BPER:

2025

2025 ANNUAL REPORTS OF THE BPER BANCA GROUP

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The present document is the English translation of the Italian Financial Reports (Consolidated and Separate), prepared for and used in Italy, and has been translated only for the convenience of international readers.

This document, prepared in PDF format to make the Financial Reports (Consolidated and Separate) as at 31 December 2025 easier to read, does not constitute compliance with the requirements set out in Directive 2004/109/EC (the "Transparency Directive") and Delegated Regulation (EU) 2019/815 (the "European Single Electronic Format (ESEF) Regulation"). For these purposes, an XHTML format has been developed and is available on the corporate website BPER Banca https://group.bper.it.

As at 31 December 2025, the BPER Banca Group has chosen to publish a report for 2025 that consists of the

- Consolidated Financial Report of the BPER Banca Group as at 31 December 2025, in turn structured into:
  - Directors' Report on Group Operations, outlining the strategic profile and financial results of the BPER Banca Group in Part 1. Part 2 includes the Consolidated Sustainability Statement prepared pursuant to Article 4 of Legislative Decree 125/2024, which transposes the Corporate Sustainability Reporting Directive and is drafted in accordance with the European Sustainability Reporting Standards (ESRS);
  - Consolidated Financial Statements;
  - Consolidated Explanatory Notes;
  - Attachments;
  - Certifications and other reports;
- Separate Financial Report of BPER Banca s.p.a. as at 31 December 2025, which in turn consists of:
  - Directors' Report on Operations;
  - Financial Statements;
  - Explanatory Notes;
  - Attachments;
  - Certifications and other reports.

BPER Banca s.p.a.
Head office in Via San Carlo 8/20, Modena, Italy
Tel. +39 059/2021111 – Fax +39 059/2022033
Register of Banks No. 4932
Parent Company of the BPER Banca s.p.a. Banking Group
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http://www.bper.it – https://group.bper.it
E-mail: servizio.clienti@gruppobper.it – Certified e-mail (PEC): bper@pec.gruppobper.it
Company belonging to the BPER Banca VAT Group, VAT No. 03830780361
Tax Code and Modena Companies Register No. 01153230360
C.C.I.A.A. Modena Chamber of Commerce 222528 Share capital Euro 2,953,571,914.57
Member of the Interbank Deposit Protection Fund and of the National Compensation Fund
Ordinary shares listed on the regulated Euronext Milan market

Shareholders' Meeting

Modena, 23 April 2026

Agenda

In the ordinary session:

1. 2025 Financial Report:
   a) approval of the Separate Financial Report as at 31 December 2025 of BPER Banca s.p.a.; presentation of the Reports of the Board of Directors, the Board of Statutory Auditors and the Independent Auditors, as well as of the Consolidated Financial Report as at 31 December 2025, containing the 2025 Consolidated Sustainability Statement;
   b) approval of the Separate Financial Report as at 31 December 2025 of Banca Popolare di Sondrio s.p.a. (which will have already been merged into BPER Banca s.p.a. by the date of the Ordinary Shareholders' Meeting); presentation of the Reports of the Board of Directors, the Board of Statutory Auditors and the Independent Auditors, as well as of the Consolidated Financial Report as at 31 December 2025, containing the 2025 Consolidated Sustainability Statement;
   c) allocation of profit for financial year 2025 and dividend payout.

2. Adjustment, upon a reasoned proposal by the Board of Statutory Auditors, of the fees of Deloitte & Touche s.p.a., the company responsible for auditing the accounts for the 2017-2025 period; related and ensuing resolutions.

3. Adjustment, upon a reasoned proposal by the Board of Statutory Auditors, of the fees of KPMG s.p.a., the company responsible for auditing the accounts for the 2026-2034 period; related and ensuing resolutions.

4. Remuneration:
   a) Report on Remuneration Policy and Compensation Paid, comprising:
      a1) remuneration policies of the BPER Banca s.p.a. Group for 2026 (binding resolution);
      a2) compensation paid in 2025 (non-binding resolution);
   b) Report on compensation paid in the financial year 2025 by Banca Popolare di Sondrio s.p.a. (which will have already been merged into BPER Banca s.p.a. by the date of the Ordinary Shareholders' Meeting - non-binding resolution);
   c) 2026 MBO incentive plan based on financial instruments pursuant to art. 114-bis of Legislative Decree no. 58 of 24 February 1998;
   d) Amendment to the 2025–2027 Long-Term Incentive (LTI) Plan based on financial instruments pursuant to art. 114-bis of Legislative Decree No. 58 of 24 February 1998;
   e) Purchase and disposal of treasury shares authorised to service current and future remuneration systems based on financial instruments, in compliance with the Remuneration policies.

5. Authorisation to purchase and dispose of treasury shares for strategic purposes and/or for the purpose of shareholder remuneration.

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DIRECTORS AND OFFICERS OF THE PARENT COMPANY AS AT THE DATE OF APPROVAL OF THE FINANCIAL REPORT

Board of Directors

Chair:	Fabio Cerchiai
Deputy chair:	Antonio Cabras
Chief Executive Officer:	Gianni Franco Papa
Directors:	Elena Beccalli Silvia Elisabetta Candini Maria Elena Cappello Matteo Cordero di Montezemolo Angela Maria Cossellu Gianfranco Farre Piercarlo Giuseppe Italo Gera Andrea Mascetti Monica Pilloni Stefano Rangone Fulvio Solari Elisa Valeriani

Board of Statutory Auditors

Chair:	Silvia Bocci
Standing Auditors:	Michele Rutigliano Patrizia Tettamanzi
Alternate Auditors:	Sonia Peron Andrea Scianca

Manager responsible for preparing the Company's Financial Reports

Manager responsible for preparing the Company's Financial Reports:	Giovanni Tincani

Independent Auditors

Deloitte & Touche s.p.a.

MESSAGE FROM THE CHAIR TO THE SHAREHOLDERS' MEETING

Dear Shareholders,

for the BPER Group, the 2025 Financial Report is a particularly significant moment. It is an opportunity for us to share with you the results we have achieved and the key milestones of a year that marked another turning point in our trajectory for growth.

Our achievements are the result of ongoing commitment and of the professionalism of all the colleagues in the Group, who worked with constant dedication and responsibility next to households, businesses and communities, confirming the role of our Bank as a reliable partner for the areas in which it operates.

2025 was a challenging year, during which our commitment to achieving the objectives of our Business Plan "B:Dynamic | Full Value 2027" went hand in hand with the purchase and exchange offer on Banca Popolare di Sondrio. The BPER Group took a strategic step of great significance for the industry, bringing into being an even more robust banking institution, with a nationwide footprint to better meet the needs of its customers. The transaction merges two banks with shared roots and values and a strong vocation to customer proximity, which strengthens our ability to support the growth of local economies.

I believe we can be proud of the economic and commercial results we have achieved, which are all the more more significant given the extraordinary effort poured into successfully completing the transaction. These results confirm the soundness of the decisions we have made and the robustness of our business model. We have continued to support the real economy through new loans to households and businesses, while at the same time maintaining a strong focus on credit quality and operating efficiency.

At the same time, we have strengthened our commitment to environmental, social and governance sustainability issues. The improvements obtained in the leading international ESG ratings bear witness to the tangible progress we have made and the ever-deeper integration of sustainability into our business strategy.

I would like to thank all of you, our Shareholders, for the trust you continue to place in our Group and to all our people, the main driving force behind our growth, for the dedication and passion with which they rise to current and future challenges every day.

We look to the future with confidence and determination, aware of the opportunities that the new Group will be able to seize, as we continue on our path to sustainable growth and value creation for all our Stakeholders.

Thank you for your attention.

Fabio Cerchiai
Chair

BPER:

2025

CONSOLIDATED FINANCIAL REPORT OF THE BPER BANCA GROUP AS AT 31 DECEMBER 2025

DIRECTORS' REPORT ON GROUP OPERATIONS

Part 1

PROFILE, STRATEGY AND FINANCIAL RESULTS OF THE BPER BANCA GROUP

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1. MACROECONOMIC CONTEXT

1.1. Background

2025 was the year the United States introduced tariffs, marking a profound shift in global trade policy, the economic impact of which remains uncertain. Thus, from spring 2025 ("Liberation Day") onwards, a further source of geopolitical instability was added to the conflicts in Ukraine and the Middle East. Announcements of preliminary agreements, truces and trade negotiations have since reduced the uncertainty, although the outlook remains fragile. In the Middle East, progress has been made towards ending the conflict in Gaza, with the signing of a significant but still fragile ceasefire. In Ukraine, meanwhile, the situation remains deadlocked.

