vita S.p.A.
The consequent entry of Anima Holding (and its subsidiaries) into the scope of consolidation meant that the balance sheet and income statement balances of Banco BPM Group with respect to Anima Holding (and its subsidiaries) were no longer valued as at 31 December 2025, as they were cancelled in the consolidated financial statements. Until the financial statements as at 31 December 2024, these balances were instead shown with regard to associated companies.

On the other hand, the transactions that Anima Holding and its subsidiaries have with related parties other than Group companies are included, but not valued until the financial statements as at 31 December 2024, as these companies did not belong to the Group at that time.

(thousands of euro)	Entities exercising significant influence (1)	Associated companies	Joint ventures	Executives with strategic responsibilities	Other related parties	Total	% of consolidated total
Cash and cash equivalents	14,803	-	-	-	-	14,803	0,26%
Financial assets held for trading	2,167	230	-	-	2	2,399	0,02%
Other financial assets mandatorily measured at fair value	28,924	-	-	-	-	28,924	0,27%
Financial assets measured at fair value through other comprehensive income	7,294	-	-	-	-	7,294	0,03%
Loans to banks	2	-	-	-	-	2	0,00%
Loans to customers	146,280	1,162,754	-	10,061	107,811	1,426,906	1,43%
Other asset items	702	2,661	-	-	-	3,363	0,02%
Total	**200,172**	**1,165,645**	**-**	**10,061**	**107,813**	**1,483,691**	**0,72%**

1) Authorised parties who possess a shareholding greater than 10% of the share capital.

(thousands of euro)	Entities exercising significant influence (1)	Associated companies	Joint ventures	Executives with strategic responsibilities	Other related parties	Total	% of consolidated total
Due to banks	108,907	-	-	-	-	108,907	1,64%
Due to customers	853	136,375	-	11,078	64,178	212,484	0,19%
Debt securities in issue	727,369	-	-	-	-	727,369	3,15%
Financial liabilities held for trading	272	-	-	-	-	272	0,00%
Financial liabilities designated at fair value	-	-	-	1,026	604	1,630	0,02%
Other liability items	7,675	4,959	-	230	291	13,155	0,07%
Total	**845,076**	**141,334**	**-**	**12,334**	**65,073**	**1,063,817**	**0,56%**
Guarantees given and commitments	17,176	134,581	-	1,928	8,590	162,275	0,24%

(1) Authorised parties who possess a shareholding greater than 10% of the share capital.

(thousands of euro)	Entities exercising significant influence (1)	Associated companies	Joint ventures	Executives with strategic responsibilities	Other related parties	Total	% of consolidated total
Net interest income	(16,490)	60,801	-	167	(156)	44,322	1,30%
Net fee and commission income	(23,776)	272,571	-	10	1,145	249,950	10,61%
Administrative expenses/recoveries of expenses	-	(14,358)	-	(16,817)	(591)	(31,766)	1,12%
Other costs/revenues	338	4,643	-	-	-	4,981	0,48%

(1) Authorised parties who possess a shareholding greater than 10% of the share capital.

Other related party transactions

The table below discloses other transactions (supplies of goods and services and transactions on real estate) entered into with the related parties shown in the table above under "Administrative expenses/recoveries of expenses", in correspondence with "executives with strategic responsibilities" and "other related parties".

	Purchases and sales of goods and services	Rental income	Rental expense
a) Directors	-	-	-
b) Executives with strategic responsibilities	-	-	-
c) Close family members of the parties in letters a) and b)	-	-	-
d) Subsidiary, associated company or subject to significant influence by the parties in letters a) and b)	716	179	-

Other information

In regard to paragraph 8 of Art. 5 Disclosures to the public on related party transactions of CONSOB Regulation containing provisions for related-party transactions (adopted by CONSOB with resolution no. 17221 of 12 March 2010 as amended), the following paragraphs illustrate the most important transactions conducted in 2025, as well as those that are less important yet particularly significant[1].

Contribution for future share capital increases to Banco BPM Vita as part of the voluntary public tender offer by Banco BPM Vita aimed at acquiring all of the shares of Anima Holding

In November 2024, the Boards of Directors of Banco BPM and Banco BPM Vita approved the terms of the voluntary public tender offer (hereinafter, the "Offer" or "Anima Public Tender Offer") promoted by Banco BPM Vita (hereinafter "Banco BPM Vita" or the "Offeror"), aimed at acquiring all of the ordinary shares of Anima Holding, at the price of Euro 6.20 per share, less the shares held by Banco BPM, and including own shares, as well as any shares issued, by the end of the period of subscription to the Offer, as part of the remuneration plans in place based on financial instruments. Banco BPM irrevocably committed to providing Banco BPM Vita with the financial resources necessary to complete the Offer, through a payment for a future capital increase up to a maximum of 2,026.1 million, a figure that includes both the disbursement for all the shares subject to the Offer (1,583.1 million) and that for the shares held by Banco BPM (443.0 million).
Subsequently, on 11 February 2025, the Board of Directors of Banco BPM approved convening the Ordinary Shareholders' Meeting to resolve on the authorisation to allow the Offeror to proceed with a resolution to increase the price offered per share from Euro 6.20 (cum dividend) to Euro 7.00 (cum dividend) and to be able to waive, in whole or in part, any conditions of effectiveness of the Offer not yet met. At the same time, the amendment of the letter of intent between Banco BPM and Banco BPM Vita was approved, so as to make the necessary funds available to the subsidiary, subject to the approval of the Shareholders' Meeting, to increase the maximum total value up to 1,776.3 million.
In implementation of the above resolutions, on 10 March 2025, Banco BPM, in order to make available to Banco BPM Vita the financial resources necessary for payment of the consideration for each Anima Holding share used to subscribe to the Offer and the purchase of the interest held by Banco BPM in Anima Holding, at the end of the subscription period (which started on 17 March 2025 and ended on 4 April 2025), made a payment to the Offeror for a future share capital increase for an aggregate amount of 2,276.5 million.
Subsequently (i) on 11 April 2025 Banco BPM Vita finalised the payment of the price for each of the total 221,067,954 shares of Anima Holding tendered, corresponding to 89.95% of the share capital of Anima Holding, and (ii) on 17 June 2025, proceeded with the return to Banco BPM of the residual amount of 356.5 million, corresponding to the difference between the amount of the payment of 2,276.5 million (received on 10 March 2025) and the effective requirement, equal to 1,920.0 million, also taking into account the dividend distributed by Anima Holding, also necessary to maintain an adequate level of individual and consolidated solvency.

[1] This section shows the transactions of lesser significance resolved by the Board of Directors, for 2025, concerning: (i) framework resolutions with/between subsidiaries/associates on finance/commercial matters; (ii) mergers/demergers/transfers of divisions with/between subsidiaries; (iii) transactions other than those of the previous points (i) and (ii) for an amount equal to or greater than 300 million.

Issue by Banco BPM of investment certificates to be placed with third-party networks: (i) allocation of a maximum ceiling; (ii) commission flow for promotion and marketing activities for Banca Akros

The Board of Directors' meeting of Banco BPM on 26 November 2024 resolved the approval, for the period 1 January 2025 - 31 December 2025, of the allocation of a ceiling to be used for the issue of certificates to be placed with third-party networks outside the Group, also as private placements, addressed to customers of Banca Akros, for a maximum total amount of up to 300 million, recognising a commission flow to Banca Akros, for the same time interval, as a framework resolution pursuant to the rules on conflicts of interest, of a total amount of up to 2 million, in relation to the promotion and marketing activities: for the period January-December 2025, the ceiling was used for approximately 488 thousand.
Subsequently, the Board of Directors' meeting of Banco BPM on 25 November 2025 resolved the allocation of a maximum total ceiling of up to 300 million, to be used for the issue of certificates to be placed with third-party networks outside the Group, also as private placements, addressed to customers of Banca Akros, for the period of 1 January 2026 - 31 December 2026, recognising a commission flow to Banca Akros, for the same time interval - as a framework resolution pursuant to the rules on conflicts of interest - of a total amount of up to 1.3 million, in relation to the promotion and marketing activities.

Allocation of a maximum ceiling for the issue of "Skew Notes" to be placed with institutional investors, for the period from 1 January 2025 to 31 December 2025; commission flows to be paid to the subsidiary Banca Akros for its role as lead manager

At its meeting on 17 December 2024, the Board of Directors of Banco BPM resolved to (i) approve the allocation of a maximum ceiling of up to 300 million, intended for the issue of "Skew Notes" to be placed with institutional investors, for the period from 1 January 2025 to 31 December 2025; (ii) to approve the publication of a Drawdown Prospectus for each issue of the securities, and to avail itself of the assistance of the necessary counterparties, subject to the submission of the Drawdown Prospectus referred to above to the approval of the Luxembourg Supervisory Authority - Commission de Surveillance du Secteur Financier (CSSF); (iii) to grant, for the same time period, to the subsidiary Banca Akros, which will play the role of lead manager of the securities, with the function of identifying potential investors, a commission flow, as a framework resolution pursuant to the rules on conflicts of interest, equal to a maximum of 15 million; it should be noted that, for the period January-December 2025, the ceiling was used for approximately 8 million.

Commission flows relating to the performance of trading on own behalf, order execution on behalf of customers, receipt and transmission of orders between Banco BPM, Banca Aletti and Banca Akros

The Board of Directors of Banco BPM, at its meeting on 17 December 2024, authorised the renewal for the period 1 January - 31 December 2025, of the framework resolution concerning the performance of trading activities by Banca Akros, for which (i) Banco BPM estimated to pay the subsidiary a maximum commission flow of 14 million; (ii) Banca Aletti, in turn estimated to pay Banca Akros a maximum commission flow of 3.3 million.
Subsequently, at its meeting on 16 December 2025, the Board of Directors of Banco BPM resolved to authorise:

- the increase of the 2025 commission ceiling referred to above, for an amount of 700 thousand (raising the total ceiling to 14.7 million compared to the 14 million approved). It should be noted that for the period 1 January - 31 December 2025, approximately 14.6 million of the ceilings were used by Banco BPM and approximately 2.7 million by Banca Aletti;
- the renewal for the period 1 January - 31 December 2026, of the framework resolution concerning the performance of trading activities by Banca Akros, for which (i) Banco BPM estimates to pay the subsidiary a maximum commission flow of 15 million; (ii) Banca Aletti estimates to also pay Banca Akros a maximum commission flow of 3.3 million, for a maximum total ceiling of 18.3 million;

Banco BPM portfolio management contract with Banco BPM Invest SGR: determination of the management fees

At its meeting on 17 December 2024, the Board of Directors of Banco BPM renewed the framework resolution relating to the award to Banco BPM Invest SGR for the year 2025 of a consideration for the management of Banco BPM's portfolios equal to approximately 3.1 million; it should be noted, that for the period 1 January - 31 December 2025, the ceiling was used for approximately 2.8 million.

Updating of the outsourcing agreement with Gardant Liberty Servicing S.p.A. for the management and recovery of loans classified as bad loans (ACE Project)

At its meeting on 21 January 2025, the Board of Directors resolved to approve: (i) the updating of the outsourcing agreement in place with Gardant Liberty Servicing S.p.A., by signing the New Contractual Amendment; (ii) the recognition for the period 1 January 2025 - 31 December 2025, against a portfolio of approximately 9,530 positions, for a nominal receivable of 1.1 billion, of a commission flow in favour of the investee Gardant Liberty Servicing S.p.A. estimated at 15 million, including VAT, as a framework resolution pursuant to the rules on conflicts of interest. It should be noted that for the 1 January - 31 December 2025 period, the ceiling was entirely used.

Group's Covered Bond ("CB") issue programmes: (i) renewal of the expiry of annual ceilings for the periodic repurchase of assets sold; (ii) repurchase of ineligible assets by the SPE within the context of the Group's issue programmes

At its meeting on 21 January 2025, the Board of Directors resolved on the renewal of the annual ceilings for each CB issue programme, in order to carry out, for the period 1 January 2025 - 31 December 2025, on the basis of the criteria established in the relative programmes: (i) periodic repurchases, up to a maximum of 100 million, of receivables sold to the SPE BPM Covered Bond S.r.l.; (ii) periodic repurchases, up to a maximum of 100 million, of receivables sold to the SPE BPM Covered Bond 2 S.r.l. Please note that for 2025, the annual ceilings, as framework resolutions in accordance with rules on conflicts of interest, for the periodic repurchases of assets sold, were used for 13 million and 5.2 million, respectively.
Furthermore, the Board of Directors, at its meeting on 7 May 2025, in terms of the repurchase from the respective special purpose entities of ineligible loans, approved (i) the return to Banco BPM of the loans not eligible under the BPM CB1 Programme for a maximum amount of 50 million, excluding the UTP and Bad Loan positions already considered in the annual ceiling, with the payment of the related sale price to the SPE; (ii) the return to Banco BPM of the loans not eligible under the BPM CB2 Programme for a maximum amount of 10 million, excluding the UTP and Bad Loan positions already considered in the annual ceiling, with the payment of the related sale price to the SPE; (iii) the negotiation and signing of the Repurchase Documents.
In implementing this resolution, in May 2025, as part of both Covered Bond Issue Programmes of the Group, Banco BPM repurchased "en bloc", inter alia, a portion of loans previously transferred to the SPEs and no longer classifiable as eligible (as they had mortgage collateral that was expiring by 30 June 2025) and paid the relevant considerations to the SPEs.

Issue of investment certificates and/or bonds by Banco BPM: (i) issue ceiling; (ii) commission flow for placement activities through the Banca Aletti Network

At its meeting on 21 January 2025, the Board of Directors of Banco BPM resolved to approve a total ceiling at Group level of the maximum amount of 1,200 million, for the period 1 February 2025 - 31 January 2026, for the purposes of the issue, by Banco BPM, of investment certificates and/or bonds to be placed through (i) the Parent Company's Commercial Network for a maximum of 1,050 million and (ii) the Banca Aletti S.p.A. Network for a maximum of 150 million (of which 50 million intended for Private Placement aimed exclusively at professional customers), recognising a commission flow, in favour of the subsidiary, estimated at a maximum of 3.85 million, as a framework resolution pursuant to the rules on conflicts of interest, for placement activities carried out. Subsequently, at its meeting on 6 November 2025, the Board of Directors of Banco BPM resolved to approve, for the period 1 February 2025 - 31 January 2026, the increase of the ceiling to be placed through the Parent Company's Commercial Network for a maximum amount of 850 million (raising the total ceiling to 2,050 million compared to 1,200 million). It should be noted that for the 1 February - 31 December 2025 period, the ceiling was used for approximately 2.1 million.

Issue and placement of certificates and/or bonds issued by Banco BPM and by third parties and placed with the Group's Commercial Networks

At its meeting on 21 January 2025, the Board of Directors of Banco BPM resolved to approve, for the period 1 February 2025 - 31 January 2026, a commission flow of up to 5 million, as a framework resolution pursuant to the rules on conflicts of interest, to be paid to Banca Akros for support activities in the product governance and marketing process, in relation to the issue and placement of certificates and/or bonds issued by Banco BPM and by third-party issuers; subsequently, at its meeting on 6 November 2025, the Board of Directors of Banco BPM resolved to approve, pursuant to the framework resolution in force for the period 1 February 2025 - 31 January 2026, the increase in the

commission ceiling, to be retroceded to Banca Akros, for a maximum amount of 4.6 million (raising the total ceiling to 9.6 million compared to 5 million), for support activities in the product governance and marketing process, in relation to the issue and placement of certificates and/or Bonds issued by Banco BPM or by Third-Party Issuers. It should be noted that for the 1 February - 31 December 2025 period, the ceiling was used for approximately 7 million.

Determination of the ceiling of fees to be paid to Banca Akros for the performance of activities concerning securitisation transactions in favour of Institutional and Corporate Customers, as part of the existing outsourcing agreement

At its meeting on 27 May 2025, the Board of Directors of Banco BPM resolved to authorise, as a framework resolution pursuant to the rules on conflicts of interest, the allocation for the year 2025, and more specifically for the period 1 January - 31 December 2025, of a ceiling of 2.1 million per year to be used for the payment to the subsidiary Banca Akros S.p.A. of the consideration due to the same for the performance of securitisation activities in favour of the Bank's Institutional and Corporate Customers, under the Outsourcing agreement in place between the Parent Company and the aforementioned subsidiary. It should be noted that for the January - December 2025 period, the ceiling was entirely used.

New securitisation of loans to Small and Medium-Sized Enterprises guaranteed by the State Guarantee Fund managed by Mediocredito Centrale with BPL Mortgages S.r.l. (BPL9 Securitisation)

At its meeting on 27 May 2025, the Board of Directors of Banco BPM resolved on (i) the sale to the special purpose entity BPL Mortgages S.r.l. (SPE) of the BPL9 Portfolio, for an amount estimated at a maximum of 6.5 billion, by the end of October 2025; (ii) the issue, by the end of the fourth quarter of 2025, of the Senior Securities and the Junior Security and their subscription by Banco BPM (with it being understood that the Senior Securities may also be partially subscribed by institutional investors), the total maximum amount of which is estimated at 6.5 billion, also in compliance with the risk retention obligations pursuant to the SECR; (iii) the payment to Banco BPM by the SPE of the servicing commissions estimated at an annual amount of less than 4 million and of the fees for the performance of administrative services, estimated in total at an annual amount of approximately 25 thousand; (iv) the execution of any interest rate swap to partially or fully hedge the interest rate risk of the Senior Securities and the simultaneous subscription of a back-to-back swap between the counterparty and Banco BPM; (v) the signing of a mandate to the counterparties involved in the BPL9 Securitisation for the performance, for various reasons, of all the activities necessary for the structuring of the transaction; (vi) the negotiation and subscription of all BPL9 Contracts to which the Bank is a party, as well as any other contract, deed, document and certificate necessary or appropriate for the purposes of carrying out the BPL9 Securitisation.
In execution of this resolution, in October, Banco BPM sold a new portfolio of loans to the SPE BPL Mortgages S.r.l. deriving from mortgages granted to small and medium-sized enterprises and backed by guarantees granted by the "Fondo Centrale di Garanzia PMI" managed by Mediocredito Centrale - Banca del Mezzogiorno S.p.A., carrying out the new securitisation transaction called BPL9. To finance the purchase of the loans, in November the SPE issued Senior Notes and Junior Notes fully subscribed by Banco BPM.