Furthermore, we are witnessing a profound transformation in the global race for technological leadership, driven by progress in artificial intelligence (AI). This challenge is no longer dominated solely by the United States: China has now firmly established itself as a technological power, moving beyond its role as merely the 'world's factory'. Given the current situation, a significant global impact on inflation (upwards) and growth (downwards) was expected, yet so far economies have proved resilient. In fact, despite the general uncertainty, macroeconomic fundamentals have generally pointed towards sustainable growth in the global economy. In November 2025, world trade volume increased 4.4% Y/Y; in the first eleven months of the year, exports were up 4.5% Y/Y and imports grew by 4.3% Y/Y[1]. As for inflation, the worst fears have not materialised either. Many companies have stated that they intend to wait for the tariff framework to stabilise before adjusting their prices, particularly following the US Supreme Court's ruling in late February 2026, which invalidated the legal basis for 'reciprocal' tariffs under the International Emergency Economic Powers Act (IEEPA), thereby calling into question US President Donald Trump's authority to impose such tariffs. The decision, followed by the introduction of a new temporary 10% tariff, has further fuelled uncertainty over the tariffs actually being applied[2, 3] Global GDP growth for 2025 is projected at +3.3% by the International Monetary Fund[4].

Against this backdrop, the European Union (EU) has demonstrated adaptability, robustness and moderate growth, but the outlook remains challenging. The EU is called upon to strengthen its strategic autonomy and rise up to major challenges: renewing its growth model, bridging the technology gap, reducing strategic dependencies (energy, defence, payment systems) and addressing demographic ageing.

In the first half of 2025, the eurozone economy was influenced by developments in US trade policy: positively in the first quarter (+0.6% q/q) – as there was a rush to export ahead of tariffs, with orders being 'front-loaded' – and negatively in the second quarter (+0.1% q/q). In the third quarter, it showed some stability, with eurozone GDP rising by +0.3% q/q. The final quarter of 2025 is also expected to post a +0.3% increase q/q, whilst overall growth is forecast to stand at +1.5%. The figures present some differences between countries: apart from Ireland, which was down -0.6% q/q (from -0.3%), all other countries recorded growth. In France, GDP rose by +0.2% q/q (from +0.5% in the third quarter); in Spain, it was up +0.8% q/q (from +0.6%), while Germany's GDP growth rate was +0.3% q/q (from 0.0%)[5]. With regard to Composite Purchasing Managers' Index (PMI) - the economic cycle leading indicator that summarises the trend in the manufacturing and services sector - in the last quarter of 2025, the Euro area-wide index remained in growth territory. Growth was driven by the pick-up in services. However, although remaining just below the expansion threshold, manufacturing also showed a clear improvement in the course of the year, moving closer to positive territory. In trade, the European Union has reached an agreement with the US administration that sets a maximum tariff rate of 15% on the vast majority of exports to the United States, including strategic sectors such as cars, pharmaceuticals, semiconductors and lumber[6]. This agreement, however, highlights how the new US trade policy requires the opening up of new export markets for European goods. Of course, it is not easy to replace the vast US consumer market, but expanding into and diversifying with other countries is possible and would represent a great opportunity, particularly for our country, which is so heavily reliant on exports. It is against this backdrop that the EU-Mercosur[7] (Southern Common Market[8]) free trade agreement was signed, which provides for the reduction of tariffs and trade barriers in order to facilitate trade in goods, services and investment. The agreement can help create new opportunities for developing trade relations, for example with the large Brazilian market. As regards inflation, the process of disinflation in the Eurozone now appears to be complete, with the harmonised index of consumer prices remaining close to the European Central Bank's (ECB) target of

1 CPB Netherlands Bureau for Economic Analysis, World Trade Monitor November 2025, 23 January 2026.

2 Oxford Economics, SCOTUS ruling sends tariff policy back to the drawing board, 20/02/2026

3 The White House, Fact Sheet: President Donald J. Trump Imposes a Temporary Import Duty to Address Fundamental International Payment Problems, 20/02/2026

4 FMI, World Economic Outlook,January 2026.

5 Eurostat, GDP up by 0.3% in both the euro area and the EU, 30 January 2026.

6 European Commission, Joint Statement on a United States-European Union framework on an agreement on reciprocal, fair and balanced trade, 21/08/2025.

7 European Commission, Factsheet: EU-Mercosur partnership agreement.

8 Member Countries: Argentina, Brazil, Paraguay, Uruguay and Venezuela.

2% for several months, settling at +1.9% in December 2025. Core inflation, which excludes the most volatile items, was also stable and maintained a growth rate of +2.3% y/y, continuing to hover at its lowest levels in over three years[9]. The inflationary environment described above allowed the ECB in 2025 – after four rate cuts of 25 bps each during the first half of the year – to keep all key policy rates unchanged (deposit rate at 2% in December 2025). President Lagarde has repeatedly emphasised, during recent monetary policy meetings, that the ECB is in a "good position" to navigate the uncertain conditions of the coming months. Furthermore, the ECB has revised its growth forecasts for the coming years upwards, thanks to stronger domestic demand. However, the international environment has remained volatile and growth risks and inflation are still high, reaffirming the Bank's 'data-dependent' approach, under which decisions are taken on a meeting-by-meeting basis[10]. Projections are not risk-free. In particular, factors that could undermine financial stability have been identified, including: (i) overall fiscal sustainability due to high debt levels, (ii) stock market corrections should the very high expectations for AI-related earnings prove to be excessive, (iii) the opacity of private markets (stablecoins). Widening the view to the whole of Europe, in the United Kingdom, the Bank of England (BoE) cut interest rates by 25 bps for the fourth time in 2025, bringing them down to 3.75% in December 2025 having struck the right balance between the need to revive the economy and the duty to keep inflation under control; although inflation has slowed, it remains high (+3.2% in November 2025)[11]. By contrast in Switzerland, following two 25-basis-point cuts in March and June 2025, the Swiss National Bank (SNB) decided to leave interest rates unchanged at 0% at its only meeting of the third quarter, despite the fact that the local economy is, in the long run, threatened by the tariffs (reduced to 15% from 39% on Liberation Day in April 2025[12]) announced by President Donald Trump on Swiss exports to the United States[13].

As for Italy, GDP is estimated to have grown by 0.7% in 2025, following a 0.3% q/q increase in the fourth quarter of 2025. The carry-over annual GDP growth for 2026 is +0.3%[14]. Consumer prices growth averaged +1.5% in 2025 (from +1.0% in 2024), whereas core inflation rose by an average of 1.9% y/y (down from 2.0% in the previous year). Inflation in our country remained among the lowest in the eurozone, both in December and for 2025 as a whole. Downward pressure on prices could lead to a significant recovery in households' purchasing power; combined with the lagged effects of the ECB's interest rate cuts, this would be a key factor in restoring confidence and providing some momentum for consumption and the economy as a whole. As regards businesses, spending for fixed capital investment rose by 1.1% on average over the last three quarters (up 0.7% q/q in the third quarter of 2025, down from 1.3%)[15]. Italy stands out among advanced economies: an analysis by the Organisation for Economic Co-operation and Development (OECD) shows that only 6 of the 34 member countries have already surpassed their pre-pandemic levels in terms of investment, and Italy is one of them, together with Canada, Australia, Greece and Croatia[16]. In terms of economic activity, the Composite PMI leading indicator remained in expansionary territory for most of the year, buoyed by the services sector and a slight recovery in manufacturing during the year, although this came to a halt in December. In the first eleven months of 2025, the trade balance recorded a surplus of Euro 44.7 billion, a 3.7% increase compared with the same period in the previous year. The increase in the surplus was mainly due to the growth in exports (+3.1% y/y, amounting to Euro 591 billion), which offset the rise in imports (+3.1% y/y, amounting to Euro 546 billion). In geographical terms, trade with European Union countries was broadly in balance. The balance was slightly negative, standing at Euro -3 billion (Euro 306 billion in exports as against Euro 309 billion in imports). The deficit has fallen by 60% compared with the same period in 2024. The improvement is linked to a +4.1% rise in exports, compared with a +2.5% increase in imports. Intra-EU trade therefore appears to be robust. Conversely, the trade balance with non-EU countries, although down by 5.7% compared with the same period in 2024, remained in surplus. Exports totalled Euro 285 billion (up 2.1% y/y), compared with imports of Euro 237 billion (up 3.8% y/y). The period was marked by a sharp rise in imports from the United States and China[17].

Across the Atlantic, in the United States, two themes have dominated market sentiment. Primarily, the protectionist trade policy pursued by the Trump administration, which influenced the behaviour of private market participants and, as a result, had a decisive impact on the pace of economic growth in the first part of the year. GDP in the first half of the year fluctuated quite markedly, moving from contraction (-0.6% y/y annualised) in the first quarter to recovery (+3.8%) in the April-June period. Finally, GDP continued to grow at a robust rate of 4.3% in the third quarter, reflecting increases in consumer spending[18]. The high level of uncertainty observed since last spring, following the US administration's introduction of tariffs on Liberation Day, has eased in recent months thanks to the agreements reached between the US and its trading partners, with an average tariff rate of 17.9% in October 2025 (from 2.2% in 2024) and a significantly lower actual rate applied at the US border (at 11.6%)[19]. Secondly,

9 Eurostat, Annual inflation down to 1.9% in the euro area, 19/01/2026.

10 European Central Bank, Christine Lagarde, President of the ECB, Luis de Guindos, Vice-President of the ECB, 18 December 2025.