Alba Leasing risk group: (i) confirmation of the ceiling; (ii) confirmation of the amount of credit facilities; (iii) new review date

At its meeting on 10 June 2025, the Board of Directors resolved to approve in favour of Alba Leasing: (i) the confirmation of the lending ceiling for direct risks at 1.1 billion; (ii) the confirmation of the amount of credit facilities of 1.1 billion, in addition to evidence risks for 15 million; (iii) the new review date as at 30 June 2026.

Merger by incorporation of Vera Vita into Banco BPM Vita: launch of the execution phase of the project

At its meeting on 30 September 2025, the Board of Directors resolved to approve the merger by incorporation of Vera Vita into Banco BPM Vita.
The transaction represents the final phase of the integration process of the insurance business launched in previous years by Banco BPM Group with the acquisition of full control of Banco BPM Vita, obtaining the status of financial conglomerate and the purchase of 100% of Vera Vita, at the same time as the definition of the strategic partnership with Crédit Agricole Assurances in the Non-Life/Protection sectors.
A key element in moving towards the merger was the IT migration of Vera Vita to systems similar to those of the merging entity Banco BPM Vita. To this end, Vera Vita had initially signed an outsourcing contract with Generali Italia for the

transitional management of services, from which it then withdrew in advance, completing the migration and full operational alignment in May 2025.
On 13 October 2025, the application for authorisation for the merger by incorporation of Vera Vita into Banco BPM Vita was submitted to IVASS. It is expected that, once the required legal authorisations have been obtained, the merger will have statutory effect from 1 May 2026, with accounting and tax effects backdated to 1 January 2026.
The merger will take place in simplified form, as Banco BPM Vita holds 100% of the share capital of Vera Vita. Therefore, no exchange ratio needs to be determined, and no payment of any cash adjustment is envisaged. In addition, with regard to the Merger, (i) there will be no increase in the share capital of Banco BPM Vita, which will therefore remain unchanged and (ii) the shares of Banco BPM Vita will maintain their rights to participate in the profits. The articles of association of the Merging company will not be changed due to the Merger. The purpose of the merger is to streamline the structure of Banco BPM Vita Insurance Group, simplifying governance, improving operating efficiency and reducing costs.

Disposals of new portfolios and repurchases of ineligible assets as part of the Group's Covered Bond (CB) issue programmes

At its meeting on 6 November 2025, the Board of Directors of Banco BPM resolved to approve: (i) the sale by Banco BPM to the SPE BPM Covered Bond S.r.l. of the BPM CB1 New Portfolio of eligible assets, consisting of residential mortgage loans, including disbursements to Group employees, and commercial mortgage loans, for an amount of approximately 850 million in the terms described, as well as the signing of the Sale Documents of BPM CB1; (ii) the sale by Banco BPM to the SPE BPM Covered Bond 2 S.r.l. of the BPM CB2 New Portfolio of eligible assets, consisting exclusively of residential mortgages, including mortgage loans disbursed by Webank and excluding disbursements to Group employees, for an amount equal to approximately 500 million in the terms described, as well as the signing of the Sale Documents of BPM CB2; (iii) the allocation of an annual ceiling for the period January - December 2026, to cover the payment by the SPE BPM Covered Bond S.r.l. to Banco BPM of the servicing fees, whose maximum total annual amount is estimated at 3.5 million; (iv) the allocation of an annual ceiling for the period January - December 2026, to cover the payment by the SPE BPM Covered Bond 2 S.r.l. to Banco BPM of the servicing fees, whose maximum total annual is estimated to be 2.5 million; (v) the return to Banco BPM of the ineligible loans under the BPM CB1 Programme, for a maximum amount of 55 million, excluding the UTP and Bad Loan positions already considered in the annual ceiling, with payment of the relative sale price to the SPE and the signing of the Repurchase Documents; (vi) the return to Banco BPM of the ineligible loans under the BPM CB2 Programme, for a maximum amount of 15 million, excluding the UTP and Bad Loan positions already considered in the annual ceiling, with payment of the relative sale price to the SPE and the signing of the Repurchase Documents.
In implementing this resolution, in November, Banco BPM organised (i) the sale of a new portfolio of eligible assets to the SPE BPM Covered Bond S.r.l. as part of the BPM CB1 Programme (ii) the sale of a new portfolio of eligible assets to the SPE BPM Covered Bond 2 S.r.l. as part of the BPM CB2 Programme and (iii) as part of both Covered Bond Issue Programmes of the Group, the repurchase "en bloc", inter alia, of a portion of loans previously transferred to the SPEs and no longer classifiable as eligible (as they had mortgage collateral that was expiring by 31 December 2025) and paid the relevant considerations to the SPEs.

Proposal to define for 2026 (i) a ceiling dedicated to institutional bond issues, (ii) a ceiling dedicated to bond issues in the form of Private Placements and the relative commission flow to be paid to Banca Akros

At its meeting on 16 December 2025, the Board of Directors of Banco BPM resolved to (i) allocate a maximum ceiling of institutional issues, both for placement on the market and in retained form, equal to a total of 5.4 billion, to be used for the issues to be carried out as part of the Euro Medium Term Notes (EMTN) programme, Euro Medium Term Notes Private Placement (EMTNPP), of the Covered Bond programmes and for any senior bonds to be issued in addition to the EMTN and EMTNPP programme; (ii) allocate a portion of the overall ceiling of institutional issues to the issue of Senior instruments to be carried out as part of the EMTN Private Placement Programme for a maximum amount of 400 million and pay, for the same time interval (1 January - 31 December 2026), to the subsidiary Banca Akros - which as part of the EMTN Private Placement Program will play the role of lead manager of the securities with the function of identifying potential investors - a commission flow not exceeding 20 million.

Outsourcing of the Parent Company's Debt Capital Market (DCM) operations to Banca Akros

At its meeting on 16 December 2025, the Board of Directors of Banco BPM resolved to (i) approve the outsourcing of the Parent Company's Debt Capital Market (DCM) operations to Banca Akros; (ii) authorise, for the performance of the outsourced activities, the allocation of a ceiling relating to the commission flow of 3.5 million that Banco BPM will pay to Banca Akros for the period 1 January - 31 December 2026, and (iii) ratify the work regarding the commission flows already paid by Banco BPM to Banca Akros in 2025 for an amount of 3.1 million.

PART I – SHARE-BASED PAYMENT AGREEMENTS

A. QUALITATIVE INFORMATION

1. Description of share-based payment agreements

1.1 Remuneration linked to incentive systems: compensation plans based on shares

As the Parent Company, Banco BPM S.p.A. prepares the annual Policy-on-remuneration report and payouts awarded pursuant to the provisions in force on remuneration and incentive policies and practices of the Bank of Italy (Circular no. 285/2013, 37th update of 24 November 2021, Part I, Title IV, Chapter 2 "Remuneration and incentive policies and practices"), of Art. 123-ter of Italian Legislative Decree 58/1998 ("Consolidated Finance Law" or "CFL") as amended and of Art. 84-c of CONSOB resolution no. 11971/1999 as amended ("Issuers' Regulation").

The remuneration policy ("Policy") represents an important management lever to attract, motivate and retain management and staff. This steers behaviour towards reducing the risks taken on (including legal and reputational), protecting customers and increasing loyalty while also being careful to manage conflicts of interest. The Policy also pursues sustainable success, which produces long-term value for the benefit of shareholders in the interest of the Group's stakeholders.

The 2025 Policy defines the guidelines of the remuneration systems to pursue long-term strategies, objectives and results, in line with governance and risk management policies. The correlation between variable remuneration of personnel and ESG factors is one of the elements of the 2025 Policy. Variable remuneration is therefore related to strategic actions concerning environmental issues, health and safety and human resource management. The remuneration policy for staff is gender neutral.

In accordance with the 2025 Policy, the remuneration of Group employees includes a variable component (incentive) linked to the annual incentive system (Short-Term Incentive Plan). The receipt of an incentive is subject to the verification that the predefined access conditions (gates) have been met, consisting of indicators of capital adequacy and adequacy of liquidity and profitability. After verification of the gates, but before any payment, the amount of the economic resources actually available is determined on the basis of the economic results recorded (financial adjustment factor), as well as qualitative indicators of a non-financial nature (non-financial adjustment factor), in line with the Group risk appetite framework.

The incentive for identified staff[1] established in the year 2025, is paid over a period of six or five years, and is divided into an up-front portion and five or four annual deferred portions, subject to the successful fulfilment of future conditions.

The up-front portion, regardless of beneficiary, amounts to:

- 60% of the incentive awarded, in cases where the annual individual variable remuneration is less than 455 thousand euro;
- 40% of the incentive awarded, in cases where the annual individual variable remuneration is equal to or greater than 455 thousand euro.

The figure of 455 thousand euro represents for the Group the level of variable remuneration of a particularly high amount, determined in keeping with the criterion established by the Bank of Italy Supervisory Regulations[2].
50% of the up-front portion of the incentive is awarded in Banco BPM ordinary shares.
The deferred portions consist of:

- five annual instalments of the same amount deferred in the five-year period following the year of vesting of the up-front portion, for 55% in Banco BPM ordinary shares, for the senior identified staff, regardless of the amount of the annual individual variable remuneration awarded, and for the heads of the main business lines of Banca Akros or Banca Aletti who report directly to the Chief Executive Officer or senior management

[1] Parties whose professional activity has or may have a significant impact on the risk profile of the Group or the individual Legal Entity.
[2] See Part One, Title IV, Chapter 2, Section III, Paragraph 2: "Particularly high variable remuneration amount means the lower of: i) 25 percent of the total average remuneration of the Italian high earners, resulting from the most recent report published by the EBA; ii) 10 times the total average remuneration of the bank's employees".

of Banca Akros or Banca Aletti, in the event that the amount of the annual individual variable remuneration paid is equal to or greater than 455 thousand euro;
- four annual instalments of the same amount, deferred in the four-year period following the year of vesting of the up-front portion, for 50% in Banco BPM ordinary shares, for identified staff not included in the previous point.

As required by the Supervisory Provisions of the Bank of Italy, in cases where the annual individual variable remuneration is lower than or equal to the significance threshold of 50 thousand euro, and, at the same time, lower than or equal to one third of the total annual individual remuneration, the relative amount is paid out in cash and in a lump sum.

The Shareholder's Meeting of 18 April 2024 approved a Long-Term Incentive Plan related to the performance to be achieved in the 2024-2026 three-year period.
On 11 February 2025, the update of the Strategic Plan to 2027 was approved.
To support the Strategic Plan and pursue results that create long-term value for shareholders and all relevant stakeholders, the Bank decided to submit a Long-Term Incentive Plan (2025-2027 LTI) to the Shareholders' Meeting of 30 April 2025 related to the performance to be achieved in the 2025-2027 three-year period.

The scope of the beneficiaries of the LTI plans includes around 85 positions (excluding those belonging to functions with control tasks), selected on the basis of the level of the position, the impact on the business or for retention purposes. The beneficiary roles include the Chief Executive Officer and executives with strategic responsibilities of the Parent Company.
The incentive correlated with the LTI plan (LTI incentive) is fully assigned in Banco BPM ordinary shares and is proportional to the level of achievement of the conditions and performance objectives.
The LTI incentive is paid in an up-front portion of 40% and in annual deferred portions of the same amount, in accordance with the provisions of the Short-Term Incentive Plan (respectively: 2024 for the 2024-2026 LTI incentive and 2025 for the 2025-2027 LTI incentive), subject to the successful fulfilment of future conditions.

With reference to the Short-Term Incentive and Long-Term Incentive Plans, for vested shares (up-front and deferred), a one-year retention period (selling restriction) is established, which starts from their vesting.
Both the up-front portions and the deferred portions are subject to malus and claw-back mechanisms, as set forth in the Policy.

In addition to the compensation plans based on Banco BPM S.p.A. shares relating to the 2025 Short-Term Incentive Plan and the 2025-2027 Long-Term Incentive Plan, the Ordinary Shareholders' Meeting of Banco BPM held on 30 April 2025 approved:
- the 2025 remuneration policy - Section I of the Policy-on-remuneration report and payouts awarded of Banco BPM Group's staff - 2025;
- the report on payouts awarded in 2024 - Section II of the Policy-on-remuneration report and payouts awarded of Banco BPM Group's staff - 2025 (advisory vote);
- adjustment, within the framework of the remuneration policy, of the maximum amount to be granted in the event of early termination of employment or early departure from office;
- the request for authorisation to purchase and dispose of own shares in service of the Banco BPM S.p.A. share-based payment plans.

For further information refer to the content of the following documents: 2025 Policy-on-remuneration report and payouts awarded of Banco BPM Group's staff (Section I and Section II), Information Document on the Banco BPM Share-based compensation plan - 2025 Short-Term Incentive Plan, Information Document on the Share-based compensation plan - 2025-2027 Long-Term Incentive Plan, available on the website www.gruppo.bancobpm.it (Corporate Governance - Remuneration Policies section).

1.2 Share-based compensation plans of previous years

On 11 February 2025, the Banco BPM Board of Directors acknowledged the vesting in the year 2025 of the equity component of the deferred short- and long-term incentives referring to the share-based compensation plans currently valid and approved on the basis of previous shareholders' resolutions.

For more details on the procedures and the terms for the allocation of the shares under the above-illustrated Plans, please refer to the respective information documents drawn up in accordance with Art. 84-*bis* of the Issuers' Regulation, deposited at the registered office, at Borsa Italiana S.p.A. and also available to the general public on Banco BPM S.p.A.'s website at www.gruppo.bancobpm.it (Corporate Governance — Remuneration Policies section).

1.3 Amounts for early termination of employment

In compliance with regulations in force over time, the Parent Company has the unilateral right to agree — subject to the conditions and in accordance with the methods defined in the Policy — possible amounts for the early termination of employment (for identified staff, golden parachutes), which may be awarded up to the maximum extent of twenty-four months of fixed remuneration (excluding indemnity for lack of notice, determined by legislative provision) and up to the maximum limit of 3.4 million euro (employee gross amount).

The recognition of the amounts for early termination of the employment relationship takes place on termination and is subject to the positive verification of conditions, related to the previous financial year, of capital adequacy and liquidity. The amount is determined considering each relevant element, and in any event:

- the positive results achieved over time;
- the circumstances that led to the termination, taking into account the interests of the company also to avoid an error of judgement;
- the tasks performed and/or positions held in the course of the employment relationship, also in the sense of risks assumed by the subject;
- the duration of the employment relationship and of the job;
- savings as a result of early termination of employment.

Payment thereof occurs according to the same methods provided for by the Short-Term Incentive Plan, defined in the remuneration policy in force on the date of termination, with reference to the last position for which payment of the amount was assessed, without prejudice to specific conditions envisaged by the Bank of Italy Supervisory Regulations. The amounts for early termination of the employment relationship, both for identified staff and the remaining personnel, shall only be disbursed in the absence of fraudulent conduct or gross negligence committed by the person who has terminated his/her employment. Confirmation of such conduct entails the cancellation of the portions not yet disbursed (malus) and the return of those already disbursed (claw-back). The assessment of the degree of negligence is carried out by the Board of Directors of the Parent Company and/or the subsidiaries and/or the Chief Executive Officer of the Parent Company (or his/her delegate), each to the extent of their responsibility; this assessment takes place from the moment of vesting of units and for the next five years.

The remuneration components for the identified staff described above, which establish the payment based on shares of Banco BPM, are "equity-settled" plans in accordance with the provisions in IFRS 2. These share-based payments are recorded in the income statement under the item "Personnel expenses" as a balancing entry to an increase in the "Reserves" of consolidated shareholders' equity and the Parent Company's shareholders' equity.
Subsidiaries, on the other hand, in their separate financial statements, record the cost for the period in the income statement item "Personnel expenses" as a balancing entry of an increase in the balance sheet liability item "Provisions for risks and charges", in that the incentive plans for identified staff establish payment based on the shares of the Parent Company, which will be settled by the individual subsidiaries and, therefore, are considered cash-settled transactions.

B. QUANTITATIVE INFORMATION

1. Annual changes

The balance of the stock of shares as at 1 January 2025, entirely held by the Parent Company Banco BPM, consisted of 13,799,807 ordinary shares of Banco BPM.
In 2025, in implementation of the remuneration policy, a total of 3,354,011 ordinary shares of Banco BPM S.p.A. were delivered to 85 beneficiaries.

Following the approval of the Ordinary Shareholders' Meeting of Banco BPM S.p.A. of 30 April 2025 of the request for the authorisation to purchase and dispose of own shares to service the share-based compensation plans and

pursuant to the authorisation issued by the European Central Bank in accordance with the applicable provisions of Regulation (EU) no. 575/2013 and Delegated Regulation (EU) no. 241/2014, Banco BPM implemented the relative own share purchase programme. More specifically, on 24 September 2025, Banco BPM purchased 1,362,726 own shares (equal to 0.09% of outstanding ordinary shares) on Euronext Milan at an average unit price of 12.474989 euro, for a total value of approximately 17 million.

Following the above-mentioned transactions, taking into account the previous stock of own shares and the share deliveries made in 2025 as part of the implementation of the remuneration policies, as at 31 December 2025 Banco BPM directly owned 11,808,522 own shares.

2. Other information

With reference to the resolution passed by the Banco BPM Board of Directors on 13 March 2025 with regard to the Short-Term Incentive share-based compensation plan approved by the Ordinary Shareholders' Meeting in 2024, a total of 589,497 shares were granted to 83 beneficiaries, of which (i) 308,900 relating to the vested up-front portion and (ii) 280,597 relating to the deferred portions, as appropriate, in the four or five years after 2025, the vesting of which remains subject to positive verification of future consolidated conditions as well as the absence of misconduct. As part of this plan, note that the Parent Company awarded its beneficiaries 523,038 shares, of which 269,823 shares relating to the vested up-front portion and 253,215 shares relating to the deferred portions as indicated above. The same resolution also determined the vesting of deferred portions relating to previous years (2019, 2020, 2021, 2022, 2023 and 2021-2023 LTI) for a total of 1,433,476 Banco BPM shares to 84 beneficiaries, of which 1,304,458 shares vested in favour of Parent Company beneficiaries.
With reference to the resolution passed by the Banco BPM Board of Directors on 13 March 2025 with regard to the 2022-2024 Long-Term Incentive share-based compensation plan approved by the Shareholders' Meeting on 7 April 2022, a total of 1,812,341 shares were granted to 48 beneficiaries, of which (i) 724,919 relating to the vested up-front portion and (ii) 1,087,422 relating to the deferred portions, as appropriate, in the four or five years after 2025, the vesting of which remains subject to positive verification of future consolidated conditions as well as the absence of misconduct. As part of this plan, note that the Parent Company awarded its beneficiaries 1,685,984 shares, of which 674,376 shares relating to the vested up-front portion and 1,011,608 shares relating to the deferred portions as indicated above.