11 Bank of England, Monetary Policy Summary and minutes of the Monetary Policy Committee meeting ending on 17 December 2025.

12 Swiss Confederation, Swiss-US trade relations, 16 November 2025

13 Swiss National Bank, Monetary policy assessment of December 2025: Summary of discussion, 8 January 2026

14 Istat, Preliminary estimate of GDP – Q4 2025, 30 January 2026

15 Istat, CONTO TRIMESTRALE DELLE AP REDDITO E RISPARMIO DELLE FAMIGLIE E PROFITTI DELLE SOCIETÀ (Quarterly accounts of Public Administrations, Households, Enterprises), Q3 2025, 7 January 2026

16 OECD, Economics Department Working Papers, Understanding the weakness in business investment: A cross-country analysis, 30 June 2025

17 Istat, Foreign trade and import prices – November 2025, 15 January 2026

18 Bureau of Economic Analysis, Gross Domestic Product, 3rd Quarter 2025 (Initial Estimate) and Corporate Profits (Preliminary), 23 December 2025

19 LC Macro Advisors, Scary themes for 2026, November 2025

the markets have focused on monetary policy expectations, fuelled by a labour market that has shown signs of slowing down, prompting the Federal Reserve (Fed) to cut interest rates. Since September 2025, the US central bank has cut the federal funds rate three times by a quarter of a percentage point to a range of 3.5–3.75% in December. The decision was justified by the downside risks to employment and by inflation, which has remained high as a result of tariffs, although the Fed considers this effect to be temporary (CPI at +2.7% in December[20]). Fed Chair Powell described the latest rate cut as a step towards better "risk management" to safeguard the economy[21]. In addition, growth forecasts for the United States in 2026 have been revised upwards (Federal Reserve, +2.3%)[22] . Although higher import tariffs, immigration restrictions and political uncertainty could have a negative impact on growth, these factors are expected to be offset by accommodative fiscal and monetary policy, strong investment momentum in artificial intelligence and a smaller trade deficit.

Economic growth in emerging economies has also been better than expected, despite US trade policy and continues to show, on average, greater vitality than in developed countries. Among the major economies of the emerging bloc, India's GDP grew 8.2% y/y in the third quarter of 2025 (up from 7.8%), making it the fourth-largest economy and overtaking Japan. Trade negotiations between the United States and India are still ongoing and, as they dragged on beyond December 2025 without reaching an agreement, the tariffs imposed by the US were raised to 50% (up from the previous 25%). In China, where trade tensions with the United States have eased slightly (with tariffs at 47%[23]), the economy grew by 4.5%y/y in the fourth quarter of 2025, whilst growth for the whole of 2025 stood at +5.0%[24].

Barring any shocks, global economic activity is expected to continue growing in 2026 (International Monetary Fund, +3.3%[25]), albeit at a slightly slower pace than this year, mainly due to the impact of trade. In particular, moderate growth is projected for the Eurozone in 2026 (European Central Bank: +0.9%[26]): private consumption is expected to remain the main driver of growth, bolstered by robust investment trends thanks to favourable financial conditions. Furthermore, the ongoing fiscal stimulus related to defence and infrastructure spending by EU member states, especially Germany, should continue to temporarily support growth. However, the challenging geopolitical situation linked to the conflict in the Middle East could hold back growth in the euro area, as the energy prices shock and increased uncertainty could reduce households' purchasing power and undermine consumer and business confidence.
Growth in Italy is expected to be more robust in 2026, thanks to the projected recovery in household spending and sustained investment growth, driven by the lagged effects of the ECB's rate cuts and the remaining funds and projects under the National Recovery and Resilience Plan (NRRP).
However, it is important to emphasise that the disruption caused by the conflict between Israel, the US and Iran – namely the blockade of the Strait of Hormuz, through which around 20% of the world's crude oil passes – has led to volatility in oil and gas prices: this disruption, if prolonged, could reignite inflationary pressures, particularly in Asia but also in Europe, given the region's considerable energy dependence.

1.2 Public finance

Against the backdrop of a global geopolitical landscape marked by an increasing number of crisis hotspots – from Venezuela to Greenland, not to mention Ukraine and the Middle East – alongside protectionist trade policies and the restructuring of supply chains, the Italian economy continued to grow at a modest yet positive rate of between 0.5% and 0.6% in 2025[27].
Economic activity was buoyed by higher private consumption, in turn driven by the stabilisation of inflation, combined with the stability of fixed investment. The rise in imports has held back the contribution of net foreign demand, particularly from the United States: the European Commission's decision not to impose counter-tariffs on American products and the weakening of the dollar are factors that have underpinned this trend.

The resilience of 2025 was driven primarily by an increase in industrial output, particularly in the construction sector, fuelled by growing investment in capital assets such as civil engineering works and infrastructure, plant and equipment. Performance in other sectors was modest, particularly in the service industry. Furthermore, the decline in manufacturing output appears to be stabilising, mainly on the back of the strength of the pharmaceutical and electronics sectors.

20 U.S. Bureau of Labor Statistics, CONSUMER PRICE INDEX – DECEMBER 2025, 13/01/2026
21 Federal Reserve, Transcript of Chair Powell's Press Conference, 10/12/2025
22 Board of Governors of the Federal Reserve System, December 10, 2025: FOMC Projections materials, accessible version, 10/12/2025
23 Reuters, Trump shaves China tariffs in deal with Xi on fentanyl, rare earths, 30/10/2025
24 National Bureau of Statistics of China, National Economy Pushed Forward with Innovation-led and High-quality Development and Expected Targets Achieved Successfully in 2025, 19/01/2026
25 FMI, World Economic Outlook, January 2026.
26 European Central Bank, Macroeconomic projections, 19/03/2025
27 "2026 Draft Budgetary Plan" submitted by the Minister of Economy and Finance, Giancarlo Giorgetti, in October 2025.

The labour market has performed significantly better than in previous years, supporting recovery in private consumption, an increase in tax revenue and a reduction in spending on subsidies, thereby making a significant contribution to curbing public spending. However, the well-known structural constraints persist, such as low employment rates among women and young people and a high rate of economic inactivity. Furthermore, employment growth was concentrated among the over-50s, in low-skill sectors such as construction and tourism services. This dynamic translates into low productivity growth: the Istat report indicates a -1.9% decline in labour productivity, following a 2.7% fall in 2023, as the increase in hours worked (+2.3%) outpaced the increase in value added (+0.4%). In other words, people are working more but producing less, with negative effects on wage growth and the economy in general.

The debt-to-GDP ratio stood at 136.2% in 2025, and is expected to rise to 137.4% in 2026 and then fall slightly to 137.3% in 2027, despite a government deficit that is falling sharply (3% in 2025, 2.8% in 2026 and 2.6% in 2027), and a primary balance (the difference between total government revenue and government expenditure excluding interest payments on debt) that is now consistently in surplus. In fact, the trajectory of the debt-to-GDP ratio over the coming years is primarily affected by debt interest spending, sensitivity to interest rates and potential growth that is not high enough to put this ratio on a downward trend at a much faster pace.

In the new trend-based scenario, moderate growth over the next three years – irrespective of precise estimates – will be supported by labour market stability, private consumption, low cost of credit and completion of projects linked to the National Recovery and Resilience Plan (PNRR), with price growth remaining broadly in line with the ECB's target. A few factors that could boost economic activity are worth considering: the cooling of political and trade relations between the European bloc (EU, UK and Canada) and the US, net of the economic effects of tariffs, could lead to greater trade and industrial integration within this bloc, and the opening up of new markets, such as those in Latin America; in addition, the various defence spending plans of the European states could act as growth drivers for European and Italian manufacturing.

Public finance balance *(% of GDP)*	**2025s**	**2026p**	**2027p**
Net borrowing	(3.0)	(2.8)	(2.6)
Loans	136.2	137.4	137.3

Key e = estimate f = forecast
Source: "2026 Budgetary Planning Document" presented in October 2025 by the Minister of Economy and Finance, Giancarlo Giorgetti.