2.1 Economic impact in 2025

With regard to the share-based incentive systems for identified staff, during 2025, the cost charged to personnel expenses amounted to 14.4 million. The amounts are mostly attributable to the short-term incentive plans for 6.2 million and to the long-term incentive plans for 8.0 million (1.2 million for the 2021-2023 plan, 0.5 million for the 2022-2024 plan, 4.4 million for the 2024-2026 plan and 1.9 million for the 2025-2027 plan). It should be noted that the amount attributable to the Parent Company, for these Incentive Systems, is 13.0 million.

PART L – SEGMENT REPORTING

General principles and purpose of the disclosure

Accounting standard IFRS 8 "Operating Segments" requires an entity to provide information that allows users of financial statements to assess the nature and financial effects of the economic activities carried out and the economic contexts in which it operates.
To this end, the financial statements must include a disclosure that shows the contribution of the various operating segments to the formation of the entity's results, adopting a management approach, based on internal reporting presented to management for the purpose of allocating resources and assessing performance.
According to this standard, an operating segment is a component of an entity:

- that engages in business activities that generate revenues and expenses (including revenues and expenses resulting from transactions with other components of the entity);
- whose operating results are regularly reviewed by the entity's Chief Operating Decision Maker (CODM), to make decisions about resources to be allocated to the segment and assess its performance;
- for which discrete financial information is available.

The Group's segment reporting is provided below, with particular reference to the criteria adopted to identify the operating segments and the methods for determining the results attributed to them, taking into account the requirements of IFRS 8 and the recommendations made by ESMA in the communication dated 14 October 2025.

Scope of use of segment reporting and Chief Operating Decision Maker (CODM)

In line with the provisions of IFRS 8, for Banco BPM Group, the economic and financial information relating to the operating segments, illustrated in this Part L, is consistent with the internal management reporting.
In particular, the disclosure on the results of the operating segments, as well as in the process of preparing the financial statements, is relevant for the following areas:

- periodic management monitoring of performance and deviations from objectives;
- planning and control processes, including operational and budget planning;
- recovery planning and resolution planning activities;
- periodic disclosure addressed to the Supervisory Authorities.

Segment reporting is reviewed on a quarterly basis by the Board of Directors, identified, pursuant to IFRS 8, as Chief Operating Decision Maker (CODM), in so far as the main function responsible for allocating resources and assessing operating segment performance, also in relation to deviations from the budget.

The disclosure contained in this Part L is also consistent with the representation of the results by segment contained in the Consolidated report on operations, to which reference is made for further details on the evolution of the results in 2025.

Factors used to identify the operating segments and relative aggregation criteria

The identification of the operating segments takes into account the evolution of the business model and of strategic plans, and is carried out in line with the organisational structure of the Group and with the procedures for monitoring performance and risks. Annual budget objectives are allocated to each operating segment as part of the operational planning process.
In particular, the segments are identified considering, inter alia:

- the type of activity carried out and the operating models adopted;
- the nature of the products and services offered;
- the type of customers served and the distribution channels;
- the methods used for the distribution of products and services;
- where relevant, specific regulations of the banking, insurance and asset management activities.

The identification of the operating segments is continuously reviewed and, in any event, at least annually, in order to reflect any developments in the business model, the organisational and management structure and the operating perimeter of the Group.

The criteria for identifying the operating segments are subject to the approval of the Board of Directors, after examination by the Internal Control and Risk Committee.

On the basis of available management information, the operating segments subject to reporting, for financial disclosure purposes, are identified taking into account the hierarchy of aggregation criteria and the quantitative thresholds envisaged by IFRS 8. In particular:

a) several operating segments can be aggregated if the aggregation is consistent with the core principle of IFRS 8, i.e. the segments must have similar economic characteristics and be similar in terms of the nature of products/services, processes, type of customers, distribution methods and regulatory environment, if applicable;
b) segments that exceed the quantitative threshold of 10% in terms of revenues, profit/loss or assets must be separately disclosed. The segments that do not exceed these thresholds may in any event be subject to separate reporting, if deemed useful for the users of the financial statements;
c) the segments that do not meet the quantitative thresholds can be aggregated only if they share a majority of the aggregation criteria listed in point a);
d) after the aggregations, any remaining segment may include the other activities, provided that the external revenues attributed to the segments subject to specific reporting represent at least 75% of the Group's total revenues; otherwise, additional segments must be identified until the aforementioned threshold is reached.

The identification of the operating segments is also consistent with the criteria used to identify Cash Generating Units (CGUs) for the purposes of impairment testing intangible assets with an indefinite useful life, in compliance with the provisions of IAS 36. In this context, an operating segment may coincide with a single CGU or include one or more CGUs. On the other hand, the scope of a CGU cannot be broader than that of an operating segment identified for segment reporting purposes.
For further information on the configuration of the CGUs and their consistency with the operating segments, please refer to "Section 10 - Intangible assets – Item 100" in "Part B – Information on the Consolidated balance sheet" under assets of these Notes to the consolidated financial statements.

Operating segments as at 31 December 2025

As at 31 December 2025, on the basis of the criteria illustrated in the paragraph below, the following six operating segments were identified:

- Commercial;
- Corporate and Investment Banking;
- Asset Management and Insurance;
- Other Partnerships;
- Finance;
- Corporate Centre.

It should be noted that the first five operating segments, considered together, contribute more than 75% to the formation of the Group's revenues, in line with the provisions of IFRS 8.

Commercial

The "Commercial" operating segment includes the Retail, Institutional and Private segments. Specifically:

- Retail: includes management and marketing of banking and financial products and services, and of loan brokering, mainly addressed to private customers and small businesses, provided mostly by the Parent Company's Commercial Network;
- Institutional: includes management and marketing of banking and financial products and services, and of loan brokering, addressed to entities and institutions (UCITs, SICAVs, insurance companies, pension funds and banking foundations). These activities are performed by the Commercial Network of the Parent Company for local institutional counterparties, and by specialised branches, for systemically-important institutional counterparties in Italy;
- Private: includes management and marketing of banking and financial products and services, and of loan brokering, addressed to private customers with assets that, individually and/or within their business, amount to at least 1 million euro. These activities are carried out by the subsidiary Banca Aletti.

The aforementioned segments, characterised by similar economic profiles, are aggregated in the operating segment in question in compliance with the aggregation criteria established by IFRS 8. The resulting segment is subject to separate disclosure as it exceeds the quantitative thresholds envisaged by the standard.

Corporate and Investment Banking (CIB)

The Corporate and Investment Banking operating segment includes the Corporate operations of the Commercial Network and the contribution of Banca Akros and its subsidiary Oaklins Italy. More specifically:

- the "Corporate" segment includes the management and marketing of banking and financial products and services and of loan brokering, which are mainly addressed to medium and large-sized companies, provided mostly by the Parent Company's Commercial Network;
- the "Investment Banking" segment includes the search for solutions for the efficient management of customers' assets and liabilities, also in order to reduce their financial risks, access to regulated markets and support and development of specialised financial services in the Corporate Finance area, provided by Banca Akros and Oaklins Italy.

The aforementioned segments, characterised by similar economic profiles, are aggregated in the operating segment in question in compliance with the aggregation criteria established by IFRS 8. The resulting segment is subject to separate disclosure as it exceeds the quantitative thresholds (10%) envisaged by the standard.

Asset Management and Insurance

The "Asset Management and Insurance" operating segment includes:

- the contribution of the Group's asset management companies represented by the Anima Group and Banco BPM Invest SGR (Asset Management component);
- the contribution of Banco BPM Vita, BBPM Life and Vera Vita, as well as the contribution to the consolidated results of the interest held in PiùVera Assicurazioni, which has incorporated Banco BPM Assicurazioni from 1 November 2025 (Insurance component).

Given the differences in the reference regulatory context between the Asset Management and Insurance components, pursuant to paragraph 12 of IFRS 8, the segment reporting provides separate evidence of the results achieved by the two components.
Overall, the macro-segment in question exceeds the quantitative thresholds (10%) envisaged by the standard.

Other Partnerships

The "Other Partnerships" operating segment includes the contribution of the interests held in the associated companies Agos Ducato, Alba Leasing, Gardant Liberty Servicing and Numia Group.
Although the results of this segment do not reach the quantitative thresholds envisaged by the standard, they are in any case subject to separate reporting as they refer to the Group's strategic interests.
This operating segment, previously identified in "Strategic Partnerships", was renamed "Other Partnerships" from 31 December 2025.

Finance

The "Finance" operating segment includes the operations of Global Markets and the activities relating to the securities portfolio owned by the Parent Company.
The results of this segment are reported separately as the relative contribution exceeds the quantitative thresholds (10%) envisaged by the standard.

Corporate Centre

The "Corporate Centre" operating segment is configured as a residual segment and includes the activities and functions not directly attributable to the operating segments subject to specific reporting:

- governance and support functions;
- activities relating to the leasing business;
- the interests in associates and joint ventures not allocated among the Other Partnerships;

- companies operating in the real estate sector;
- the contribution of treasury activities, institutional bond issues and Group Asset and Liability Management;
- consolidation entries and intragroup eliminations.

For a more detailed description of the configuration of the operating segments and of the relative results, refer to the disclosure set out in the Section "Results by business segment" of the Consolidated report on operations.

Changes in the structure of the sectors in 2025 and restatement of the comparative balances

As part of the ongoing process of refining the Group's reporting and organisational structures, during 2025 changes were made to the identification and representation of operating segments, with effects on segment reporting.
In particular, starting from 30 June 2025, following the acquisition of control of Anima through Banco BPM Vita, the new "Asset Management" operating segment was introduced, included in the "Asset Management and Insurance" macro-segment, which represents the overall result of the Asset Management and Insurance components in aggregate form.
In addition, in order to more accurately report the performance of the "Finance" operating segment - attributable to the economic management of the proprietary securities portfolio and to the activities of Global Markets, in line with the relative autonomies also in terms of risk assumption - the contribution of treasury activities, institutional bond issues and Asset and Liability Management (ALM), previously included in the "Finance" segment, was reallocated to the "Corporate Centre" segment.
In compliance with paragraph 29 of IFRS 8, the comparative data for 2024 have been restated in order to reflect the changes in the composition of the operating segments and allow a comparison on a like-for-like basis. Specifically:

- the contribution of Anima Holding, represented by the valuation of the interest according to the equity method and previously included in the "Other Partnerships" segment, was attributed to the "Asset Management and Insurance" macro-segment;
- the contribution of treasury activities, institutional bond issues and ALM management, previously included in the "Finance" segment, was reallocated to the "Corporate Centre" segment.

During 2025, segment reporting was also updated to incorporate changes to the reclassified income statement structure, in order to ensure greater alignment between the aggregates used in Segment Reporting and those commented on in the press releases and in the documents that present the results to the market. The comparative information was consequently restated, where necessary, to ensure the comparability of the data on a like-for-like basis.
More specifically:

- the income items constituting the remuneration of the structuring and risk hedging activities of the certificates, as well as those relating to the remuneration of sales to retail and corporate companies of hedging derivatives, previously shown in the item "Net financial result", are included in the item "Net fee and commission income";
- the impacts of the realignment of intragroup revenues and costs against the different recognition criteria adopted by Banco BPM (up-front recognition of distribution fee and commission income) compared to those adopted by the Group's insurance companies (recognition spread over time of fee and commission expense), previously shown in the item "Profit (loss) on insurance business", are recognised as an adjustment to the item "Net fee and commission income" (and specifically of the Commercial operating segment).

The changes made to the structure of the reclassified income statement, starting from 2025, were also taken into account. Specifically:

- attention is drawn to a new aggregate called "Core income", represented by net interest income, gains (losses) on interests in associates and joint ventures carried at equity, net fee and commission income and profit (loss) on insurance business. The above-mentioned "Core income", together with the net financial result and other net operating income, comprises the already existing aggregate of "Operating income". Consequently, as regards "Operating income", the interim results, shown in previous periods, of "Financial margin" (sum of net interest income and gains (losses) on interests in associates and joint ventures carried at equity) and "Other operating income" (sum of net fee and commission income, other net operating income, net financial result and profit (loss) on insurance business) are no longer included in this item;
- the aggregate of "Total adjustments and provisions" is shown, represented by the cost of loans to customers (previously called "Net adjustments to loans to customers"), net adjustments to securities and other financial assets, fair value gains (losses) on property, plant and equipment and net provisions for risks and charges;

- the item "Gains (losses) on interests in associates and joint ventures and other investments", which was previously included in Profit (loss) before tax from continuing operations, is now shown, net of the related tax effect, among the items outside the profit (loss) from continuing operations;
- the items below the profit (loss) from continuing operations have consequently been reorganised.

Criteria for the preparation of operating segments and bases for measuring segment reporting

For the preparation of Segment Reporting, the economic and financial results attributed to the operating segments are determined using the same accounting standards adopted for the consolidated financial statements, in order to facilitate the reconciliation between segment and consolidated data. However, the methods of presentation may differ, where necessary, to more appropriately represent, from a management perspective, the contribution of the various operating segments to the formation of the Group's overall result.
For each operating segment, a reclassified income statement is presented which shows, for the main revenue and cost components, the contribution to the overall result of the Group, in line with the structure of the reclassified financial statements used for management monitoring, and analysis of the evolution of the results illustrated in the Consolidated report on operations.

In compliance with the above, for the preparation of Segment Reporting:

- net interest is allocated to the individual operating segments through the application of the contribution model at Internal Transfer Rates (ITR), in force at the time, differentiated according to the maturity of the individual transactions and determined on the basis of the market interest rate curve adjusted for liquidity risk, in compliance with the reference internal regulatory framework;
- the costs incurred directly (direct costs), as well as the costs incurred by the central structures for services rendered to the operating segments, allocated through sequential cycles (indirect costs), are attributed to each operating segment subject to reporting. The quantification of indirect costs is made through the application of stock and flow drivers, according to a methodology aimed at ensuring the utmost consistency between the nature of the cost reversed and the allocation destinations;
- the economic results of transactions with customers and net value adjustments to loans are attributed based on a logic of customer portfolios and segmentation;
- the net result of the operating segments is presented net of taxes, determined by considering the main elements that contribute to the definition of the effective tax rate, in line with the tax policy adopted by the Group;
- the results of the operating segments are shown gross of intragroup transactions; netting and consolidation entries are recognised in the residual segment of the Corporate Centre;
- each operating segment is assigned capital resources, determined in terms of capital absorbed, calculated on the basis of the Group's tangible shareholders' equity, obtained by applying the fully-phased target CET1 ratio envisaged in the budget to the Risk Weighted Assets (RWA).

Information about geographical areas

In line with the provisions of IFRS 8, segment reporting must include revenues from external customers attributed to the country of domicile and, overall, to foreign countries, as well as, where relevant, information relating to non-current assets by geographical area.
In this regard, note that the Group's business activities and operating income are mainly located in Italy, confirming its strong roots throughout the country, considered to be the main area of the Group's operations. The percentage represented by business activities and operating income located abroad is therefore considered negligible.

Information about major customers

In compliance with IFRS 8, the entity is required to provide information about the extent of its reliance on its major customers. In particular, if revenues from transactions with a single external customer amount to 10% or more of the entity's total revenues, the entity shall disclose the total amount of revenues generated by each customer and the segment or operating segments to which said revenues are attributable.

Taking into account the Group's operations, characterised by the provision of a wide range of services to many different customers, the disclosure relating to the degree of reliance on individual customers is of limited operational relevance and, therefore, is not subject to specific monitoring by management.
In order to fulfil the disclosure requirements envisaged by IFRS 8, with reference to the perimeter of the Commercial Network that primarily contributes to the generation of the Group's result, the analyses conducted on the basis of management data confirm that no customer has an influence of greater than 10% on the formation of revenues, represented by net interest income and net fee and commission income.

The tables below provide the detailed income statement and balance sheet figures by segment as at 31 December 2025, compared with the corresponding figures for the previous year.