1.3 The financial market and interest rates

The equity markets saw a broad-based rally in 2025, which was the first year since the pandemic in which all major asset classes posted positive returns. Markets absorbed severe shocks, notably a sharp sell-off in April triggered by aggressive US tariff hikes, before rebounding strongly thanks to fiscal and monetary stimulus, easing inflation fears and renewed risk appetite that dominated the second half of the year. Financial markets in advanced economies have expanded, driven in particular by US technology stocks and optimism surrounding artificial intelligence. Expectations that AI will lead to a general increase in productivity have bolstered risk appetite, but have also fuelled what increasingly looks like an AI-driven financial bubble. Fixed-income investments also delivered strong returns. Emerging market debt and credit outperformed, aided by currency appreciation and spread compression, while government bond performance diverged sharply across regions. US Treasuries and UK gilts benefited from rate cuts, while German and Japanese bonds suffered as fiscal expansion and policy normalisation pushed yields higher. In Europe, traditional "core–periphery" distinctions blurred, with French bonds underperforming amid political instability. The dollar ends the year roughly 10% lower, while gold was the standout performer of 2025, up 64%.

The European Central Bank (ECB), which began its easing cycle in 2024, has succeeded in its battle against inflation, bringing the key interest rate down to 2.00% following four 25-basis-point cuts in the first six months of 2025. The United States has seen a dynamic economy and a resilient labour market which, combined with tariffs, has prevented inflation from reaching the target. In contrast, the labour market started showing signs of weakening in the last months of the year, prompting the US Federal Reserve (FED) to cut interest rates three times by 25 basis points, to a range of 3.50%–3.75%. The Bank of Japan instead raised its policy rate to around 0.75%, marking the highest level in thirty years, as part of the gradual normalisation of monetary policy after a long era of near-zero or negative interest rates, expressing confidence in inflation continuing to converge on the desired target level. The Bank of England (BOE), on the contrary, cut its policy rate four times by 25 basis points, to 3.75%. In the United Kingdom, by the end of the third quarter of 2025, signs of a slowdown in economic activity and the labour market were observed, with the unemployment rate at an all-time high. Inflation began to ease in the second half of the year, making the risks associated with its persistence less pronounced.

The MSCI AC World Index ended the year posting a gain of +19%, with all markets contributing on the back of their positive performance, albeit to varying degrees. This performance is underpinned by increased current profits and an upward revision of earnings expectations, which more than proportionally offset the higher rate used to discount future profits. The United States has once again seen the "Magnificent Seven" – as Apple, Microsoft, Alphabet, Amazon, Nvidia, Meta and Tesla have come to be known – shine, with their combined weighting in the S&P 500 index reaching around 37%. After a weak start to the year, US markets picked up momentum in 2025, buoyed by high expectations regarding returns on investments linked to artificial intelligence (S&P 500 +16%, Nasdaq +20% and Dow Jones +8%). In Europe, among the major stock markets, the best performance was recorded in Italy, where the FTSE MIB rose by 31%, followed by the German DAX with a 23% increase and, to a lesser extent, the French CAC 40 with a 10% rise amid the ongoing political turmoil. In Asia, the Japanese Nikkei 225 index rose 26%.

The European government bond market saw an average rise in 10-year bond yields throughout 2025, albeit to varying degrees. The German Bund recorded the largest increase, closing the year at 2.9% – a 50 basis point increase compared to the same period of the previous year – following the extensive programme of investment in military and infrastructure, secured through the historic reform that abolished the debt brake. France has seen its 10-year bond yield (OAT) rise to 3.6%, an increase of around 37 basis points, due to domestic political uncertainty, which has slowed down reforms aimed at restoring public finances: despite economic growth, the French government's fiscal position remains rather fragile, with debt dynamics deteriorating, the deficit-to-GDP ratio well above the Maastricht Treaty limits and the debt-to-GDP ratio rising to 113%. The OAT–Bund spread, which had already been rising slightly in recent years, continued to widen, remaining firmly above 50 basis points from July 2024 onwards, before converging with the Italian yield curve in September 2025 and ending the year at 70.8 basis points. Among the major Eurozone countries, the only one to see stable trends in 10-year yields is Italy, with the BTP reaching 3.5%, up by just 3 basis points on the previous year. The extraordinary developments in the European economic trends described above have led to a fairly significant narrowing of the BTP-Bund spread to 69.4 basis points – the lowest level since 2008 – owing in part to prudent fiscal policies aimed at restoring public finances to health. As regards two-year yields in the Eurozone, the first few months of the year saw a decline following the ECB's monetary easing, before resuming an upward trend that brought them back broadly in line with end-2024 levels. More specifically, in Germany, the two-year bond closed 2025 at 2.1%, the corresponding French bond at 2.3%, whilst the Italian bond stood at 2.2% – the only one showing a significant decrease, by more than 20 basis points, compared with the previous year. As regards the money market, the three-month Euribor fell to a low of 1.94% in the first half of the year, before rising again in the second half to close at 2.03%. As far as US government bonds are concerned, 2025 was marked by a sharp decline in yields. For long-term maturities, the Treasury closed the year at 4.2%, down by over 40 basis points compared with the previous year, whilst the two-year bond closed at 3.5%, almost 80 basis points lower than at the end of 2024. In particular, unlike the trend seen in 2023 and much of 2024, the curve has returned to a positive slope, with the spread between 10-year and 2-year yields widening.
In the foreign exchange market, 2025 was characterised by the dollar's weakness against the major currencies. Depreciation was one of the most striking reactions to the turmoil triggered by the Trump administration's global trade tariffs: rather than rising, as the dollar usually does in times of stress, it weakened significantly, a warning sign regarding the currency's status as a safety valve for the global financial system. Furthermore, negative trends in US governance and institutions regarding tariff decisions are eroding the excessive privilege long enjoyed by US assets. Against the euro, the exchange rate closed at 1.17, up from 1.04 the previous year, partly due to renewed growth prospects in the Eurozone stemming from defence-related investment plans in European countries, following changes in US foreign policy. The yen has also lost ground against the euro and the dollar. In particular, Takaichi's election as Japan's new prime minister has heightened uncertainty regarding Japan's future priorities and the possible reverberations on monetary policy. The euro-yen exchange rate closed the year at 184.0.

Energy prices eased in 2025, with the price of crude oil (WTI) dropping to $57.4 per barrel by the end of the year, following an increase in supply against stable demand. Changes in OPEC+'s oil policies, combined with the phase-out of voluntary production cuts, have exacerbated global oversupply, whilst geopolitical tensions continue to pose upside risks to prices. Similarly, natural gas prices, after a brief surge in the first half of the year, continued to fall due to oversupply. The sharp rise in precious metal prices continues: gold has reached record highs, closing 2025 at $4,320 per ounce, driven by continued buying by central banks, geopolitical uncertainties and the weakening of the dollar. Furthermore, silver delivered a surprising performance in 2025, largely for the same reasons as gold, but as it is also an industrial metal, demand exceeded supply, resulting in structural shortage.

1.4 The banking system and domestic interest rates[28]

In 2025, the international economic landscape was marked by commercial and geopolitical turbulence. Moderate growth was recorded in the Eurozone, which reflected adaptability and resilience, with consumer price inflation moderating to a range in line with the pre-set target of 2.0%, thereby enabling monetary easing to continue, with the ECB, as mentioned above, reducing its deposit facility rate to 2%.

Deposits

According to ABI estimates made in December 2025, total funding of all the banks operating in Italy, including deposits from residents and bonds (net of those repurchased by banks), was +2.0% higher than in the previous year. More specifically, the trend in deposits from resident customers registered a +2.1% change, with an annual increase in absolute value of over Euro 41 billion, while bonds rose by +1.1% compared to December 2024.

The average interest rate paid on customer funds (comprising the yield on Euro deposits, bonds and repurchase agreements paid to households and non-financial companies) was 0.89% in December 2025. More specifically:

- the rate on Euro deposits paid to households and non-financial companies was 0.63%;
- the yield on bonds was 2.83%;
- that on current account deposits was 0.29%.

Loans

In December 2025, total loans to residents in Italy (private sector plus Public Administrations, net of repos with central counterparties) amounted to Euro 1,663.8 billion, with an annual change of +1.1%. Loans to Italian residents in the private sector amounted to Euro 1,437 billion, an increase of +1.6% compared to previous year, of which Euro 1,294 billion disbursed to households and non-financial companies.

According to the latest bank lending survey, in the fourth quarter of 2025, loan pricing criteria for businesses remained unchanged, with lending conditions easing slightly as a result of lower interest rates. For households, lending standards have remained stable for home mortgages, while they have tightened further for consumer credit. Demand for credit from businesses is rising slightly, driven by greater need for debt refinancing, fixed investment and mergers and acquisitions. Demand for credit from households is also rising, favoured by lower interest rates. In particular, increased confidence in the economy also contributed to the growth in mortgage loans, whilst growth in consumer credit was driven by higher spending on durable goods. Intermediaries have reported further improvement in access to funding, particularly as regards medium- to long-term debt securities[29].

ABI reports that the rate on new Euro-denominated home purchase loans to households - average of fixed and floating rates - came to 3.37% in December 2025 (3.11% in December 2024). The average rate on new loans to non-financial companies has decreased to 3.64% (4.40% in December 2024). Lastly, the weighted average interest rate on all (stock) loans to households and non-financial companies was 3.97% in December 2025 (4.44% in December 2024).

In December 2025, the spread between the average rate on loans and the average rate on deposits from households and non-financial companies was 213 bps: from 217 bps in December 2024.

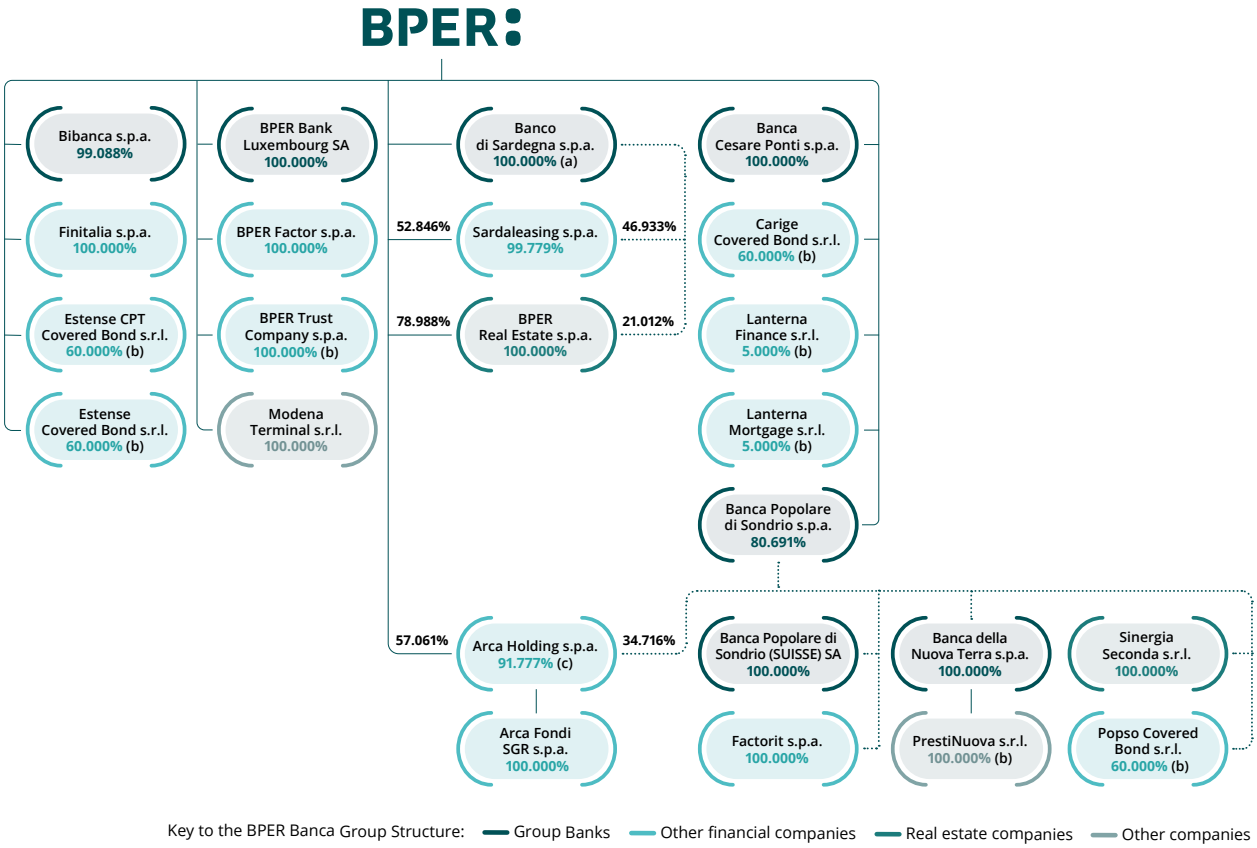
Following a slight deterioration in 2024, credit quality started to improve again in 2025. Bad loans, net of write-downs and provisions already made by banks using their own resources, totalled Euro 29.7 billion in November 2025, up from Euro 31.3 billion in December 2024. The ratio of net bad loans to total loans settled at 1.42% in November 2025 (vs. 1.51% in December 2024).

28 Source: ABI Monthly Outlook (summary), January 2025.

29 Banca d'Italia: "Indagine sul credito bancario nell'area dell'Euro" (Bank lending survey for the euro area), 3 February 2025

2. HIGHLIGHTS

2.1 BPER Banca Group structure as at 31 December 2025



(a) Equivalent to 99.492% of the entire Share Capital consisting of ordinary and preference shares.

(b) Subsidiaries consolidated under the equity method.

(c) Subsidiary company which is not included in the Banking Group since it does not contribute directly to its activities.

St. Anna Gestione Golf Società Sportiva Dilettantistica s.r.l., an indirect subsidiares of BPER Banca through BPER Real Estate S.p.A and St. Anna Golf s.r.l., was excluded from the scope of consolidation as it was considered non-significant.

The scope of consolidation includes the following subsidiaries which are not included in the Banking Group, since they do not contribute directly to its activities. These companies are consolidated under the equity method.

Subsidiaries of the Parent Company:
- Adras s.p.a. (100%);
- Commerciale Piccapietra s.r.l. (100%).

Indirect subsidiares of BPER Banca, through BPER Real Estate s.p.a.:
- Annia s.r.l. (100%);
- St. Anna Golf s.r.l. (100%).

Indirect subsidiares of BPER Banca, through Banca Popolare di Sondrio:
- Pirovano Stelvio s.p.a. (100%);
- Servizi Internazionali e Strutture Integrate 2000 s.r.l. (100%);
- Rent2Go s.r.l. (100%);
- Rajna immobiliare s.r.l. (100%);
- Centro delle Alpi RE (100%)*.

Indirect subsidiares of BPER Banca, through Sinergia Seconda s.r.l.:
- Immobiliare S.Paolo s.r.l. (100%);
- Immobiliare Borgo Palazzo s.r.l. (100%).

* Closed-end real estate investment fund.

2.2 The BPER Banca Group today

The BPER Group today consists of the Parent Company BPER Banca with its over 150 years of history (founded in 1867 as the Banca Popolare di Modena by the Società Operaia di Mutuo Soccorso) and its subsidiary banks, Banco di Sardegna, Banca Popolare di Sondrio, BPER Banca Private Cesare Ponti, Bibanca, BNT Banca and multiple product factories and ancillary services undertakings based in Italy. BPER Bank Luxembourg S.A. (with its head office in the Grand Duchy of Luxembourg) and Banca Popolare di Sondrio (Suisse) S.A. (with its head office in Switzerland) are also part of the BPER Group.
With its over 22 thousand employees and around 2,000 branches widespread throughout the country, the BPER Group serves around 6 million customers and is among the key commercial lenders in Italy and one of the leaders in wealth management, with over Euro 420 billion in Total Financial Assets under Management.
Through in-house product factories and major strategic partnerships, BPER Banca operates in all key market segments, offering qualified services, products, and advice tailored to every type of financial need of its customers, including with a view to internationalisation. A key part of the Group's mission is to support individuals, businesses, communities and local areas in their growth, by also promoting innovative solutions and integrating all ESG components, in order to combine business development with social and environmental sustainability.

BPER Banca's network in Italy includes 9 Regional Departments:

- West Lombardy, based in Milan;
- East Lombardy – Triveneto, based in Brescia;
- West Emilia, based in Modena;
- East Emilia – Romagna, based in Bologna;
- Liguria – Piedmont, based in Genoa;
- Marche – Abruzzo, based in Ancona;
- Lazio – Tuscany – Umbria, based in Rome;
- Campania – Puglia – Basilicata, based in Avellino;
- Calabria-Sicily, based in Crotone.

* 2,046 branches in Italy, 1 in Luxembourg, 1 in Principality of Monaco and 20 in Switzerland.

Data as 31/12/2025

Main banks and companies of the BPER Banca Group[30]

Banca Cesare Ponti s.p.a.

Established in 1871 as a general partnership for currency exchange, Banca Cesare Ponti joined the BPER Banca Group in 2022. It acts as the Group's Investment Centre and private banking hub, with a business model focused on excellence, personalisation, and innovation. It has a strong presence throughout Italy with two main offices (Milan and Genoa), over 108 Private Banking Centres, and a network of approximately 344 private bankers. As an Investment Centre, Banca Cesare Ponti manages assets covering all BPER Banca Group customer segments.

Banco di Sardegna s.p.a.

Banco di Sardegna has always been the leading bank on the island. It has a total of 270 branches (264 in Sardinia, in 241 municipalities) serving over 615 thousand customers. In addition to its sound financial position, the Bank combines the strong sense of belonging of its employees, its constant closeness to the territory and its proactive listening, which allow it to be a benchmark for businesses and families and to promote a sustainable growth style based on values of simplicity, transparency, professionalism and efficiency.

Bibanca s.p.a.