Segment results - income statement figures

2025	Total	Commercial	CIB	Asset Management and Insurance	*of which: Asset Management*	*of which: Insurance*	Other Partnerships	Finance	Corporate Centre
Net interest income	3,127,491	2,285,069	638,905	(3,854)	*(1,391)*	*(2,463)*	(16,096)	262,880	(39,413)
Gains (losses) on interests in associates and joint ventures carried at equity	120,911	-	-	18,835	*15,196*	*3,639*	100,235	-	1,841
Net fee and commission income	2,495,278	1,691,327	458,026	384,537	*384,537*	-	-	43,590	(82,202)
Profit (loss) on insurance business	162,522	-	-	162,522	-	*162,522*	-	-	-
Core income	**5,906,202**	**3,976,396**	**1,096,931**	**562,040**	***398,342***	***163,698***	**84,139**	**306,470**	**(119,774)**
Net financial result	48,359	(32,688)	(5,883)	50,220	*50,220*	-	-	115,379	(78,669)
Other net operating income	690	5,432	141	(1,178)	*3,183*	*(4,361)*	-	-	(3,705)
Operating income	**5,955,251**	**3,949,140**	**1,091,189**	**611,082**	***451,745***	***159,337***	**84,139**	**421,849**	**(202,148)**
Personnel expenses	(1,798,067)	(1,134,469)	(122,938)	(85,639)	*(80,674)*	*(4,965)*	(1,706)	(10,033)	(443,282)
Other administrative expenses	(657,464)	(786,384)	(193,909)	(58,087)	*(44,382)*	*(13,705)*	(346)	(78,097)	459,359
Net value adjustments to property, plant and equipment and intangible assets	(283,330)	(93,857)	(4,327)	(8,361)	*(6,903)*	*(1,458)*	(34)	(328)	(176,423)
Operating expenses	**(2,738,861)**	**(2,014,710)**	**(321,174)**	**(152,087)**	***(131,959)***	***(20,128)***	**(2,086)**	**(88,458)**	**(160,346)**
Profit (loss) from operations	**3,216,390**	**1,934,430**	**770,015**	**458,995**	***319,786***	***139,209***	**82,053**	**333,391**	**(362,494)**
Cost of loans to customers	(396,580)	(303,481)	(104,297)	(1,107)	*(1,107)*	-	-	-	12,305
Net adjustments to securities and other financial assets	3,409	-	-	-	-	-	-	(1,017)	4,426
Fair value gains (losses) on property, plant and equipment	(7,291)	-	-	-	-	-	-	-	(7,291)
Net provisions for risks and charges	(2,547)	10,282	(13,062)	113	*319*	*(206)*	-	-	120
Total adjustments and provisions	**(403,009)**	**(293,199)**	**(117,359)**	**(994)**	***(788)***	***(206)***	**-**	**(1,017)**	**9,560**
Profit (loss) before tax from continuing operations	**2,813,381**	**1,641,231**	**652,656**	**458,001**	***318,998***	***139,003***	**82,053**	**332,374**	**(352,934)**
Taxation charge related to profit or loss from continuing operations	(803,139)	(533,878)	(210,068)	(122,792)	*(84,744)*	*(38,048)*	6,001	(105,400)	162,998
Profit (loss) after tax from continuing operations	**2,010,242**	**1,107,353**	**442,588**	**335,209**	***234,254***	***100,955***	**88,054**	**226,974**	**(189,936)**
Gains (losses) on interests in associates and joint ventures and other investments, net of taxes	2,271	-	-	-	-	-	-	-	2,271
Impact of the purchase price allocation (PPA), net of taxes	(47,909)	(17,331)	(1,108)	(29,480)	*(20,280)*	*(9,200)*	-	-	10
Impact of the change in own credit risk on the issue of certificates (OCR), net of taxes	2,683	-	-	-	-	-	-	-	2,683
Banking industry charges, net of taxes	(9,643)	(5,770)	(343)	(3,530)	-	*(3,530)*	-	-	-
Charges for company restructuring, net of taxes	(52,263)	(10,174)	(1,607)	(12,450)	*(5,068)*	*(7,382)*	(134)	(469)	(27,429)
Impact of restatement of the Anima share, net of taxes	201,831	-	-	201,831	*201,831*	-	-	-	-
Impairment of client relationships, goodwill and interests in associates and joint ventures	(4,429)	-	(1,200)	(600)	*(600)*	-	(2,629)	-	-
Profit (loss) attributable to non-controlling interests	(20,796)	-	-	(20,496)	*(20,496)*	-	-	-	(300)
Parent Company's profit (loss) for the year	**2,081,987**	**1,074,078**	**438,330**	**470,484**	***389,641***	***80,843***	**85,291**	**226,505**	**(212,701)**

2024 (*)	Total	Commercial	CIB	Asset Management and Insurance	*of which: Asset Management*	*of which: Insurance*	Other Partnerships	Finance	Corporate Centre
Net interest income	3,440,045	2,576,854	660,322	(3,240)	*(1,809)*	*(1,431)*	(8,104)	18,510	195,703
Gains (losses) on interests in associates and joint ventures carried at equity	151,689	-	-	55,984	*48,499*	*7,485*	93,898	-	1,807
Net fee and commission income	2,054,641	1,672,447	435,996	1,476	*1,476*	-	-	27,416	(82,694)
Profit (loss) on insurance business	116,376	-	-	116,376	-	*116,376*	-	-	-
Core income	**5,762,751**	**4,249,301**	**1,096,318**	**170,596**	***48,166***	***122,430***	**85,794**	**45,926**	**114,816**
Net financial result	(82,582)	(42,843)	4,277	-	-	-	-	171,210	(215,226)
Other net operating income	23,360	6,019	70	(1,655)	*1*	*(1,656)*	-	-	18,926
Operating income	**5,703,529**	**4,212,477**	**1,100,665**	**168,941**	***48,167***	***120,774***	**85,794**	**217,136**	**(81,484)**
Personnel expenses	(1,745,204)	(1,176,357)	(115,138)	(5,509)	*(1,256)*	*(4,253)*	(1,505)	(13,841)	(432,854)
Other administrative expenses	(644,781)	(730,973)	(180,774)	(20,602)	*(899)*	*(19,703)*	(599)	(87,562)	375,729
Net value adjustments to property, plant and equipment and intangible assets	(265,715)	(94,887)	(4,122)	(330)	*(64)*	*(266)*	(33)	(359)	(165,984)
Operating expenses	**(2,655,700)**	**(2,002,217)**	**(300,034)**	**(26,441)**	***(2,219)***	***(24,222)***	**(2,137)**	**(101,762)**	**(223,109)**
Profit (loss) from operations	**3,047,829**	**2,210,260**	**800,631**	**142,500**	***45,948***	***96,552***	**83,657**	**115,374**	**(304,593)**
Cost of loans to customers	(461,475)	(308,683)	(157,881)	-	-	-	-	-	5,089
Net adjustments to securities and other financial assets	(8,567)	-	-	-	-	-	-	(2,200)	(6,367)
Fair value gains (losses) on property, plant and equipment	(54,627)	-	-	-	-	-	-	-	(54,627)
Net provisions for risks and charges	(22,192)	(17,836)	7,599	444	-	*444*	-	-	(12,399)
Total adjustments and provisions	**(546,861)**	**(326,519)**	**(150,282)**	**444**	**-**	***444***	**-**	**(2,200)**	**(68,304)**
Profit (loss) before tax from continuing operations	**2,500,968**	**1,883,741**	**650,349**	**142,944**	***45,948***	***96,996***	**83,657**	**113,174**	**(372,897)**
Taxation charge related to profit or loss from continuing operations	(788,927)	(628,015)	(215,660)	(26,657)	*815*	*(27,472)*	3,375	(38,027)	116,057
Profit (loss) after tax from continuing operations	**1,712,041**	**1,255,726**	**434,689**	**116,287**	***46,763***	***69,524***	**87,032**	**75,147**	**(256,840)**
Gains (losses) on interests in associates and joint ventures and other investments, net of taxes	1,760	-	-	-	-	-	-	-	1,760
Impact of the purchase price allocation (PPA), net of taxes	(34,898)	(20,229)	(1,563)	(12,580)	-	*(12,580)*	-	-	(526)
Impact of the change in own credit risk on the issue of certificates (OCR), net of taxes	1,213	-	-	-	-	-	-	-	1,213
Banking industry charges, net of taxes	(71,011)	(62,779)	(4,727)	(3,505)	-	*(3,505)*	-	-	-
Charges for company restructuring, net of taxes	(141,868)	(89,911)	(8,550)	-	-	-	-	(1,071)	(42,336)
E-money impact, net of taxes	493,125	-	-	-	-	-	-	-	493,125
Bancassurance impacts, net of taxes	2,466	-	-	5,842	-	*5,842*	-	-	(3,376)
Impairment of client relationships, goodwill and interests in associates and joint ventures	(42,446)	-	-	-	-	-	(42,446)	-	-
Profit (loss) attributable to non-controlling interests	11	-	-	-	-	-	-	-	11
Parent Company's profit (loss) for the year	**1,920,393**	**1,082,807**	**419,849**	**106,044**	***46,763***	***59,281***	**44,586**	**74,076**	**193,031**

(*) the previous year's figures have been restated to reflect the changes introduced in the composition of the operating segments as at 31 December 2025, and to take into account the amendments to the reclassified income statement format previously illustrated.

The following tables show the details of fee and commission income of 2025 and the previous year disaggregated by type of service provided and defined with an operating outlook, and by IFRS 8 operating segment, in line with the disclosure requirements introduced by IFRS 15.

2025 Fee and commission income/Type of services/values	Group	Commercial	CIB	Asset Management and Insurance	*of which: Asset Management*	*of which: Insurance*	Other Partnerships	Finance	Corporate Centre
Savings products	**1,581,682**	**793,772**	**1,720**	**1,017,836**	***1,017,836***	**-**	**-**	**52,518**	**(284,164)**
Upfront	*340,215*	*287,533*	*117*	-	-	-	-	*50,848*	*1,717*
Administered	145,318	93,007	2	-	-	-	-	50,848	1,461
Portfolio management and funds	171,522	172,134	115	-	-	-	-	-	(727)
Life	23,375	22,392	-	-	-	-	-	-	983
Running	*520,522*	*506,239*	*1,603*	-	-	-	-	*1,670*	*11,010*
Administered	91,785	87,625	659	-	-	-	-	1,670	1,831
Portfolio management and funds	381,633	371,611	914	-	-	-	-	-	9,108
Life	47,104	47,003	30	-	-	-	-	-	71
Anima - production margin	720,945	-	-	1,017,836	*1,017,836*	-	-	-	(296,891)
Other fees and commissions	**1,425,055**	**947,738**	**496,048**	**3,210**	***3,210***	**-**	**-**	**42,992**	**(64,933)**
Total	**3,006,737**	**1,741,510**	**497,768**	**1,021,046**	***1,021,046***	**-**	**-**	**95,510**	**(349,097)**
Fee and commission expense	**(511,459)**	**(50,183)**	**(39,742)**	**(636,509)**	***(636,509)***	**-**	**-**	**(51,920)**	**266,895**
Net fee and commission income	**2,495,278**	**1,691,327**	**458,026**	**384,537**	***384,537***	**-**	**-**	**43,590**	**(82,202)**

2024 (*) Fee and commission income/Type of services/values	Group	Commercial	CIB	Asset Management and Insurance	*of which: Asset Management*	*of which: Insurance*	Other Partnerships	Finance	Corporate Centre
Savings products	**778,421**	**715,783**	**1,426**	**-**	**-**	**-**	**-**	**42,341**	**18,871**
Upfront	*274,187*	*231,879*	*78*	-	-	-	-	*39,873*	*2,357*
Administered	107,021	65,235	33	-	-	-	-	39,873	1,880
Portfolio management and funds	145,449	145,695	44	-	-	-	-	-	(290)
Life	21,717	20,949	1	-	-	-	-	-	*767*
Running	*504,234*	*483,904*	*1,348*	-	-	-	-	*2,468*	*16,514*
Administered	81,614	74,276	530	-	-	-	-	2,468	4,340
Portfolio management and funds	376,868	368,204	794	-	-	-	-	-	7,870
Life	45,752	41,424	24	-	-	-	-	-	4,304
Other fees and commissions	**1,477,942**	**1,032,540**	**466,807**	**1,476**	***1,476***	**-**	**-**	**17,785**	**(40,666)**
Total	**2,256,363**	**1,748,323**	**468,233**	**1,476**	***1,476***	**-**	**-**	**60,126**	**(21,795)**
Fee and commission expense	**(201,722)**	**(75,876)**	**(32,237)**	**-**	**-**	**-**	**-**	**(32,710)**	**(60,899)**
Net fee and commission income	**2,054,641**	**1,672,447**	**435,996**	**1,476**	***1,476***	**-**	**-**	**27,416**	**(82,694)**

(*) the previous year's figures have been restated to reflect the changes introduced in the composition of the operating segments as at 31 December 2025, and to take into account the amendments to the reclassified income statement format previously illustrated.

The following tables provide the details of the item "Other fees and commissions" for 2025 and for the previous year, broken down by the type of service provided:

2025 Other fees and commissions	Group	Commercial	CIB	Asset Management and Insurance	*of which: Asset Management*	*of which: Insurance*	Other Partnerships	Finance	Corporate Centre
Investment Banking products	**99,327**	**15,325**	**129,417**	**-**	**-**	**-**	**-**	**25,435**	**(70,850)**
Insurance protection	**84,374**	**84,186**	**10**	**-**	**-**	**-**	**-**	**-**	**178**
Keeping and management of current accounts	**223,432**	**212,260**	**11,696**	**-**	**-**	**-**	**-**	**-**	**(524)**
Loans	**616,417**	**306,210**	**309,034**	**-**	**-**	**-**	**-**	**-**	**1,173**
Credit availability fee and commission income (CDC)	236,042	189,636	46,309	-	-	-	-	-	97
Commission on loans	225,853	28,134	196,043	-	-	-	-	-	1,676
Commission on unsecured loans	98,073	31,994	66,682	-	-	-	-	-	(603)
Consumer credit	56,449	56,446	-	-	-	-	-	-	3
Other business services	**83,819**	**51,345**	**29,700**	**-**	**-**	**-**	**-**	**-**	**2,774**
Ecobonus and tax credit	13,801	5,085	8,716	-	-	-	-	-	-
Trade receivables	14,464	3,140	9,070	-	-	-	-	-	2,254
Portfolio	55,554	43,120	11,914	-	-	-	-	-	520
Collection and payment services, e-money	**298,914**	**280,933**	**16,078**	**-**	**-**	**-**	**-**	**-**	**1,903**
Collection and payment services	152,139	142,787	8,024	-	-	-	-	-	1,328
Abroad (currency fees and commissions on bank transfers)	20,671	16,108	4,515	-	-	-	-	-	48
E-money	126,104	122,038	3,539	-	-	-	-	-	527
Other services	**18,772**	**(2,521)**	**113**	**3,210**	***3,210***	**-**	**-**	**17,557**	**413**
Commercial refunds	(5,568)	(4,693)	(657)	-	-	-	-	-	(218)
Other	24,340	2,172	770	3,210	*3,210*	-	-	17,557	631
Total	**1,425,055**	**947,738**	**496,048**	**3,210**	***3,210***	**-**	**-**	**42,992**	**(64,933)**

2024(*) Other fees and commissions	Group	Commercial	CIB	Asset Management and Insurance	*of which: Asset Management*	*of which: Insurance*	Other Partnerships	Finance	Corporate Centre
Investment Banking products	**88,506**	**11,120**	**107,197**	**-**	**-**	**-**	**-**	**17,785**	**(47,596)**
Insurance protection	**63,824**	**64,476**	**16**	**-**	**-**	**-**	**-**	**-**	**(668)**
Keeping and management of current accounts	**227,287**	**216,453**	**11,411**	**-**	**-**	**-**	**-**	**-**	**(577)**
Loans	**579,905**	**308,582**	**270,356**	**-**	**-**	**-**	**-**	**-**	**967**
Credit availability fee and commission income (CDC)	245,592	199,962	45,648	-	-	-	-	-	(18)
Commission on loans	194,710	28,388	164,235	-	-	-	-	-	2,087
Commission on unsecured loans	90,239	30,868	60,473	-	-	-	-	-	(1,102)
Consumer Credit	49,364	49,364	-	-	-	-	-	-	-
Other business services	**123,297**	**63,828**	**59,775**	**-**	**-**	**-**	**-**	**-**	**(306)**
Ecobonus and tax credit	49,241	14,152	35,089	-	-	-	-	-	-
Trade receivables	16,492	4,693	12,711	-	-	-	-	-	(912)
Portfolio	57,564	44,983	11,975	-	-	-	-	-	606
Collection and payment services, e-money	**394,396**	**369,528**	**18,501**	**-**	**-**	**-**	**-**	**-**	**6,367**
Collection and payment services	164,895	151,449	7,883	-	-	-	-	-	5,563
Abroad (currency fees and commissions on bank transfers)	21,969	17,310	4,982	-	-	-	-	-	(323)
E-money	207,532	200,769	5,636	-	-	-	-	-	1,127
Other services	**727**	**(1,447)**	**(449)**	**1,476**	***1,476***	**-**	**-**	**-**	**1,147**
Commercial refunds	(5,718)	(4,051)	(1,369)	-	-	-	-	-	(298)
Other	6,445	2,604	920	-	*1,476*	-	-	-	1,445
Total	**1,477,942**	**1,032,540**	**466,807**	**1,476**	***1,476***	**-**	**-**	**17,785**	**(40,666)**

(*) the previous year's figures have been restated to reflect the changes introduced in the composition of the operating segments as at 31 December 2025, and to take into account the amendments to the reclassified income statement format previously illustrated.

Segment results - balance sheet figures

31/12/2025	Total	Commercial	CIB	Asset Management and Insurance	*of which: Asset Management*	*of which: Insurance*	Strategic Partnerships	Finance	Corporate Centre
Loans to customers:	**129,050,087**	**63,248,898**	**30,922,444**	**173,452**	***171,489***	***1,963***	**-**	**26,677,372**	**8,027,921**
• loans to customers	99,715,531	62,675,085	30,355,915	173,452	*171,489*	*1,963*	-	-	6,511,079
• debt securities	29,334,556	573,813	566,529	-	-	-	-	26,677,372	1,516,842

31/12/2024 (*)	Total	Commercial	CIB	Asset Management and Insurance	*of which: Asset Management*	*of which: Insurance*	Strategic Partnerships	Finance	Corporate Centre
Loans to customers:	**125,952,322**	**65,124,860**	**29,700,470**	**2,725**	**-**	***2,725***	**-**	24,193,572	6,930,695
• loans to customers	99,729,999	64,730,425	29,185,194	2,725	-	*2,725*	-	-	5,811,655
• debt securities	26,222,323	394,435	515,276	-	-	-	-	24,193,572	1,119,040

(*) the previous year's figures have been restated to reflect the changes introduced in the composition of the operating segments as at 31 December 2025.

31/12/2025	Total	Commercial	CIB	Asset Management and Insurance	*of which: Asset Management*	*of which: Insurance*	Strategic Partnerships	Finance	Corporate Centre
Direct funding	132,387,516	96,663,798	8,953,637	595,529	*595,529*	-	-	-	26,174,552

31/12/2024 (*)	Total	Commercial	CIB	Asset Management and Insurance	*of which: Asset Management*	*of which: Insurance*	Strategic Partnerships	Finance	Corporate Centre
Direct funding	126,149,114	92,542,655	8,445,954	-	-	-	-	-	25,160,505

(*) the previous year's figures have been restated to reflect the changes introduced in the composition of the operating segments as at 31 December 2025.

31/12/2025	Total	Commercial	CIB	Asset Management and Insurance	*of which: Asset Management*	*of which: Insurance*	Strategic Partnerships	Finance	Corporate Centre
Interests in associates and joint ventures	1,452,559	-	-	*138,844*	-	*138,844*	1,292,166	-	*21,549*

31/12/2024 (*)	Total	Commercial	CIB	Asset Management and Insurance	*of which: Asset Management*	*of which: Insurance*	Strategic Partnerships	Finance	Corporate Centre
Interests in associates and joint ventures	1,708,439	-	-	439,429	*301,116*	*138,313*	1,248,682	-	20,328

(*) the previous year's figures have been restated to reflect the changes introduced in the composition of the operating segments as at 31 December 2025.