A BPER Banca Group company specialising in consumer credit, it offers its services throughout the country through the branch network of the BPER Group banks and that of its agents. Today, Bibanca manages a stock of Euro 4.3 billion worth of loans. As part of BPER Banca Group's rationalisation and efficiency initiatives, on 27 January 2025, the partial and non-proportional demerger of Bibanca, already prepared during the previous year, became effective, with the e-money business unit related to payment systems being transferred to BPER Banca.

Banca Popolare di Sondrio s.p.a.

Founded in 1871, Banca Popolare di Sondrio was one of the first Italian cooperative banks inspired by the cooperative credit movement. Over time, thanks to the gradual expansion of its operations and territorial presence, it gained a supra-regional dimension with operations extending throughout the country, while maintaining a strong bond with its area of origin. Banca Popolare di Sondrio is a bank serving households, small and medium-sized enterprises and institutions that form the social and economic fabric of the areas it serves.
Following the approval of the corporate transformation resolved upon by the Extraordinary Shareholders' Meeting of 29 December 2021, the Bank continued its operations as a joint stock company (*società per azioni*). In July 2025, following completion of the Public Tender and Exchange Offer on all its shares launched by BPER Banca s.p.a., Banca Popolare di Sondrio joined the BPER Banca Group.

Banca della Nuova Terra - BNT s.p.a.

BNT Banca was founded in February 2004, invested in by some of the main Italian Banks and Financial Institutions, and is specialised in granting credit to the agro-industrial sector. The operations of BNT Banca, complementary and ancillary to those of its partner Banks, was focussed on short-term farm loans, advance payment of CAP contributions, and medium/long-term loans to purchase, broaden or renovate corporate buildings and support innovative projects in the field of alternative energies. On 8 September 2017, Banca Popolare di Sondrio, which already owned a 20% shareholding in BNT Banca, acquired full control over it, becoming its sole shareholder. BNT Banca later specialised in the distribution of consumer credit products: fifth of salary/pension-backed loans and employer-approved payment authorisations.

BPER Bank Luxembourg S.A.

BPER Bank Luxembourg is the Luxembourg subsidiary of the BPER Banca Group. It was established in 1996 and has dealt with the management of Private, Personal and "Corporate" customers since then. It also manages the treasury for retail and institutional customers and loans both locally and internationally, mainly for "Corporate" customers.

Banca Popolare di Sondrio (SUISSE) S.A.

A bank governed by Swiss law, located in Lugano, founded in 1995. The Bank is mostly active in lending, portfolio management and trading services. The territorial network currently consists of 20 offices in 8 Cantons, with the addition of the representative office in Verbier, the direct banking virtual branch in Lugano (for online access to all banking services) and the foreign office in the Principality of Monaco.

30 In the rest of the document, banks and companies belonging to the BPER Group are also referred to as "Banks and Companies".

Arca Holding s.p.a. and Arca Fondi SGR s.p.a.

Arca Fondi SGR was established from the history and experience of Arca SGR s.p.a. (today Arca Holding s.p.a.), founded in October 1983. It is one of the main players in the field of asset management in Italy: around 50 placement agents operate with over 4,500 branches and financial advisers to guarantee the highest level of service and assistance to its customers.

BPER Factor s.p.a.

Founded in 1994, it became part of the BPER Group in 2010 as a company specialised in factoring to help companies manage their trade receivables. The Company operates predominantly on the national market, with operating propositions differently applying the methods of its basic services, such as the administration of receivables and management of collections, the financing of assigned receivables, and solvency guarantees on assigned receivables.

BPER Real Estate s.p.a.

Main real estate company of the Group, with managed assets for almost Euro 380 million, and rental fees slightly above Euro 14 million. The company enhances its real estate assets through investments in properties leased to the Group and a gradual disposal of properties not used in the business. Bper Real Estate s.p.a. also has shareholdings in special-purposes companies that own properties deriving from repossession activities, aimed at credit protection.

Finitalia s.p.a.

Finitalia is a company established in 1972 and operates in the consumer credit sector. It specialises in both financing premiums and any products and services related to insurance policies, through the issue of virtual revolving credit cards on a private circuit or by granting special purpose loans and personal loans.

Sardaleasing s.p.a.

The company's purpose is the leasing of immovable assets (including buildings under construction), capital goods, registered personal property, nautical and energy assets as well as the granting of loans, provided that they are connected to leasing operations. The Company's customer target consists of professionals and businesses aiming at purchasing properties used in the business through finance leases.

Modena Terminal s.p.a.[31]

Since 1983, the company has been strongly committed to the provision of custody, storage, logistics and handling services for domestic, EU and foreign goods. Modena Terminal is authorised to operate under the General Warehouse system and may therefore issue deposit slips and pledge notes on the goods deposited.

Factorit s.p.a

The company was founded on 14 December 1978 by a group of Italian Cooperative Banks. The company operates in the sectors of factoring and confirming and specializes in financing and managing domestic and international trade receivables, also offering guarantee-backed solutions. On 1 March 2022, the interest held by Banca Popolare di Sondrio was increased from 60.5% to 100%. Factorit is an active member of two important trade organisations: the Italian factoring association ASSIFACT and the international factoring association FCI.

PrestiNuova s.r.l. – Agenzia in Attività Finanziaria

Agenzia in Attività Finanziaria is one of the channels of growth for BNT Banca , with a direct mandate to promote and distribute fifth of salary/pension-backed loans. PrestiNuova s.r.l. stands out for its operations through out-of-branch offer of products and services, to meet the need for flexibility of customers/prospects.

31 As at 31 December 2024, the company's assets and liabilities were recognised under "Non-current assets and disposal groups held for sale".

2.3 Summary of results

As at 31 December 2025, the Parent Company's share of consolidated net profit amounted to Euro 1,818.4 million, up 29.64% compared to the previous year (Euro 1,402.6 million as at 31 December 2024). This result was driven by the increased scale of the Group, as a result of the business combination with Banca Popolare di Sondrio (and its subsidiaries).

On a like-for- like basis[32], consolidated net profit amounted to Euro 1,644.8 million (+17.26% compared to 31 December 2024). The main evidence is provided below:

- "Net interest income" amounted to Euro 3,268.5 million, down 3.2% compared to 31 December 2024. The growth in NII registered in the fourth quarter was 3.6% driven by the positive effect of interest rates (+Euro 10.7 million Q/Q), which more than offset the commercial dynamics of volumes (-Euro 4.7 million Q/Q);
- Net commission income grew to Euro 2,160.8 million (+5.0% compared to 31 December 2024) on the back of commissions on investment services amounting to Euro 927.5 million (+10.3% compared to 31 December 2024), bancassurance commissions on non-life insurance settled at Euro 137.9 million (+7.5% compared to 31 December 2024) and commissions on traditional banking totalled Euro 1,095.3 million (+0.6% compared to 31 December 2024);
- Net loans to customers amounted to Euro 92.1 billion, up 2.2% compared to 31 December 2024 thanks to growth-boosting activities across the entire distribution network. The disciplined approach to credit management has enabled the Group to achieve high asset quality standards: the share of non-performing loans to customers has improved with respect to the previous quarter in terms of both gross NPE ratio, now at 2.4%, and net NPE ratio, at 1.1%.

The Group's capital profile remains strong thanks to organic capital generation, which allowed the phased-in[33] CET1 ratio as at 31 December 2025 to reach 14.83%. The liquidity position features regulatory ratios well above the minimum thresholds required, with LCR as at 31 December 2025 at 172.1% (166.9% at end 2024) and NSFR at 134.4% (137.7% as at 31 December 2024).

For further details on the results achieved by the BPER Banca Group in 2025, please refer to the chapter "*The BPER Banca Group's results of operations*" in this Directors' Report on Group Operations.

32 Excluding the contribution of the Banca Popolare di Sondrio Group from the consolidated accounts as at 31 December 2025.

33 Capital ratios as at 31 December 2025 are to be considered phased-in with respect to the new prudential supervisory framework in force as of 1 January 2025 (Basel IV).

2.4 Performance ratios[34]

Financial ratios

Financial ratios	31.12.2025	31.12.2024
Structural ratios		
Net loans to customers/total assets	62.91%	64.11%
Net loans to customers/direct deposits from customers	76.32%	76.31%
Financial assets/total assets	22.34%	20.66%
Gross non-performing loans/gross loans to customers	2.11%	2.41%
Net non-performing loans/net loans to customers	1.01%	1.12%
Texas ratio	15.86%	18.35%
Profitability ratios		
ROE	17.01%	15.81%
ROTE	20.05%	16.90%
ROA	1.07%	1.03%
Cost/Income Ratio	45.73%	54.43%
Cost of credit	0.24%	0.36%

The Texas ratio is calculated as total gross non-performing Loans to customers on net tangible Equity (Group and minority interests) plus impairment provisions for non-performing Loans to customers.

ROE has been calculated as net profit for the year considering only the recurring component (Euro 2,100.2 million at 31 December 2025) on average Group's shareholders' equity not including net profit.

ROTE is calculated as the ratio between the net profit for the year considering only the recurring component (Euro 2,100.2 million at 31 December 2025) and the Group's average shareholders' equity i) including the net profit for the year considering only the recurring component (Euro 2,100.2 million at 31 December 2025) stripped of the portion allocated to dividends and ii) excluding intangible assets and equity instruments.

ROA has been calculated as net profit for the year including net profit pertaining to minority interests considering only the recurring component (Euro 2,195.6 million as at 31 December 2025) on total assets.

The Cost to income ratio is calculated on the basis of the reclassified income statement (operating costs/operating income). When calculated on the basis of the accounting schedules envisaged by the 8th update of Bank of Italy Circular No. 262, the cost/income ratio amounts to 50.62% (it was 56.92% as at 31 December 2024).

The Cost of credit is calculated as the ratio between the items in the reclassified statement "Net impairment losses to financial assets at amortised cost – loans to customers" and "Loans b) loans to customers". The cost of credit as at 31 December 2025 is 24 bps, down from 36 bps in 2024.

34 The information provided is consistent with the ESMA document of 5 October 2015 "Guidelines on Alternative performance measures", aimed at promoting the usefulness and transparency of Alternative Performance Measures included in prospectuses or regulated information. To construct ratios, reference was made to the balance sheet and income statement items of the reclassified statements providing an operational management view and commented on in the chapter "The BPER Banca Group's results of operations" contained the present Consolidated Financial Report of the BPER Banca Group.

Prudential supervisory ratios

Prudential supervisory ratios	31.12.2025	31.12.2024
Own Funds (in thousands of Euro)		
Common Equity Tier 1 (CET1)	11,881,694	8,578,930
Total Own Funds	15,382,915	11,265,519
Risk-weighted assets (RWA)	80,141,723	54,227,812
Capital ratios and liquidity ratios		
Common Equity Tier 1 Ratio (CET1)	14.83%	15.82%
Tier 1 Ratio (T1 Ratio)	17.15%	17.88%
Total Capital Ratio (TC Ratio)	19.20%	20.77%
Leverage ratio	6.4%	6.6%
Liquidity Coverage Ratio (LCR)	172.1%	166.9%
Net Stable Funding Ratio (NSFR)	134.4%	137.7%

Capital ratios as at 31 December 2025 are to be considered as phased-in under the new prudential supervisory regulations entered into force on 1 January 2025 (Basel IV).
The Leverage Ratio is consistent with the provisions of Regulation (EU) No. 575/2013 (CRR), as amended by Commission Delegated Regulation (EU) 62/2015.

Sustainability indicators

Non-financial indicators	31.12.2025	31.12.2024
Environmental		
GAR (Stock - Turnover weighting)	7.07%	2.82%
Electricity consumption from renewable sources	100%*	100%*
Emission intensity on net revenue (tCO_2e/net revenues in thousands of Euro)	12.39	9.11
Social		
Permanent employees	100%*	99%*
Percentage of women over total employees	45%*	48%*
Training hours per employee	58*	52*
Governance		
% Women in BoD	40%	40%

(*) Rounded up to the nearest value.

The GAR (or Green Asset Ratio) is calculated as the ratio of the bank's assets that finance or are invested in economic activities aligned with the taxonomy to the total assets covered. The indicator is calculated based on exposures as at 31 December 2025 to households (loans collateralised by properties) and to counterparties subject to the CSRD, the latter weighted according to the alignment data in relation to their reported turnover.

Electricity consumption from renewable sources is calculated as the ratio of electricity purchased and self-consumed in the year from renewable sources to the total electricity consumed in the year.

The emission intensity on net revenues is calculated as the ration of the emissions produced during the year in tCO2e over net revenues in thousands of Euro as at 31 December 2025 of the consolidated Banks and Companies. The Market-Based calculation method is used in the calculation.

The Social indicators are calculated on the basis of the total number of employees of the consolidated Banks and Companies as at 31 December 2025. Per capita hours of training are based on the total number of training hours divided by the total number of employees of the consolidated Banks and Companies as at 31 December 2025.

For further details on sustainability indicators, please refer to Part 2 "Consolidated sustainability statement" of this Report.

3. SIGNIFICANT EVENTS AND STRATEGIC TRANSACTIONS

3.1 "B:DYNAMIC | FULL VALUE 2027"

On 9 October 2024, BPER Banca's Board of Directors approved the new 2024-2027 Business Plan of the BPER Banca Group "B:Dynamic | Full Value 2027".

The Plan was structured around three main pillars:

- "*Unleash our clients' full-value*" with tailor-made products on BPER's Retail and Private banking clients, leveraging the new wealth management set-up, as well as supporting its Corporate clients with tailor-made banking solutions through the new Corporate product factory;
- "*Capture our latent economies of scale*", by increasing workforce productivity (through the new omni-channel service model and AI/GenAI enabled process optimization and automation), with up-skilling initiatives and the insourcing of key operational activities, while reducing administrative costs;
- "*Leverage our strong balance sheet*", by improving and modernising credit risk and capital management.

The "*Bank's complete modernization*" will enable the flawless execution of these three strategic pillars through the following enablers:

- Technology, Security and Artificial Intelligence - The BPER Banca Group will continue investing on top of what has already been invested in recent years to be at the IT forefront, ensuring business growth and productivity enhancement;
- ESG and Sustainability commitment - In line with the Group's modernization process, the integration of ESG factors into the BPER Banca Group's business processes will continue in order to remain a leader in ESG;
- Organisation and People - The Business Plan comprises a number of actions: an up-skilling programme aimed at increasing the Group's commercial fire power which will empower over 30% of the workforce; a cross-functional approach based on the full IT integration to enable the transformation of the BPER Banca Group into a modern organization ready to capture new business opportunities; a new performance management model with meritocracy at the centre; and a new Incentive Plan fully aligned with the Business Plan targets.

As at 31 December 2025, all initiatives of the "B:Dynamic | Full Value 2027" Plan have been launched and their implementation continues as planned, in line with the Plan targets.

More specifically:

- New disbursements: up +13.1% Y/Y (Euro 19.6 billion in 2025).
- Net commission income: continuous positive performance, supported in particular by the growth in fees and commissions on wealth management (+10.3% in 2025) and bancassurance (+7.5% in 2025).
- Digital channels: 94% of banking transactions processed via digital channels, and around 28% of new customers acquired digitally. In addition, digital and remote banking initiatives continue with the launch of the Digital Corporate Banking and Smart Banking Business platforms.
- Risk management: a prudent approach to risk is maintained, taking into account the impact of Basel IV.
- Credit automation: launched for pre-selected Retail, Small Business and Corporate ("SME") customers, credit automation has led to an increase in the number of automated approvals.
- Investments in technology, security and AI: data centre rationalisation completed, and cloud deployment finalised for all multi-channel retail applications. Infrastructure implemented both for the development of Gen-AI use cases and financial education initiatives – reaching out to approximately 125,000 people in 2025 – and for the automation of the software lifecycle.
- ESG and Sustainability Commitment: new originations for approximately Euro 3.9 billion in 2025.
- Organisation and People: over 4,000 colleagues involved in up-skilling programmes through the BPER Academy and other training initiatives.

3.2 Voluntary public tender and exchange offer for all the shares of Banca Popolare di Sondrio

With regard to the Group's Business Plan, in the first months of 2025, having acknowledged the reorganisation dynamics unfolding in the Italian (and European) banking market, the Parent Company BPER Banca considered the opportunity of supplementing the expected internal organic growth with the launch of a Public Tender and Exchange Offer (OPAS) on all the ordinary shares of Banca Popolare di Sondrio s.p.a.
Among the objectives pursued through the acquisition, full-scale enhancement of the two groups' potentials should be highlighted through increased value creation and distribution, and the achievement of important synergies to be delivered with no social costs whilst reducing the risk profile for all stakeholders.
In the Italian credit market, Banca Popolare di Sondrio stands out for its similarities with BPER Banca, particularly with respect to the history that has characterised the development of the two banks, the highly complementary territorial presence, their market positioning and closely similar business models, strongly oriented towards serving households and corporates in their respective territories, as well as regarding sustainable growth and environmental protection. In addition to operating in the same way in certain segments of their customer propositions, the two banks use similar business models and share the same partnerships and product factories, in asset management (Arca Fondi SGR s.p.a.), bancassurance (Arca Vita s.p.a. and Arca Assicurazioni s.p.a.) and leasing (Alba Leasing s.p.a.).

The roadmap followed for the voluntary Public Exchange Offer (later changed into a Public Tender and Exchange Offer) on all the shares of Banca Popolare di Sondrio s.p.a. and the subsequent acquisition of control by BPER Banca on the related banking group is summarised below.