PART M – DISCLOSURE OF LEASES

Section 1 – Lessee

QUALITATIVE INFORMATION

The IFRS 16 scope of Banco BPM Group essentially includes the lease contracts of property units mainly intended for commercial activities (branches), while other contracts relating to the hiring of the company car fleet and the right to use technological equipment, are marginal.

Short-term or low value (5 thousand euro) lease contracts are recorded according to that set out in par. 6 of IFRS 16. The related costs are indicated in table "12.5 Other administrative expenses: breakdown".

QUANTITATIVE INFORMATION

According to that set out in Bank of Italy Circular 262, the information required by accounting standard IFRS 16, relating to contracts in which the Group is the lessee, contained in these Notes to the consolidated financial statements, in the sections indicated below:

- the information on rights of use acquired through leases is contained under assets in "Part B – Information on the Consolidated balance sheet, Section 9 – Property, plant and equipment – Item 90" in tables "9.1 Property, plant and equipment used in operations: breakdown of assets at cost" and "9.6 bis Property, plant and equipment used in operations - Rights of use acquired through leases: annual changes";
- the information on lease payables is contained under liabilities in "Part B - Information on the Consolidated balance sheet, Section 1 - Financial liabilities at amortised cost - Item 10" in table "1.6 Lease payables";
- the information relating to interest expense on lease payables is contained in "Part C – Information on the Consolidated income statement, Section 1 – Interest – Items 10 and 20" in table "1.3 Interest and similar expense: breakdown";
- the information relating to the depreciation of the rights of use and the relative asset classes is contained under assets in "Part B – Information on the Consolidated balance sheet, Section 9 Property, plant and equipment –Item 90" in table "9.6 bis Property, plant and equipment used in operations - Rights of use acquired through leases: annual changes", under sub-item "C.2 Depreciation".

At the reporting date, there are no material amounts relating to commitments for lease contracts signed with a future commencement date.

Section 2 – Lessor

QUALITATIVE INFORMATION

The Group has both finance lease contracts and operating lease contracts in force.

Finance lease operations, which include the contracts of the former Banca Italease and Release (transferred to the Parent Company Banco BPM), are in run-off as a result of the Group's decision to no longer directly disburse that type of financing.

Operating leases refer to commercial leases connected to properties not used for business activities, mainly with regard to properties acquired by way of *datio in solutum* (transfer in lieu of payment) against previous credit exposures or to properties previously used for administrative/commercial activities for which there has been a change of destination (e.g. closure of a branch).

QUANTITATIVE INFORMATION

1. Information on the balance sheet and income statement

According to that set out in Bank of Italy Circular no. 262, the information required by accounting standard IFRS 16, relating to contracts in which the Group is the lessor, contained in these Notes to the consolidated financial statements, in the sections indicated below:

- the information on loans for leases is contained under assets in "Part B – Information on the Consolidated balance sheet, Section 4 – Financial assets at amortised cost – Item 40" in tables "4.1 Financial assets at amortised cost: breakdown by product of loans to banks" and "4.2 Financial assets at amortised cost: breakdown by product of loans to customers";
- the information on assets granted through operating leases is contained under assets in "Part B – Information on the Consolidated balance sheet, Section 9 - Property, plant and equipment – Item 90" at the bottom of table "9.4 Property, plant and equipment held for investment purposes: breakdown of assets measured at fair value", with the related specifics provided at the bottom of that table;
- the information on interest income on loans for leases is contained in "Part C – Information on the Consolidated income statement, Section 1 – Interest – Items 10 and 20" in table "1.1 Interest and similar income: breakdown";
- the information on income from operating leases is contained in "Part C – Information on the Consolidated income statement, Section 16 – Other operating expenses/income – Item 230" in table "16.2 Other operating income: breakdown".

2. Finance leases

2.1 Classification of payments to be received by time band and reconciliation with loans for leases posted under assets

The total payments to be received correspond to the sum of the minimum payments due in terms of principal and interest and any unsecured residual value due to the lessor.

Time bands	Total 31/12/2025 Lease payments to be received	Total 31/12/2024 Lease payments to be received
Up to 1 year	56,361	72,231
From over 1 year to 2 years	44,756	69,034
From over 2 years to 3 years	47,560	47,600
From over 3 years to 4 years	32,229	50,154
From over 4 years to 5 years	16,839	34,247
Over 5 years	55,913	72,724
Total lease payments to be received	**253,658**	**345,990**
Reconciliation with loans		
Financial profits not accrued (-)	(29,324)	(48,902)
Residual non-guaranteed value	13,944	13,938
Loans for leases	**238,278**	**311,026**

Loans for leases recorded a gradual decrease, in relation to the Group's decision to no longer directly disburse that type of financing.

2.2 Other information

There is no other information to report.

3. Operating leases

The table shows the classification by time bands of the expected payments to be received for the properties leased by the Group, referring to the non-discounted value of the lease payment (without VAT, if due), according to the initial term of the contracts or of the renewal period, determined according to the same guidelines for identifying the term of lease contracts payable by Group, as illustrated in "Part A - Accounting policies, A.2, 16 - Other information, Leases" of these Notes to the Financial Statements.
The lease payments that will be received by the Group, based on the actual duration of the contract, are recognised in the income statement under item "230. Other operating expenses/income" on an accrual basis.

3.1 Classification by time band of payments to be received

Time bands	Total 31/12/2025 Lease payments to be received	Total 31/12/2024 Lease payments to be received
Up to 1 year	13,774	26,236
From over 1 year to 2 years	11,105	17,676
From over 2 years to 3 years	10,960	16,191
From over 3 years to 4 years	10,909	15,265
From over 4 years to 5 years	9,508	14,914
Over 5 years	42,941	67,528
Total	**99,197**	**157,810**

It should be noted that the reduction in payments to be received for properties leased by the Group compared to the previous year, is mainly due to the early termination of some lease contracts with respect to the original expiries, in part already realised during the year.

3.2 Other information

There is no other information to report.

OTHER INFORMATION

Disclosure regarding public disbursements pursuant to Art. 1, paragraph 125 of Law 124 of 4 August 2017 ("Annual market and competition law")

In compliance with the provisions of Art. 1, paragraph 125 of Law 124 of 4 August 2017, the amounts received by the Parent Company and its subsidiaries during 2025, in the form of "subsidies, contributions, paid positions and in any case economic advantages of any type" are provided below.

Group company	**Type of contributions**	**Granting authority**	**Amounts received in 2025** ***(figures in euro)***
Banco BPM	Aid for personnel training (*)	FBA (Bank and Insurance Fund)	2,766,442
Banco BPM	Aid for personnel training (**)	FONDIR (National interprofessional joint fund for continuous training of executives)	22,532
Banco BPM	Contributions for personnel recruitment and stabilisation resulting from the application of the National Collective Labour Agreement of the Credit sector	FOC (National Fund for employment support in the credit sector)	1,513,056
Banco BPM	Contributions for new hires and job stability, introduced by the 2018 stability law (Italian Law no. 205/2017)	INPS (National Institute of Social Security)	174,341
Banca Aletti	Contributions for personnel recruitment and stabilisation resulting from the application of the National Collective Labour Agreement of the Credit sector	FOC (National Fund for employment support in the credit sector)	24,672
Banca Aletti	Contributions for new hires and job stability, introduced by the 2018 stability law (Italian Law no. 205/2017)	INPS (National Institute of Social Security)	27,959
Banca Akros	Contributions for personnel recruitment and stabilisation resulting from the application of the National Collective Labour Agreement of the Credit sector	FOC (National Fund for employment support in the credit sector)	77,472
Banca Akros	Contributions for new hires and job stability, introduced by the 2018 stability law (Italian Law no. 205/2017)	INPS (National Institute of Social Security)	101,395
Sagim S.r.l. Società Agricola	Agricultural aid (***)	Disbursed by the European Union through ARTEA (Tuscan Regional Agency for Agricultural Aid), as the paying body	256,978

(*) Aid for personnel training requested in 2022 and 2024 and paid in 2025.
(**) Aid for personnel training requested in 2024 and paid in 2025.
(***) In particular, these are public resources from EU sources, in which the Italian public administration takes on the role of payer.

To that end, note that in the table, in line with the provisions of the law in question, economic advantages of less than the threshold of 10,000 euro are not stated. This threshold should be understood to refer to all the advantages that the Parent Company or each company in the Group received from the same authority in 2025, whether the benefit was disbursed in one tranche or in several tranches.

Declarations of the Chief Executive Officer and the Manager responsible for preparing the Company's financial reports

CERTIFICATION OF THE CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO ART. 81-TER OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999 AND ITS SUBSEQUENT AMENDMENTS AND SUPPLEMENTS

1. The undersigned, Giuseppe Castagna, as Chief Executive Officer of Banco BPM S.p.A. and Gianpietro Val, as Manager responsible for preparing the Company's financial reports of Banco BPM S.p.A. hereby certify, also in consideration of the provisions of Art. 154-bis, paragraphs 3 and 4, of Italian Legislative Decree no. 58 dated 24 February 1998:

- the adequacy in relation to the characteristics of the company and
- the effective application

of the administrative and accounting procedures for the formation of the consolidated financial statements of Banco BPM S.p.A. in 2025.

2. The assessment of the adequacy and the verification of the effective application of the administrative and accounting procedures for the formation of the consolidated financial statements of Banco BPM S.p.A. as at 31 December 2025 were based on an internal model set in place by Banco BPM S.p.A., developed on the basis of the "Internal Control – Integrated Framework (COSO)" and, for the IT component, the "Control Objectives for IT and related Technology (COBIT)", which represent the standards for the internal audit system generally accepted at international level.

3. We also hereby certify that:

3.1 the consolidated financial statements of Banco BPM S.p.A. as at 31 December 2025:

a) were drawn up in compliance with the applicable international accounting standards recognised in the European Community as per EC Regulation no. 1606/2002 of the European Parliament and Council, dated 19 July 2002;
b) comply with the results of the accounting records and journal entries;
c) are suitable for providing a true and fair view of the balance sheet, income statement and financial situation of the issuer and of all the companies included within the scope of consolidation.

3.2 the report on operations includes a reliable analysis of operating performance and results, as well as the situation of the issuer, Banco BPM S.p.A., and of all of the companies included within the scope of consolidation, together with a description of the main risks and uncertainties to which the same are exposed.

Milan, 3 March 2026

Signed by:

Giuseppe Castagna
Chief Executive Officer

Signed by:

Gianpietro Val
Manager responsible for preparing the Company's financial reports

CERTIFICATION OF SUSTAINABILITY STATEMENT PURSUANT TO ART. 81-TER, PARAGRAPH 1, OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999 AND ITS SUBSEQUENT AMENDMENTS AND SUPPLEMENTS

The undersigned, Giuseppe Castagna, as Chief Executive Officer of Banco BPM S.p.A. and Gianpietro Val, as Manager responsible for preparing the Company's financial reports of Banco BPM S.p.A., hereby certify, pursuant to Art. 154-bis, paragraph 5-ter, of Italian Legislative Decree no. 58 dated 24 February 1998, that the Sustainability Statement included in the Consolidated Report on Operations was prepared:

a) in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013, and Italian Legislative Decree no. 125 of 6 September 2024;
b) with the specifications adopted pursuant to Article 8, paragraph 4 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

Milan, 3 March 2026

Signed by:

Giuseppe Castagna
Chief Executive Officer

Signed by:

Gianpietro Val
Manager responsible for preparing the Company's financial reports

Independent Auditors' Reports

Independent auditor's report in accordance with article 14 of Legislative Decree 39/2010 and article 10 of Regulation (EU) 537/2014

To the Shareholders of

Banco BPM SpA

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Banco BPM Group (the "Group"), which comprise the consolidated balance sheet as of 31 December 2025, the consolidated income statement, statement of consolidated comprehensive income, statement of changes in consolidated shareholders' equity, consolidated cash flows statement for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group 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 adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005 and 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 "Auditor's responsibilities for the

audit of the consolidated financial statements" section of this report. We are independent of the company Banco BPM SpA (the "Bank") 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 judgement, 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.

Key audit matters	Auditing procedures performed in response to key audit matters
Valuation of performing loans to customers measured at amortised cost	
Notes to the consolidated financial statements: *Part A - Accounting policies* *Part B – Information on the consolidated balance sheet – Assets, Section 4* *Part C – Information on the consolidated income statement, Section 8* *Part E – Information on risks and related hedging policies* Performing loans to customers (Stage 1 and Stage 2) as of 31 December 2025 amount to Euro 98,417 million and represent 76.3 per cent of the financial statements line item 40 b) *"Financial assets at amortised cost – Loans to customers"* which totals Euro 129,050 million corresponding to 62.7 per cent of total assets in the consolidated balance sheet.	In performing our audit procedures, we considered internal control relevant to the financial reporting process in order to define the audit procedures appropriate to the circumstances. In defining the audit procedures, account was also taken of the process of refining the models used for the valuation of the non-impaired loan portfolio. To address this key audit matter, we performed the following relevant procedures, with the support of experts of the PwC network as needed:

Key audit matters	Auditing procedures performed in response to key audit matters
Net impairment losses booked in the year for these loans, amount to Euro 35 million and represent directors' best estimate in order to determine expected credit losses at the reporting date on the basis of the applicable reporting standards. Valuation processes and methods adopted are characterized by a high degree of judgement and require the estimation of several variables. The use of significant assumptions is particularly relevant for measuring the significant increase in credit risk ("*SICR*"), allocating loan portfolios to the different risk stages ("*Staging*") and determining assumptions and inputs to the models used for the expected credit loss ("*ECL*") calculation. In the current year, in addition to the recurring process of updating the input data and of refining of risk parameters, the Group introduces some evolutions to the models and also applied "*post model adjustments/management overlays*". These actions were deemed necessary to improve the predictiveness of the models in use, to consider the uncertainties in the macroeconomic environment as well as some additional risk factors not adequately captured by models in use, including climate change and geopolitical tensions related to credit risk. Considering the materiality of the amount, the high complexity of the estimation processes and the high degree of judgement involved, as well as the process of fine-tuning of the models adopted, we considered the valuation of these loans as a key audit matter.	• Assessment of the adequacy of the IT environment and test of the operating effectiveness of the applicable key controls over the systems and computer applications used by the Group for the valuation of loans to customers; • Understanding and evaluation of the design of key controls related to the monitoring, classification and impairment valuation of loans to customers and tests of the operating effectiveness of some of them; • Critical assessment of the control activities carried out during the year by internal control functions, of the related outcomes and of the remedial actions undertaken; • Tests, for a sample of loans, of the reasonableness of their classification as performing (Stage 1 and Stage 2) on the basis of the different available information about debtor's status (including both internal and external information); • Understanding and assessment of the appropriateness of the policies, criteria and models used for determining *SICR*, *Staging* and *ECL*. Special attention was paid to the fine tuning introduced during the year to models in use, to methods for determining *"post model adjustments/management overlays"* applied as well as to their reasonableness; Understanding and review of the methods used for defining the key estimation parameters for the models used, to determine the ECL and assessment of the updates and refinements introduced during the year. In particular, we assessed the reasonableness of macroeconomic scenarios assumed, also by checking their

Key audit matters	Auditing procedures performed in response to key audit matters
	consistency with external sources, as well as their probabilities weighting, also in the light of the uncertainties in the macroeconomic and geopolitical environment; ● Assessment of the correct application of the defined criteria, of the completeness and accuracy of the data used for the *ECL* calculation, as well as of any computation performed outside the IT systems; ● Comparative and trend analysis of the volumes of loans to customers performing and related coverage ratios, also by comparing data of previous years and information related to the main sector peers; ● Review of ECL sensitivity analyses to the macroeconomic scenarios that influence the risk parameters of the models used; ● Test of the completeness and adequacy of financial statements disclosures in accordance with International Financial Reporting Standards, the applicable regulatory framework and the communications and recommendations issued by the Supervisory Authorities.
Valuation of non-performing loans to customers measured at amortised cost *Notes to the consolidated financial statements:* *Part A - Accounting policies* *Part B – Information on the consolidated balance sheet – Assets, Section 4* *Part C – Information on the consolidated income statement, Section 8*	In performing our audit procedures, we considered internal control relevant to the financial reporting process in order to define the audit procedures appropriate to the circumstances. To address this key audit matter, we performed the following relevant procedures, with the support of experts of the PwC network as needed:

Key audit matters	Auditing procedures performed in response to key audit matters
Part E – Information on risks and related hedging policies Non-Performing loans (Stage 3) as of 31 December 2025 amount to Euro 1,212 million. Net impairment losses booked in the year for these loans, amount to Euro 333 million and represent directors' best estimate in order to determine expected credit losses for these loans at the reporting date on the basis of the applicable international reporting standards. Valuation processes and methods, assessed both on an individual basis and on a flat rate basis, are characterized by a high degree of judgement and require the estimation of several variables. The use of significant assumptions is particularly relevant for assessing future cash flows, recovery times and for determining the recoverable amount of any collaterals. In particular, where Group's strategy is also based on the recovery through disposals of portfolios, the valuation is performed with a multi-scenario approach reflecting cash flows arising from internal work-out activities as well as cash flows expected from the disposal of these loans. Consistent with the previous financial year, the Group applied a post-model adjustment, the determination of which was further refined, in order to improve the predictive capacity of the model in use. Considering the materiality of the non-performing loans, the complexity of the valuation processes and the high degree of judgement of the assumptions and hypotheses required for determining the key variables, we considered	• Assessment of the adequacy of the IT environment and tests of the operating effectiveness of the applicable key controls over the systems and computer applications used for the valuation of non- performing loans to customers; • Understanding and evaluation of the design of key controls related to the monitoring, classification and impairment valuation of loans to customers and tests of their operating effectiveness; • Understanding and assessment of the appropriateness of the policies, criteria and models used for determining the *ECL* as well as the reasonableness of the fine-tuning applied to the methodology for determining the post-model adjustment applied to the flat-rate model; • Assessment of the correct application of the defined criteria as well as of the completeness and accuracy of the data used in the *ECL* calculation; • Tests, for a sample of loans, of the reasonableness of their classification among the different regulatory categories also on the basis of the available information about debtor's status and of other supporting evidences, including external information; • Assessment of the reasonableness of the method adopted for defining possible alternative recovery scenarios (disposal or work-out), of their consistency with disposal targets defined by the directors and of the probabilities assigned, as well as test of the correct calculation of the *ECL* on the basis of the weighted average of future probable cash flows expected from internal work-out and disposal scenarios;

Key audit matters	Auditing procedures performed in response to key audit matters
the valuation of these loans as a key audit matter.	● In relation to the work-out scenario, for each category required by the applicable financial and regulatory reporting framework, tests, for a sample of loans assessed on an individual basis, of the reasonableness of the assumptions made for determining future cash flows from work-out activity, valuation of collaterals and recovery times. For non-performing loans assessed on a flat rate basis, test of the correct determination of key model parameters of the completeness and the accuracy of related key data inputs, as well as the application of *the post-model adjustment;* ● Comparative and trend analysis of the volumes of non-performing loans to customers and related coverage ratios, performed also by comparing data of previous years and information related to main sector peers; ● Analysis of subsequent events occurred after the reference date of financial statements; ● Test of the completeness and adequacy of financial statements disclosures in accordance with International Financial Reporting Standards, the applicable regulatory framework and the communications and recommendations issued by the Supervisory Authorities.
Valuation of financial instruments held for trading not listed in active markets and measured at fair value on a recurring basis *Notes to the consolidated financial statements:* *Part A – Accounting policies* *Part B – Information on the consolidated balance sheet – Assets, Section 2, Liabilities, Section 2*	In performing our audit procedures, we considered internal control relevant to the financial reporting process in order to define the audit procedures appropriate to the circumstances. Specifically, to address this key matter, we performed the following relevant procedures, with the support of experts of the PwC network as needed: ● Assessment of the adequacy of the IT environment and tests of the operational effectiveness of key controls over the

Key audit matters	Auditing procedures performed in response to key audit matters
Part C – Information on the consolidated income statement, Section 4 Financial instruments held for trading and not listed in active markets whose fair values were determined using models with data and parameters both directly observable and not directly observable in the market (instruments with levels 2 and 3 of the fair value hierarchy) represent assets for Euro 7,638 million and liabilities for Euro 19,560 million, corresponding respectively to about 3.7 per cent of total assets and 9.5 per cent of total liabilities. The financial instruments carrying amounts, which represent directors' best estimate of the fair value of these instruments at the reporting date determined in accordance with the applicable international reporting standards. Throughout the course of our audit, we paid attention to the valuation of these financial instruments held by the Group, focusing primarily on those characterised by a high degree of complexity (structured securities and derivatives). This was considered a key audit matter due to the materiality of the amounts, the number and complexity of the valuation models used and the significant estimates and assumptions required. The valuation models used, in addition to being numerous and different in relation to the type of instrument, require specific qualitative and quantitative assumptions that could determine significantly different outcomes. The valuation models used, even if well-known and acknowledged in practice, could be extremely sensitive to inputs and	systems and computer applications used for the valuation of financial instruments; • Understanding and evaluation of the design of controls relevant to the identification and valuation of financial instruments, as well as the operational effectiveness of some controls; • Understanding and critical assessment of the policies adopted to determine the fair value of financial instruments, in order to verify its appropriateness; • Review of the valuation techniques and models used as well as of the criteria applied for determining significant assumptions and data inputs, and assessment of their consistency with the market practice and financial sector literature; • Specific substantive procedures on the related accounting balances, including independent fair values calculation for a sample of financial instruments, aimed at verifying the reasonableness of directors' valuations. Special attention was paid to qualitative and quantitative assumptions and inputs used (interest rate curves, credit and liquidity spreads, volatility parameters, other market information); • Test of the completeness and adequacy of disclosures closely related to this key matter also considering requirements of the applicable international financial reporting standards.

Key audit matters	Auditing procedures performed in response to key audit matters
assumptions and, given their nature, incorporate a risk of incorrect valuation.	
Valuation of insurance liabilities for residual coverage (life insurance) *Notes to the consolidated financial statements:* *Part A – Accounting Policies* *Part B – Information on the consolidate balance sheet, Liabilities, Section 11* *Part C – Information on the consolidated income statement, Section 10 and Section 11* *Part E – Information on risks and related hedging policies* Insurance liabilities amounted to Euro 14,167 million, corresponding to approximately 6.9 per cent of the liabilities in the consolidated balance sheet, of which Euro 14,002 million are attributable to liabilities for residual coverage of the life insurance business, relating to the subsidiaries Banco BPM Vita SpA, Vera Vita SpA and BBPM Life DAC ("Insurance Companies"). The insurance liabilities for residual coverage include the discounted expected cash flows (Present value of future cash flow – "PVFCF"), corrected to take into account non-financial risks (Risk Adjustment) and the Contractual Service Margin (CSM) which represents the present value of future profits on insurance contracts that is released to the income statement according to logics consistent with the insurance service provided in the period.	In performing our audit procedures, we considered internal control relevant to the financial reporting process, to define appropriate audit procedures under the circumstances. In particular, in order to address this key audit matter, the following main activities were performed: • Assessment of the adequacy of the IT environment and tests of the operational effectiveness of key controls over the systems and computer applications used by the Insurance Companies for the purpose of assessing liabilities for residual coverage; • Understanding and evaluation of the design of controls relevant to the monitoring, classification and assessment of insurance liabilities and verification of the operational effectiveness of some controls; • Assessment of the accuracy and completeness of the databases by carrying out substantive procedures for a sample of premiums, comparing the information present in the IT system of the Insurance Companies with the supporting evidence obtained from them; • Critical analysis of the methodologies and assumptions adopted by the directors in compliance with the International Accounting Principle IFRS 17;

Key audit matters	Auditing procedures performed in response to key audit matters
The International Accounting Principle IFRS 17 is characterised by a high level of interpretative and operational complexity, due to the presence of numerous aspects that require the application of a high degree of subjectivity, including: • the valuation of liabilities for remaining coverage of insurance contracts assessed with the “general model” or the “variable fee approach”. This valuation requires the use of statistical-actuarial methodologies and calculation models characterized by a high degree of judgement for the selection of parameters to be used (such as surrender hypothesis, mortality rates, additional payments, expected expenses, expected claims and discount rates) for estimating future cash flows and adjustment for non-financial risk; • the valuation of the release of the CSM on contractual services as a recognition of profits in the profit and loss account on the insurance services provided. The determination of the release modalities is characterized by a high degree of subjectivity in the identification of coverage units. Considering the materiality of the amount in the financial statements, the complexity of the estimation processes, the valuation of insurance liabilities has been considered a key audit matter.	• Comparison of the methodologies and assumptions, referred to point above, with market practices. Furthermore, with the support of actuarial experts belonging to the PwC network, we carried out the following activities: • Assessment of the methodologies and assumptions underlying the calculation of insurance liabilities for residual coverage for each component also through the analysis of the main performance indicators; • Independent recalculation of the PVFCF of insurance liabilities for residual coverage for a sample of policies; • Analysis of the evaluation criteria of the coverage units for the purposes of issuing the CSM on contractual services in the income statement; • Analysis of the movements of insurance liabilities for residual coverage between the beginning and the end of the period on a sample basis; • Assessment of the onerousness of the contracts (“Onerous contract test” or “OCT”) and of the related definition of the Unit of Account as the minimum level of aggregation of insurance contracts. Finally, we verified the completeness and adequacy of the disclosures strictly related to the key aspect in question, also in relation to the provisions of the reference international accounting principles, the applicable regulatory framework and the

Key audit matters	Auditing procedures performed in response to key audit matters
	communications and recommendations issued by the Supervisory Authorities.
Business combination of Anima Group *Notes to the consolidated financial statements:* *Part A – Accounting Policies* *Part B – Information on the Consolidated Balance Sheet, Section 10* *Part G – Business combination regarding companies or divisions* As of 11 April 2025, the Banco BPM Group – through its subsidiary Banco BPM Vita SpA – acquired a shareholding equal to 67.976% of Anima Holding SpA, for a total consideration of Euro 1,547.5 million, paid in cash to the shareholders tendering their shares under the public tender offer launched in November 2024 (the "Public Tender Offer"). Following the completion of the Public Tender Offer, the Group holds 89.949% of the shares of Anima Holding SpA (this percentage includes the 21.973% interest previously held by the Group and subsequently transferred to Banco BPM Vita SpA). The acquisition of control of Anima Holding SpA (the "Transaction") qualifies as a business combination pursuant to IFRS 3 "Business Combinations", which requires the application of the acquisition method. The Transaction entailed the need to perform specific valuation activities, in particular with regard to the determination of the fair value of the previously held equity interest and the allocation of the acquisition price	In order to address this key matter, we performed the following relevant procedures, with the support of experts of the PwC network as needed: • Gaining an understanding of the structure of the Transaction, also through the collection and analysis of supporting documentation, as well as through discussions with Management; • Assessing the reasonableness of the assumptions made and the conclusions reached by Management with respect to the determination of the fair value of the previously held equity interests, as well as compliance with the requirements of IFRS 3 for the accounting recognition of business combinations achieved in stages (so-called step acquisitions); • Gaining an understanding and evaluating the controls implemented by Management in relation to the Transaction; • Understanding and critical assessment, also through discussions with Management and the external advisors engaged by the Group, of the valuation models adopted within the Purchase Price Allocation (PPA) process and the resulting determination of the fair value of the identifiable assets acquired and liabilities assumed;

Key audit matters	Auditing procedures performed in response to key audit matters
(Purchase Price Allocation – PPA), in accordance with IFRS 3. The Transaction resulted in the acquisition of control of Anima Holding pursuant to IFRS 10, with the consequent full consolidation of the company and its subsidiaries starting from the acquisition date. This circumstance required specific assessments and activities relating to the classification and measurement of the acquired assets and liabilities, as well as their presentation. The PPA process led to the recognition of goodwill amounting to Euro 1,550.6 million and identifiable net assets for an amount of Euro 411.1 million. In light of the significance of the amounts involved, the complexity of the Transaction and the resulting accounting effects, taking into account the valuation aspects described above, this business combination was considered a key audit matter.	• assessing the reasonableness of the key qualitative and quantitative assumptions used by Management, also taking into account the specific characteristics of the assets and liabilities being valued; • we verified the completeness and adequacy of the disclosures in relation to the provisions of the reference international accounting principles.

Responsibilities of the directors and the 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 adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005 and article 43 of Legislative Decree No. 136/15 and, in the terms prescribed by law, for such internal control as they 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, in preparing the consolidated financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the consolidated financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate Banco BPM SpA or to cease operations or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in 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 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 conducted 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 the consolidated financial statements.

As part of our audit conducted 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 responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 directors' 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. If we conclude that 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, future 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 a manner that achieves fair presentation.

- 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 with those charged with governance, identified at an appropriate level as required by ISA Italia regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we 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 with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional disclosures required by article 10 of Regulation (EU) 537/2014

On 15 October 2016, the shareholders of Banco Popolare Società Cooperativa and Banca Popolare di Milano Scarl in general meeting engaged us to perform the statutory audit of the Company's and the consolidated financial statements for the years ending 31 December 2017 to 31 December 2025.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) 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 its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on compliance with other laws and regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 815/2019

The directors of Banco BPM SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) 815/2019 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (the "Commission Delegated Regulation") to the consolidated financial statements as of 31 December 2025, to be included in the annual report.

We have performed the procedures specified in auditing standard (SA Italia) 700B in order to express an opinion on the compliance of the consolidated financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the consolidated financial statements as of 31 December 2025 have been prepared in XHTML format and have been marked up, in all significant respects, in compliance with the provisions of the Commission Delegated Regulation.

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree 39/2010 and with article 123-bis, paragraph 4, of Legislative Decree 58/1998

The directors of Banco BPM SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of Banco BPM group as of 31 December 2025, including its their consistency with the relevant consolidated financial statements and its their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998, with the consolidated financial statements;

- express an opinion on the compliance with the law of the report on operations, excluding the section on the consolidated sustainability reporting, and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998;

- issue a statement on material misstatements, if any, in the report on operations and in the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are consistent with the consolidated financial statements of Banco BPM group as of 31 December 2025.

Moreover, in our opinion, the report on operations, excluding the section on the consolidated sustainability reporting, and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998are prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree 39/2010, issued on the basis of 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 compliance with the law does not extend to the section of the report on operations relating to the consolidated sustainability reporting. The conclusions on the compliance of that section with the rules governing its preparation and on compliance with the disclosure requirements established by article 8 of Regulation (EU) 852/2020 are expressed by ourselves in the report prepared in accordance with article 14-bis of Legislative Decree 39/2010.

Milan, 18 March 2026

PricewaterhouseCoopers SpA

Signed by

Raffaella Preziosi

(Partner)

As disclosed by the directors on page 1, the accompanying consolidated financial statements of Banco BPM SpA constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 815/2019. 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.

Independent auditor's limited assurance report on the consolidated sustainability statement in accordance with article 14-bis of Legislative Decree 39/2010

To the Shareholders of

Banco BPM SpA

Conclusion

In accordance with articles 8 and 18, paragraph 1, of Legislative Decree 125/2024 (the "Decree"), we have undertaken a limited assurance engagement on the consolidated sustainability statement of the Banco BPM group (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 procedures performed, nothing has come to our attention that causes us to believe that:

- the consolidated sustainability statement of the Banco BPM group 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", also the "ESRS");

- the information set out in paragraph "*Taxonomy pursuant to Article 8 of Regulation (EU) 2020/852*" of the consolidated sustainability statement is not prepared, in all material respects, in accordance with article 8 of Regulation (UE) 852/2020 (the "Taxonomy Regulation").

Basis for 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 this standard are further described in the "*Auditor's responsibilities for the limited assurance conclusion on the consolidated sustainability statement*" section of this report.

We are independent in accordance with the principles of ethics and independence applicable to assurance engagements on consolidated sustainability statements 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 Banco BPM SpA for the consolidated sustainability statement

The directors of Banco BPM SpA are responsible for developing and implementing the procedures adopted to identify the information included in the consolidated sustainability statement in accordance with the provisions of the ESRS (the "materiality assessment process") and for describing those procedures in the paragraph "*Process of identifying and assessing impacts, risks and opportunities [ESRS 2 IRO-1]*" note of the consolidated sustainability statement.

The directors are also responsible for preparing the consolidated sustainability statement, 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 *Taxonomy pursuant to Article 8 of Regulation (EU) 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 statement 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 the preparation of the consolidated sustainability statement

As reported in paragraph "*Disclosures in relation to specific circumstances [ESRS 2 BP-2]*", section "*General information*", 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.

As reported in paragraph "*Estimates regarding the value chain*", section "*General information*", the disclosure 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 statement

Our objectives are to plan and perform procedures to obtain limited assurance about whether the consolidated sustainability statement 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 decisions of users taken on the basis of the consolidated sustainability statement.

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 statement and assuming full responsibility for the conclusion on the consolidated sustainability statement.

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 Banco BPM SpA responsible for the preparation of the information presented in the consolidated sustainability statement, analyses of documents, recalculations and other procedures designed to obtain evidence considered useful.

We performed the following main procedures:

- We understood the Group's business model and strategies, and the environment in which it operates with reference to sustainability issues;

- We understood the processes underlying the generation, collection and management of the qualitative and quantitative information included in the consolidated sustainability statement;

- We understood 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;

- We identified the disclosures where a material misstatement is likely to arise;

- We defined and performed procedures, based on our professional judgement, to address the risks of material misstatement identified;

- We understood the process implemented by the Group to identify the eligible exposures 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 statement;

- We reconciled the information reported in the consolidated sustainability statement 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;

- We verified the structure and presentation of disclosures included in the consolidated sustainability statement in accordance with the ESRS;

- We obtained management's representation letter.

Milan, 18 March 2026

PricewaterhouseCoopers SpA

Signed by

Sara Bettoni

(Partner)

This 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

List of IAS/IFRS endorsed by the European Commission as at 31 December 2025

Accounting standards		Endorsement Regulation (*)	
			amendments
IAS 1	Presentation of Financial Statements	1803/2023	2822/2023
IAS 2	Inventories	1803/2023	
IAS 7	Statement of Cash Flows	1803/2023	1317/2024, 1331/2025 (***)
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	1803/2023	
IAS 10	Events After the Reporting Period	1803/2023	
IAS 12	Income Taxes	1803/2023	2468/2023
IAS 16	Property, Plant and Equipment	1803/2023	
IAS 19	Employee Benefits	1803/2023	
IAS 20	Accounting for Government Grants and Disclosure of Government Assistance	1803/2023	
IAS 21	The Effects of Changes in Foreign Exchange Rates	1803/2023	2862/2024
IAS 23	Borrowing Costs	1803/2023	
IAS 24	Related Party Disclosures	1803/2023	
IAS 26	Accounting and Reporting by Retirement Benefit Plans	1803/2023	
IAS 27	Separate Financial Statements	1803/2023	
IAS 28	Investments in Associates and Joint Ventures	1803/2023	
IAS 29	Financial Reporting in Hyperinflationary Economies	1803/2023	
IAS 32	Financial Instruments: Presentation	1803/2023	
IAS 33	Earnings per Share	1803/2023	
IAS 34	Interim Financial Reporting	1803/2023	
IAS 36	Impairment of Assets	1803/2023	
IAS 37	Provisions, Contingent Liabilities and Contingent Assets	1803/2023	
IAS 38	Intangible Assets	1803/2023	
IAS 39	Financial Instruments: Recognition and Measurement (with the exception of several provisions relating to accounting for hedging transactions) (**)	1803/2023	
IAS 40	Investment Property	1803/2023	
IAS 41	Agriculture	1803/2023	

(*) Regulation (EU) no. 1803 of 13 August 2023 repealed Regulation (EC) no. 1126/2008 of the Commission, which adopts the international accounting standards and the related interpretations issued or adopted by the IASB until 15 October 2008. This regulation was amended to include the standards and related interpretations issued or adopted by the IASB, and adopted by the Commission until 8 September 2022, in accordance with Regulation (EC) no. 1606/2002. Having undergone numerous amendments, in order to simplify EU legislation on international accounting standards, it was deemed appropriate, for reasons of clarity and transparency, to replace Regulation no. 1126/2008.
Regulation no. 1803/2023 also incorporates IFRS 17 and relative amendments. Note that, during the endorsement phase, an option was introduced to exempt intergenerationally-mutualised and cash flow matched contracts from the annual cohort requirement, not permitted by the version of the standard approved by the IASB (carve-out option).
(**) With the entry into force of IFRS 9 "Financial Instruments", only the portion of IAS 39 regarding accounting for fair value hedging transactions remains in force.
(***) Regulation endorsed at the date of approval of the financial statements, but applicable following 1 January 2026.

Accounting standards		Endorsement Regulation (*)	
			amendments
IFRS 1	First-time Adoption of International Financial Reporting Standards	1803/2023	2862/2024, 1331/2025 (***)
IFRS 2	Share-based Payments	1803/2023	
IFRS 3	Business Combinations	1803/2023	
IFRS 4	Insurance Contracts	1803/2023	
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations	1803/2023	
IFRS 6	Exploration for and Evaluation of Mineral Resources	1803/2023	
IFRS 7	Financial Instruments: Disclosures	1803/2023	1317/2024, 1047/2025 (***), 1266/2025 (***), 1331/2025 (***)
IFRS 8	Operating Segments	1803/2023	
IFRS 9	Financial Instruments	1803/2023	1047/2025 (***), 1266/2025 (***), 1331/2025 (***)
IFRS 10	Consolidated Financial Statements	1803/2023	1331/2025 (***)
IFRS 11	Joint Arrangements	1803/2023	
IFRS 12	Disclosure of Interests in Other Entities	1803/2023	
IFRS 13	Fair Value Measurement	1803/2023	
IFRS 15	Revenue from Contracts with Customers	1803/2023	
IFRS 16	Leases	1803/2023	2579/2023
IFRS 17	Insurance Contracts	1803/2023	

(*) Regulation (EU) no. 1803 of 13 August 2023 repealed Regulation (EC) no. 1126/2008 of the Commission, which adopts the international accounting standards and the related interpretations issued or adopted by the IASB until 15 October 2008. This regulation was amended to include the standards and related interpretations issued or adopted by the IASB, and adopted by the Commission until 8 September 2022, in accordance with Regulation (EC) no. 1606/2002. Having undergone numerous amendments, in order to simplify EU legislation on international accounting standards, it was deemed appropriate, for reasons of clarity and transparency, to replace Regulation no. 1126/2008.

Regulation no. 1803/2023 also incorporates IFRS 17 and relative amendments. Note that, during the endorsement phase, an option was introduced to exempt intergenerationally-mutualised and cash flow matched contracts from the annual cohort requirement, not permitted by the version of the standard approved by the IASB (carve-out option).

(***) Regulations endorsed at the date of approval of the financial statements, but applicable following 1 January 2026.

Interpretations		Endorsement Regulation (*) amendments
IFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	1803/2023
IFRIC 2	Members' Shares in Co-operative Entities and Similar Instruments	1803/2023
IFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1803/2023
IFRIC 6	Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment	1803/2023
IFRIC 7	Applying the Restatement Approach under IAS 29 - Financial Reporting in Hyperinflationary Economies	1803/2023
IFRIC 10	Interim Financial Reporting and Impairment	1803/2023
IFRIC 12	Service Concession Arrangements	1803/2023
IFRIC 14	IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1803/2023
IFRIC 16	Hedges of a Net Investment in a Foreign Operation	1803/2023
IFRIC 17	Distributions of Non-Cash Assets to Owners	1803/2023
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments	1803/2023
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	1803/2023
IFRIC 21	Levies	1803/2023
IFRIC 22	Foreign Currency Transactions and Advance Consideration	1803/2023
IFRIC 23	Uncertainty over Income Tax Treatments	1803/2023
SIC 7	Introduction of the Euro	1803/2023
SIC 10	Government Assistance – No Specific Relation to Operating Activities	1803/2023
SIC 15	*Operating Leases – Incentives*	1803/2023
SIC 25	Income Taxes – Changes in the Tax Status of an Entity or its Shareholders	1803/2023
SIC 29	Service Concession Arrangements: Disclosures	1803/2023
SIC 32	Intangible Assets – Web Site Costs	1803/2023

(*) Regulation (EU) no. 1803 of 13 August 2023 repealed Regulation (EC) no. 1126/2008 of the Commission, which adopts the international accounting standards and the related interpretations issued or adopted by the IASB until 15 October 2008. This regulation was amended to include the standards and related interpretations issued or adopted by the IASB, and adopted by the Commission until 8 September 2022, in accordance with Regulation (EC) no. 1606/2002. Having undergone numerous amendments, in order to simplify EU legislation on international accounting standards, it was deemed appropriate, for reasons of clarity and transparency, to replace Regulation no. 1126/2008.

Regulation no. 1803/2023 also incorporates IFRS 17 and relative amendments. Note that, during the endorsement phase, an option was introduced to exempt intergenerationally-mutualised and cash flow matched contracts from the annual cohort requirement, not permitted by the version of the standard approved by the IASB (carve-out option).

Reconciliation between the items in the consolidated balance sheet and the reclassified consolidated balance sheet as at 31 December 2025

Asset items ***(thousands of euro)***		**31/12/2025**
10.	Cash and cash equivalents	5,606,509
	Cash and cash equivalents	**5,606,509**
40. a)	Financial assets at amortised cost: loans to banks	6,475,780
	minus: debt securities due to banks at amortised cost	(2,576,885)
	minus: financial assets at AC pertaining to insurance companies - loans to banks	(2)
	Loans at AC: loans to banks	**3,898,893**
40. b)	Financial assets at amortised cost: loans to customers	129,050,087
	minus: debt securities due to customers at amortised cost	(29,334,556)
	minus: financial assets at AC pertaining to insurance companies - loans to customers	(1,963)
	Loans at AC: loans to customers	**99,713,568**
20.	Financial assets at fair value through profit and loss	22,512,342
50.	Hedging derivatives	834,792
	minus: financial assets at fair value through profit and loss pertaining to insurance companies	(8,540,318)
	Financial assets and hedging derivatives at FV through Profit and Loss	**14,806,816**
30.	Financial assets measured at fair value through other comprehensive income	26,316,786
	minus: financial assets measured at fair value through other comprehensive income pertaining to insurance companies	(10,287,734)
	Financial assets at FV through OCI	**16,029,052**
	plus: debt securities due to banks and customers at amortised cost	31,911,441
	Financial assets at AC	**31,911,441**
	plus: financial assets at AC pertaining to insurance companies - loans to banks	2
	plus: financial assets at AC pertaining to insurance companies - loans to customers	1,963
	plus: financial assets at fair value through profit and loss pertaining to insurance companies	8,540,318
	plus: financial assets measured at fair value through other comprehensive income pertaining to insurance companies	10,287,734
	Financial assets pertaining to insurance companies	**18,830,017**
70.	Interests in associates and joint ventures	1,452,559
	Interests in associates and joint ventures	**1,452,559**
90.	Property, plant and equipment	2,481,158
	Property, plant and equipment	**2,481,158**
100.	Intangible assets	3,214,115
	Intangible assets	**3,214,115**
110.	Tax assets	2,909,743
	Tax assets	**2,909,743**
120.	Non-current assets and disposal groups held for sale	196,649
	Non-current assets and disposal groups held for sale	**196,649**
60.	Fair value change of financial assets in macro fair value hedge portfolios (+/-)	(148,718)
80.	Insurance assets	6,730
130.	Other assets	4,987,775
	Other asset items	**4,845,787**
	Total assets	**205,896,307**

Liability items *(thousands of euro)*		**31/12/2025**
10. b)	Financial liabilities at amortised cost: due to customers	109,942,349
	minus: lease payables due to customers	(670,854)
	minus: due to customers pertaining to insurance companies	(6,625)
	Due to customers	**109,264,870**
10. c)	Financial liabilities at amortised cost: debt securities in issue	23,122,646
30.	Financial liabilities designated at fair value	8,329,162
	minus: protected capital certificates	(4,323,985)
	minus: financial liabilities at fair value pertaining to insurance companies	(4,005,177)
	Securities and financial liabilities designated at fair value	**23,122,646**
	Direct bank funding	**132,387,516**
	plus: financial liabilities at fair value pertaining to insurance companies	4,005,177
110.	Insurance liabilities	14,167,311
	Direct funding from insurance business	**18,172,488**
10. a)	Financial liabilities at amortised cost: due to banks	6,646,055
	minus: lease payables due to banks	-
	minus: due to banks pertaining to insurance companies	(72,773)
	Due to banks	**6,573,282**
	plus: lease payables due to banks	-
	plus: lease payables due to customers	670,854
	Lease payables	**670,854**
20.	Financial liabilities held for trading	22,221,580
	plus: protected capital certificates	4,323,985
40.	Hedging derivatives	614,825
	Other financial liabilities designated at fair value	**27,160,390**
	plus: due to customers pertaining to insurance companies	6,625
	plus: due to banks pertaining to insurance companies	72,773
	Other financial liabilities pertaining to insurance companies	**79,398**
90.	Provisions for employee severance pay	193,796
100.	Provisions for risks and charges	667,269
	Liability provisions	**861,065**
60.	Tax liabilities	551,625
	Tax liabilities	**551,625**
70.	Liabilities associated with assets classified as held for sale	-
	Liabilities associated with assets classified as held for sale	**-**
50.	Fair value change of financial liabilities in macro fair value hedge portfolios (+/-)	(487,533)
80.	Other liabilities	4,342,059
	Other liability items	**3,854,526**
	Total liabilities	**190,311,144**
190.	Non-controlling interests (+/-)	80,487
	Non-controlling interests	**80,487**
120.	Valuation reserves	258,523
140.	Equity instruments	1,787,145
150.	Reserves	5,036,083
155.	Advances on dividends	(691,552)
170.	Share capital	7,100,000
180.	Own shares (-)	(67,510)
200.	Profit (loss) for the year (+/-)	2,081,987
	Group shareholders' equity	**15,504,676**
	Total liabilities and shareholders' equity	**205,896,307**

Reconciliation between the items in the consolidated income statement and the reclassified consolidated income statement schedule for 2025

2025 (thousands of euro)	Income statement	Reclassifications		Reclassified income statement
Net interest income				**3,127,491**
10. Interest and similar income	5,785,462	7,916	(a)	
		(289,202)	(h)	
20. Interest and similar expense	(2,370,076)	(6,609)	(h)	
Gains (losses) on interests in associates and joint ventures carried at equity				**120,911**
250. Gains (losses) of associates and joint ventures		120,911	(b)	
Net fee and commission income				**2,495,278**
40. Fee and commission income	2,883,788	76,980	(c)	
		14,811	(h)	
		63,860	(q)	
		(34,419)	(r)	
		1,717	(p)	
50. Fee and commission expense	(527,542)	16,083	(h)	
Profit (loss) on insurance business				**162,522**
160. Profit (loss) on insurance services	96,197			
170. Balance of revenues and costs of a financial nature relating to insurance activities	(505,608)			
		7,046	(a)	
		530,468	(h)	
		34,419	(r)	
Core income				**5,906,202**
Net financial result				**48,359**
70. Dividends and similar income	195,684			
80. Net trading income	329,919	(76,980)	(c)	
		(4,008)	(f)	
90. Fair value gains/losses on hedging derivatives	9,082			
100. Gains (losses) on disposal or repurchase	(41,729)	28,140	(g)	
110. Net gains (losses) from other financial assets and liabilities measured at fair value through profit and loss	(106,651)	(221,238)	(h)	
		(63,860)	(q)	
Other net operating income				**690**
230. Other operating expenses/income	326,741	(323,981)	(d)	
		(3,904)	(e)	
		2,851	(h)	
		(1,717)	(p)	
		700	(a)	
Operating income				**5,955,251**
Personnel expenses				**(1,798,067)**
190 a) Personnel expenses	(1,783,040)	(7,073)	(i)	
		(35,858)	(h)	
		3,904	(e)	
		24,000	(l)	
Other administrative expenses				**(657,464)**
190 b) Other administrative expenses	(1,042,236)	7,073	(i)	
		323,981	(d)	
		46,812	(l)	
		(7,205)	(h)	
		14,111	(u)	

2025 (thousands of euro)	Income statement	Reclassifications		Reclassified income statement
Net value adjustments to property, plant and equipment and intangible assets				**(283,330)**
210. Depreciation and impairment losses on property, plant and equipment	(156,954)	(5,323)	(h)	
220. Amortisation and impairment losses on intangible assets	(174,828)	53,775	(a)	
Operating expenses				**(2,738,861)**
Profit (loss) from operations				**3,216,390**
Cost of loans to customers				**(396,580)**
130 a) Net credit impairment losses/recoveries relating to financial assets at amortised cost	(361,768)	(230)	(m)	
		143	(n)	
		(3,918)	(o)	
		(28,140)	(g)	
140. Gains (losses) from contractual modification without derecognition	(2,667)			
Net adjustments to securities and other financial assets				**3,409**
130 b) Net credit impairment losses/recoveries relating to financial assets measured at fair value through other comprehensive income	(1,818)	230	(m)	
		(143)	(n)	
		3,918	(o)	
		1,222	(h)	
Fair value gains (losses) on property, plant and equipment				**(7,291)**
260. Fair value gains (losses) on property, plant and equipment and intangible assets	(7,291)			
Net provisions for risks and charges				**(2,547)**
200. Net provisions for risks and charges	(8,547)			
		6,000	(l)	
Total adjustments and provisions				**(403,009)**
Profit (loss) before tax from continuing operations				**2,813,381**
Taxation charge related to profit or loss from continuing operations				**(803,139)**
300. Taxation charge related to profit or loss from continuing operations	(759,172)	(24,549)	(l)	
		(20,928)	(a)	
		1,325	(f)	
		3,792	(s)	
		861	(t)	
		(4,468)	(u)	
Profit (loss) after tax from continuing operations				**2,010,242**
Gains (losses) on interests in associates and joint ventures and other investments, net of taxes				**2,271**
250. Gains (losses) of associates and joint ventures	323,905	(120,911)	(b)	
		(205,623)	(s)	
		2,629	(v)	
280. Gains (losses) on disposal of investments	3,132	(861)	(t)	
Impact of the purchase price allocation (PPA), net of taxes		(47,909)	(a)	**(47,909)**
Impact of the change in own credit risk on the issue of certificates (OCR), net of taxes		2,683	(f)	**2,683**
Banking industry charges, net of taxes		(9,643)	(u)	**(9,643)**
Charges for company restructuring, net of taxes		(52,263)	(l)	**(52,263)**
Impact of restatement of the Anima share, net of taxes		201,831	(s)	**201,831**
Impairment of client relationships, goodwill and interests in associates and joint ventures				**(4,429)**
270. Value adjustments to goodwill	(1,200)	(2,629)	(v)	
		(600)	(a)	
Profit (loss) attributable to non-controlling interests				**(20,796)**
340. Profit (loss) for the year attributable to non-controlling interests	(20,796)			
Parent Company's profit (loss) for the year	**2,081,987**	**-**		**2,081,987**

The letters shown in the column "Reclassifications" are provided for easier understanding of the reclassifications made.

With regard to the above statement of reconciliation, the main classifications are illustrated below:

- **"Net interest income"** is represented by the algebraic balance of interest and similar income (item 10) and interest and similar expense (item 20), net of the PPA relating to loans to customers, amounting to 7.9 million (a), classified within the new reclassified income statement item "Impact of the purchase price allocation (PPA), net of taxes", and of interest income (289.2 million) and expense (6.6 million) pertaining to insurance companies, shown in item "Profit (loss) on insurance business" (h);
- **"Gains (losses) on interests in associates and joint ventures carried at equity"** shows the portion of profits (losses) pertaining to investee companies carried at equity (included in item 250) totalling 120.9 million (b);
- **"Net fee and commission income"** is represented by the algebraic balance of fee and commission income (item 40) and fee and commission expense (item 50); it also includes the reclassification of the upfront fees relating to the placement of certificates through the Group network (77.0 million (c)) from item 80 of the official schedule "Net trading income". Net fee and commission income are shown net of impacts deriving from the realignment of intragroup revenues and costs against the different recognition criteria adopted by Banco BPM (up-front recognition of distribution fee and commission income) compared to those adopted by the Group's insurance companies (recognition spread over time of distribution fee and commission expense), equal to 34.4 million (r), included in the item "Profit (loss) on insurance business". The item in question is shown net of fee and commission income (14.8 million) and expense (16.1 million) pertaining to insurance companies, shown in "Profit (loss) on insurance business" (h). The aggregate in question also includes the income items, for 63.9 million (q), constituting the remuneration for the structuring and hedging of the risks on the certificates issued, placed or structured by the Group, as well as those relating to remuneration for sales to retail and corporate companies of hedging derivatives, recognised under item 110 of the official statement "Net gains (losses) from other financial assets and liabilities measured at fair value through profit and loss". Lastly, the aggregate in question includes reclassified income from activities related to the e-money segment recognised in the financial statements under the item "Other net operating income" for 1.7 million (p);
- the item **"Profit (loss) on insurance business"** corresponds to the financial statement items "160. Profit (loss) on insurance services" and "170. Balance of revenues and costs of a financial nature relating to insurance activities", plus the share relating to interest income and expense, to fee and commission income and expense, to other income and expense and to the net financial result pertaining to insurance companies, as illustrated above (h). The aggregate also includes the share of personnel expenses, other administrative expenses, net value adjustments to property, plant and equipment and intangible assets and other income and expense attributable to the insurance business, included in the Contractual Service Margin pursuant to IFRS 17, presented as a separate item in the reclassified income statement; the total contribution to the item in question is 530.5 million (h). The item in question also includes the impacts of the realignment of intragroup revenues and costs against the different recognition criteria adopted by Banco BPM (up-front recognition of distribution fee and commission income) compared to those adopted by the Group's insurance companies (recognition spread over time of distribution fee and commission expense), equal to 34.4 million (r), originally recognised among fee and commission income in the official income statement. Lastly, the item in question excludes the effect of the PPA relating to insurance liabilities of the companies, equal to 7.0 million (a), reconciled in the reclassified income statement item "Impact of the purchase price allocation (PPA), net of taxes";
- the income statement item "**Net financial result**" includes "Dividends and similar income" (item 70), "Net trading income" (item 80), net of both the reclassification of the amounts of fees on the placement of certificates for a total of 77.0 million (c), re-attributed to "Net fee and commission income", and the impact deriving from the change in own credit risk on the issue of Certificates for 4.0 million (f), re-attributed to the customised item of the reclassified income statement called "Impact of the change in own credit risk on the issue of certificates (OCR), net of taxes". The aggregate in question also includes "Fair value gains/losses on hedging derivatives" (item 90), "Net gains (losses) from other financial assets and liabilities measured at fair value through profit and loss" (item 110) and "gains/losses on disposal or repurchase" (item 100) net of gains on disposal of loans not represented by debt securities, equal to 28.1 million (g), re-attributed to the management aggregate "Cost of loans to customers". The items of the net financial result pertaining to insurance companies, equal to 221.2 million (h), shown under the item "Profit (loss) on insurance business", are also excluded, as are the income items, for 63.9 million (q), constituting the remuneration for the structuring and hedging of the risks on the certificates issued, placed or structured by the Group, as well as

those relating to remuneration for sales to retail and corporate companies of hedging derivatives, recognised under "Net fee and commission income";

- the item **"Other net operating income"** is represented by the financial statement item "230. Other operating expenses/income" net of recoveries on indirect taxes, legal fees and other expenses, totalling 324.0 million (d), which for the purpose of the reclassification, are shown as a reduction of "Other administrative expenses", and of the recovery of training costs of 3.9 million (e) reclassified as a reduction of "Personnel expenses", the share of net expenses (2.9 million) pertaining to insurance companies, shown in the item "Profit (loss) on insurance business" (h) income from activities related to the e-money segment, of 1.7 million (p), classified under net fee and commission income, as described previously, and the share of amortisation of several intangibles relating to the insurance companies, combined in the reclassified income statement item "Impact of the purchase price allocation (PPA), net of taxes", for 0.7 million (a);
- **"Personnel expenses"** is represented by the financial statement item "190. a) Personnel expenses" and by several charges functionally related to personnel, amounting to 7.1 million (i), recognised in the financial statements under item 190. b) "Other administrative expenses" and by the recovery of training costs of 3.9 million (e), recorded under item "230. Other operating expenses/income", as described above. The item in question also includes the share of personnel expenses attributable to the insurance business relating to the Contractual Service Margin (35.9 million) set forth in IFRS 17 and shown under the item "Profit (loss) on insurance business" (h). On the other hand, this aggregate excludes the amount of charges relating to voluntary redundancy incentive schemes for employees close to qualifying for pension rights, of 24.0 million (l) reconciled in the reclassified income statement item "Charges for company restructuring, net of taxes";
- **"Other administrative expenses"** is represented by the financial statement item 190 b), net of recoveries on indirect taxes, legal fees and other expenses, totalling 324.0 million (d), included in the item "230 Other operating expenses/income", as described above, and of several charges connected to personnel, recognised in the reclassified item "Personnel expenses" for 7.1 million (i). This also excludes certain "one-off" operating expenses, totalling 46.8 million (l), incurred for the performance of extraordinary transactions that have had an impact on the organisational structure of the Group (e.g. acquisition of control of Anima Holding through a public tender offer, streamlining of the branch network) or that are included in the projects aimed at the integration of business combinations completed in previous years (Vera Vita), as well as non-recurring charges incurred to protect the interests of shareholders in relation to the UniCredit public exchange offer. These costs are shown, net of the related tax effect, in a separate item of the reclassified income statement entitled "Charges for company restructuring, net of taxes". The item in question also excludes "banking industry" charges totalling 14.1 million (u) represented by the total annual contribution due to the Interbank Deposit Guarantee Fund (FITD) and by the estimated contribution due to the Guarantee Fund of the Life insurance sector shown, net of the related tax effect, in the separate item "Banking industry charges, net of taxes". The aggregate in question also includes the share of other administrative expenses attributable to the insurance business relating to the Contractual Service Margin (7.2 million) set forth in IFRS 17 and shown under the item "Profit (loss) on insurance business" (h);
- "**Net value adjustments to property, plant and equipment and intangible assets**" corresponds to the accounting items 210 and 220, net of adjustments to intangibles with a finite useful life (client relationships and value of business acquired), allocated to the reclassified income statement item "Impact of the purchase price allocation (PPA), net of taxes", amounting to 53.8 million (a). The aggregate in question also includes the share of value adjustments attributable to the insurance business relating to the Contractual Service Margin (5.3 million) set forth in IFRS 17 and shown under the item "Profit (loss) on insurance business" (h);
- the **"Cost of loans to customers"** is formed by the income statement items "130 a). Net credit impairment losses/recoveries relating to financial assets at amortised cost" and "140. Gains (losses) from contractual modification without derecognition". Specifically, it includes the adjustments to exposures classified in the portfolio of financial assets at amortised cost - loans to customers - loans (amounting to 361.8 million), the negative result of disposals of loans, amounting to 28.1 million (g) (included in item 100), as well as gains (losses) from contractual modification without derecognition (item 140 of the income statement). Instead, it excludes net impairment losses on exposures classified in the portfolio of financial assets at amortised cost represented by debt securities, totalling 3.9 million (o), net impairment losses on exposures classified in the portfolio of financial assets at amortised cost – loans to banks – loans and securities (m) and (n) totalling 0.1 million, all fully presented in the item of the reclassified income statement "Net adjustments to securities and other financial assets";
- the aggregate of "**Net adjustments to securities and other financial assets**" is formed by the income statement item "130 b). Net credit impairment losses/recoveries relating to financial assets measured

at fair value through other comprehensive income" and includes the net impairment losses on exposures classified in the portfolio of financial assets at amortised cost – loans to banks – loans and securities (m) and (n) totalling 0.1 million, as well as net impairment losses on exposures classified in the portfolio of financial assets at amortised cost consisting of debt securities (included in item 130) issued by customers (o) totalling 3.9 million. Lastly, the item in question includes net adjustments to securities and other financial assets pertaining to insurance companies shown in the reclassified income statement item "Net adjustments to securities and other financial assets" for 1.2 million (h);

- "**Fair value gains (losses) on property, plant and equipment**" correspond to item 260 of the official income statement;
- "**Net provisions for risks and charges**" correspond to item 200 in the official income statement, separating out allocations relating to charges for restructuring of 6.0 million (l) shown, net of the relative tax effect, in a separate item of the reclassified income statement called "Charges for company restructuring, net of taxes";
- "**Taxation charge related to profit or loss from continuing operations**" corresponds to item 300 of the official income statement, net of the tax effects relating to restructuring charges of 24.5 million (l), the PPA of 20.9 million (a) and the impact of the change in credit risk on the issue of certificates of 1.3 million (f). The aggregate in question does not include the tax effects relating to the impact of the revaluation of the interest held in Anima Holding before the acquisition of control, of 3.8 million (r), to Gains (losses) on interests in associates and joint ventures and other investments, of 0.9 million (t), and banking industry charges of 4.5 million (u);
- **"Gains (losses) on interests in associates and joint ventures and other investments"** correspond to item 280 of the official income statement and to the result from the disposal of interests in associates and joint ventures carried at equity (item 250 of the official income statement), net of the related tax effect, of 0.9 million (t). The item in question is shown net of the portion of profits (losses) pertaining to investee companies carried at equity, totalling 120.9 million (b) reconciled in the reclassified aggregate "Gains (losses) on interests in associates and joint ventures carried at equity", as well as the positive effect deriving from the revaluation of the interest held in Anima Holding before the acquisition of control, following the realignment to its fair value on the date of acquisition of control, equal to 205.6 million (s); this impact is recognised, net of the related tax effect, in a separate item of the reclassified income statement entitled "Impact of restatement of the Anima share, net of taxes". Lastly, value adjustments relating to interests in associates and joint ventures, amounting to 2.6 million (v), shown in the separate item of the reclassified income statement called "Impairment of client relationships, goodwill and interests in associates and joint ventures" are not included;
- the item "**Impact of the purchase price allocation (PPA), net of taxes**" includes the effects of the PPA relating mainly to interest on customer loans (-7.9 million), the amortisation of the client relationship and VoBA (-53.8 million), the amortisation of other intangibles (-0.7 million), the reversal effects on insurance liabilities (-7.0 million), net of the relative tax effects (+20.9 million);
- the item "**Impact of the change in own credit risk on the issue of certificates (OCR), net of taxes**" shows the economic impact of a change in own credit risk related to the issue of certificates, recognised in the accounts in item 80 of the official income statement for 4.0 million (f), net of the related tax effect, amounting to -1.3 million (f);
- the item "**Banking industry charges, net of taxes**" includes charges for a total of 14.1 million (u) recognised in the accounts in item 190 b) of the official income statement, net of the related tax effect, amounting to 4.5 million (u);
- "**Charges for company restructuring, net of taxes**" includes the "one-off" operating expenses, equal to 76.8 million (l), incurred for the performance of extraordinary transactions and the streamlining of the branch network or relating to the integration of business combinations completed in previous years (Vera Vita), as well as the non-recurring charges incurred to protect the interests of shareholders in relation to the UniCredit public exchange offer, recognised in the accounts under items 190 a), 190 b) and 200 of the official income statement, net of the related tax effect, equal to 24.5 million (l);
- "**Impact of restatement of the Anima share, net of taxes**" includes the effect relating to the revaluation at fair value of the interest held in Anima Holding before the acquisition of control, originally recognised in item 250 of the official income statement, as illustrated above (s);
- the item "**Impairment of client relationships, goodwill and interests in associates and joint ventures**" corresponds to item 270 of the official income statement, which comprises the capital losses recorded following impairment testing on some interests of -2.6 million (v), originally recognised in item 250 of the official income statement, and on intangibles (client relationships) recognised at the time of PPA of -0.6 million (a).

Country by Country Reporting

The regulations for country by country reporting, introduced with Art. 89 of Directive 2013/36/EU (CRD IV), implemented in Italy with the Bank of Italy Circular 285 of 17 December 2013 (Part One, Title III, Chapter 2) and subsequent updates, involves an annual obligation to publish the information set out in letters a), b), c), d), e) and f) of Art. 89 of CRD IV.

To that end, the required information is provided, broken down by individual letter.

(A) Name of companies and nature of business

The activities carried out by Banco BPM Group are indicated in the following table, which refers to that indicated in Art. 317 of Regulation no. 575/2013 of the European Parliament and of the Council (CRR), integrated with additional specific business activities.
These activities are grouped, based on criteria of prevalence, with the business segments which, in brief, refer to the Group's internal management structure and are referred to in the Report on Operations (paragraph "Results by business segment"), and in "Part L - Segment reporting" in the Notes to the Consolidated Financial Statements as at 31 December 2025.

Taken from the CRR: par. 4, Art. 317, Table 2		**Banco BPM Group business segments**							
Business line	**List of activities**	**Commercial**	**Corporate & Investment banking**	**Asset Management and Insurance**	**Asset Management**	**Insurance**	**Other Partnerships**	**Finance**	**Corporate Centre**
Corporate Finance	Underwriting commitments of financial instruments or placement of financial instruments on the basis of an irrevocable commitment		✓					✓	
	Services associated with underwriting commitments		✓					✓	
	Investment advisory		✓						
	Investment research and financial analysis and other forms of general advisory activities involving transactions in financial instruments		✓						
Trading and sales	Own account trading							✓	
	Receipt and transmission of orders regarding one or more financial instruments	✓	✓						
	Execution of orders for customers	✓	✓						
	Placement of financial instruments without irrevocable commitments	✓	✓						
	Management of multilateral trading facilities								
Retail brokerage (with natural persons or SMEs meeting the criteria set under Art. 123 for the retail exposure class)	Receipt and transmission of orders regarding one or more financial instruments	✓	✓						
	Execution of orders for customers	✓	✓						
	Placement of financial instruments without irrevocable commitments	✓	✓						
Commercial banking	Collection of deposits or other repayable funds	✓	✓						
	Lending transactions	✓	✓						
	Finance leases						✓		✓
	Issuing of guarantees and unsecured guarantees	✓	✓						
Retail banking (with natural persons or SMEs meeting the criteria set under Art. 123 for the retail exposure class)	Collection of deposits or other repayable funds	✓							
	Lending transactions	✓					✓		
	Finance leases	✓					✓		✓
	Issuing of guarantees and unsecured guarantees	✓							

Taken from the CRR: par. 4, Art. 317, Table 2		Banco BPM Group business segments							
Business line	**List of activities**	**Commercial**	**Corporate & Investment banking**	**Asset Management and Insurance**	**Asset Management**	**Insurance**	**Other Partnerships**	**Finance**	**Corporate Centre**
Payment and settlement	Payment services	✓	✓						
	Issuing and management of means of payment	✓	✓						
Agency services	Custody and administration of financial instruments for customers, including custody and associated services such as management of cash/collateral	✓	✓						✓
Asset management	Portfolio management			✓	✓		✓		✓
	UCITS management			✓	✓				✓
	Other forms of portfolio management			✓	✓	✓	✓		
Other services and support activity	Treasury management and own account funding								✓
	Equity interest portfolio management								✓
	IT asset management								✓
	Real estate asset management and maintenance								✓

With reference to the main content, the business segment:

- "Commercial" includes the Retail, Institutional and Private segments. More specifically:
  - the "Retail" segment includes the management and marketing of banking and financial products/services and loan brokering, which are mainly aimed at private customers and small businesses. These activities are for the most part carried out by the Parent Company's Commercial Network;
  - the "Institutional" segment includes the management and marketing of banking and financial products/services and loan brokering, which are mainly aimed at bodies and institutions (UCITs, SICAVs, insurance companies, pension funds and banking foundations). Those activities are conducted in an equal amount by the Commercial Network of the Parent Company, for "local institutional" counterparties, and by specialised branches, for "systemically-important institutional" counterparties;
  - the "Private" segment includes the management and marketing of banking and financial products/services and loan brokering, which are mainly aimed at private customers with assets that, individually and/or within their business, amount to at least 1 million euro. These activities are carried out by the subsidiary Banca Aletti;
- "Corporate and Investment Banking" includes the Corporate operations of the Commercial Network and the contribution of Banca Akros and its subsidiary Oaklins Italy. More specifically:
  - the "Corporate" segment includes the management and marketing of banking and financial products/services and loan brokering, which are mainly aimed at medium and large-sized companies. These activities are for the most part carried out by the Parent Company's Commercial Network;
  - the "Investment Banking" segment includes the search for solutions for the efficient management of customers' assets and liabilities, also in order to reduce their financial risks, access to regulated markets and support and development of specialised financial services in the Corporate Finance area. These activities are carried out by Banca Akros and by Oaklins Italy;
- "Asset Management and Insurance" includes the contribution of the Anima Group companies, Banco BPM Invest SGR, Banco BPM Vita, BBPM Life and Vera Vita, as well as the contribution to the consolidated results of the interest held in Più Vera Assicurazioni, which has incorporated Banco BPM Assicurazioni from 1 November 2025;
- "Other Partnerships" includes the contribution of the interests held in Agos Ducato, Alba Leasing, Gardant Liberty Servicing and Numia Group;
- "Finance" includes the operations of Global Markets and the activities relating to the securities portfolio owned by the Parent Company;
- in addition to governance and support functions, "Corporate Centre" also includes activities relating to the Group's leasing business, equity interests not allocated to "Other Partnerships" and companies operating in the real estate sector. The Corporate Centre also includes the contribution of treasury activities, institutional

bond issues and management of the Group's Asset and Liability Management, previously included in the Finance business unit.

To a marginal extent with respect to the Group's total volumes, certain retail activities included in the above classifications are also conducted by the foreign subsidiary Banca Aletti & C. (Suisse) S.A. (specialised financial services for private customers). With reference to 31 December 2025, the impact of foreign business can be considered negligible, both in terms of total consolidated assets and total consolidated income.

(B) Turnover

Turnover refers to Operating income, as under item 120 of the consolidated income statement, which amounted to 6,157.9 million as at 31 December 2025 (5,840.1 million as at 31 December 2024). Please see the Consolidated Income Statement schedule for 2025. The breakdown of turnover by country is not significant as it is generated almost exclusively in Italy.

(C) Number of FTE employees

In terms of full-time equivalent employees, the figure as at 31 December 2025 totalled 18,045 (18,490 as at 31 December 2024).

(D) Profit or loss before tax

The Group's profit (loss) before tax corresponds to items 290 and 320 of the consolidated income statement, which is +2,862.0 million (+2,596.2 million as at 31 December 2024). Please see the Consolidated Income Statement schedule for 2025.

(E) Taxes on profit or loss

The tax on the Group's profit for 2025 corresponds to the amount shown in item 300 of the consolidated income statement, which is a negative figure of -759.2 million (-675.9 million as at 31 December 2024). Please see the Consolidated Income Statement schedule for 2025.

The following table provides details of income taxes for the year broken down by country.

Taxes on Group profit - breakdown by country ***(in millions of euro)***	**2025**	**2024**
Italy	(755.0)	(674.4)
Ireland	(4.1)	(1.4)
Switzerland	(0.1)	(0.1)
Other countries	-	-
Total	**(759.2)**	**(675.9)**

As shown in "Part C - Information on the consolidated income statement, Section 21 - Taxation charge related to profit or loss from continuing operations - Item 300" of the Notes to the consolidated financial statements, note that the taxes relating to foreign countries refer to the taxes determined according to Swiss tax regulations for the subsidiaries Bipielle Bank (Suisse) S.A. in liquidation and Banca Aletti & C. (Suisse) S.A. based in Switzerland and to Irish tax regulations for the subsidiary BBPM Life of 4.1 million (1.4 million as at 31 December 2024).

(F) Public grants received

During 2025, Banco BPM Group received public grants mainly to provide personnel training courses totalling 2.8 million (2.9 million as at 31 December 2024) and 1.9 million for personnel recruitment and stabilisation.

To that end, note that in the listing of these grants, in compliance with the provisions established for preparing the disclosure in question, transactions carried out with central banks for the purposes of financial stability are excluded, as are operations with the objective of facilitating the mechanism used to transmit monetary policy.

Address
Banco BPM S.p.A.
Piazza F. Meda, 4 - 20121 Milano - Italia
Piazza Nogara, 2 - 37121 Verona - Italia

Investor Relations
tel. +39-02.77002057 | +39-045.8675537
investor.relations@bancobpm.it
www.bancobpm.it
www.gruppo.bancobpm.it

Layout