6 February 2025 - the Board of Directors of BPER Banca approved the launch of a voluntary public exchange offer on all ordinary shares of Banca Popolare di Sondrio s.p.a. The decision was announced with a communication on the same date pursuant to Article 102 of Legislative Decree No. 58 of 24 February 1998 ("Consolidated Law on Finance") and Article 37 of Consob Regulation No. 11971 of 14 May 1999 ("Issuers' Regulation").
The exchange ratio has been set at 1.450 newly issued shares of BPER for each existing share of Banca Popolare di Sondrio.

7 April 2025 - BPER Banca purchased 1,550,000 Banca Popolare di Sondrio ordinary shares, representing approximately 0.34% of the issuer's Share Capital.

18 April 2025 - the Presidency of the Council of Ministers communicated its resolution, in acceptance of the proposal of the Ministry of Economy and Finance, not to exercise its special powers, pursuant to Legislative Decree No. 21 of 15 March 2012, converted, with amendments, by Law No. 56 of 11 May 2012, with reference to the voluntary public exchange offer launched by BPER Banca s.p.a. on all the ordinary shares of Banca Popolare di Sondrio, other than any issuer's shares held directly by the offeror.

May 2025 – release of the authorisations required for the transactions by the relevant national and European authorities:

- *7 May 2025* – the Insurance Supervisory Authority (IVASS) released the authorisation to hold – upon the positive outcome of the offer – a qualifying shareholding higher than 30% in the share capital of Arca Vita s.p.a.;
- *8 May 2025* – the Central Bank of Ireland released the non-objection letter to the increase of an indirect qualifying holding in Arca Vita International DAC;
- *21 May 2025* – the European Commission closed the preliminary review of the notification under Regulation (EU) 2022/2560 on foreign subsidies distorting the internal market ("FSR"), deciding not to initiate an in-depth investigation, thereby authorising the transaction pursuant to the aforementioned Regulation;
- *22 May 2025* – the European Central Bank (ECB) released: (i) the authorisation relating to the classification as Common Equity Tier 1 (CET 1) capital[35] of the new shares to be issued in the context of the share capital increase to service the offer, as well as (ii) the assessment measure that the amendments to the BPER's by-laws resulting from the share capital increase to service the offer do not conflict with the sound and prudent management of BPER Banca;
- *28 May 2025* – the ECB released: (i) the authorisation for the direct acquisition of a controlling interest in Banca Popolare di Sondrio, as well as for the indirect acquisition of a controlling interest in Banca della Nuova Terra s.p.a., and (ii) the authorisation to the acquisition, by BPER Banca, of direct and indirect shareholdings that, in the aggregate, exceed 10% of the consolidated own funds of the BPER banking group[36];

35 Provided that the newly issued shares are fully subscribed and their acquisition is not financed, directly or indirectly, by BPER Banca.

36 For the sake of completeness, the authorisations include certain operational recommendations and reporting requirements vis-à-vis the European Central Bank, consequent to the envisaged acquisition – as a result of the Offer – of control over BP Sondrio and its Group, which do not in any case provide for any conditions with respect to the Offer itself and its execution.

- 30 May 2025 – the Bank of Italy released: (i) the authorisation for the indirect acquisition of a controlling interest in Factorit s.p.a., the acquisition of a controlling interest in Alba Leasing s.p.a., as well as (ii) the authorisation for the increase in the total stake held in Unione Fiduciaria s.p.a. and Polis SGR s.p.a.

As a result of the above measures, BPER Banca met all the conditions required for the offer to be valid.

29 May 2025 – The Board of Directors of BPER Banca – in execution of the powers granted by the Extraordinary Shareholders' Meeting held on 18 April 2025 – resolved the paid-up share capital increase, in one or more tranches and in severable form, with the exclusion of the pre-emptive right pursuant to article 2441, par. 4, first sentence, of the Italian Civil Code, to serve the voluntary public exchange offer launched by BPER Banca[37].

4 June 2025 – CONSOB, by resolution No. 23581 of 4 June 2025, approved, pursuant to Article 102, paragraph 4, of the Consolidated Law on Finance, the offer document relating to the planned transaction.
This document provided that for each Banca Popolare di Sondrio share tendered to the Offer, BPER Banca would pay a unit consideration represented by 1.450 newly issued ordinary shares of BPER, without nominal value, with regular dividend entitlement and the same characteristics as the ordinary shares of BPER already outstanding at the issuance date, subject to the adjustments described in the Offer Document.
The acceptance period of the offer, agreed with Borsa Italiana s.p.a., started at 8:30 a.m. (Italian time) on 16 June 2025 and ended at 5:30 p.m. (Italian time) on 11 July 2025, and it was later extended pursuant to the provisions of the offer document.

2 July 2025 – the Italian Competition and Markets Authority (the "AGCM") authorised the transaction for the acquisition of control of Banca Popolare di Sondrio subject to the execution of the sale of 6 branches (of which 5 of BPER and 1 of Banca Popolare di Sondrio) to banking operators within ten months from the date of authorisation of the transaction.
BPER Banca deemed that the condition set by the AGCM was fully in line with the objectives of the offer and, therefore, it could be considered occurred.

3 July 2025 – the Board of Directors of BPER Banca resolved to increase the consideration of the offer and to pay, for each share of Banca Popolare di Sondrio tendered to the offer, an overall consideration consisting of the consideration in shares indicated in the offer document, equal to No. 1.450 newly issued BPER Banca shares in execution of the Share Capital Increase Reserved to the offer, and an additional consideration in cash equal to Euro 1.00.
Based on the official price of BPER Banca shares recorded at the close of trading date of 5 February 2025, equal to Euro 6.570, the increased Overall Consideration as indicated above represents a "monetary" valuation equal to Euro 10.527 for each share of Banca Popolare di Sondrio and thus incorporates a premium of 17.8% compared to the price of BP Sondrio shares registered on the same date (Euro 8.934).

15 July 2025 – Equita SIM s.p.a. (in its capacity as intermediary in charge of coordinating the collection of acceptances) communicated that No. 263,633,476 Shares of Banca Popolare di Sondrio, representing a percentage equal to approximately 58.15% of its share capital, had been tendered to the offer.
Considering: (i) the No. 263,633,476 Banca Popolare di Sondrio shares, representing a percentage equal to approximately 58.15% of its share capital, that had been tendered to the offer, and (ii) the No. 1,550,000 issuer shares, representing a percentage equal to approximately 0.34% of the issuer's share capital, held directly by the offeror, based on the final results of the Offer, BPER Banca – as of the payment date of 18 July 2025 - held a total of No. 265,183,476 shares of Banca Popolare di Sondrio, representing a percentage equal to approximately 58.49% of its share capital.
Based on the results achieved, BPER Banca confirmed the reopening of the Terms, pursuant to and in accordance with Article 40-*bis*, paragraph 1, letter a) of the Issuers' Regulation. Therefore, the Acceptance Period was reopened for five Trading Days, namely, for the sessions of 21 July, 22 July, 23 July, 24 July and 25 July 2025. The payment date in relation to the reopening of the Terms was scheduled for 1 August 2025.

25 July 2025 – at the end of the second tender period, additional No. 100,660,069 Banca Popolare di Sondrio shares, representing a percentage equal to approximately 22.20% of its share capital, were tendered to the offer. Considering: (i) the No. 263,633,476 shares, representing a percentage equal to approximately 58.15% of the share capital of Banca Popolare di Sondrio, already tendered to the offer during the first Acceptance Period, (ii) the No. 1,550,000 Shares, representing a percentage equal to approximately 0.34% of the issuer's share capital, held directly by the offeror, on the payment date of the reopening of terms (i.e., 1 August 2025), BPER Banca held a total of No. 365,843,545 Shares of Banca Popolare di Sondrio, representing a percentage equal to approximately 80.69% of the share capital.

Based on the aforementioned results, the conditions for the delisting of Banca Popolare di Sondrio pursuant to Articles 108, paragraphs 1 and 2 of the Consolidated Law on Finance and/or Article 111, paragraph 1, of the Consolidated Law on Finance have not been met, and therefore its Shares are still traded on Euronext Milan.

37 In accordance with the regulations in force, the Board of Directors of BPER also provided the information pursuant to Article 2343-quarter, para. 3, letters a), b), c) and e), of the Italian Civil Code.

3.3 Process for the merger by absorption of Banca Popolare di Sondrio s.p.a. into BPER Banca s.p.a.

On 5 November 2025, the Board of Directors' meetings of BPER Banca s.p.a. and Banca Popolare di Sondrio s.p.a. approved the plan for the merger by absorption of BP Sondrio into BPER Banca.

The merger is a strategic lever consistent with the path towards sustainable growth and value creation for all stakeholders already outlined in the standalone business plans previously approved by BPER and BP Sondrio, and is intended to accelerate progress towards these objectives. The increased scale of operations will allow the new group to (i) fully implement economies of scale, (ii) increase productivity, (iii) improve operational efficiency and (iv) optimise investments. In particular, cost synergies (estimated at a run rate of up to Euro 190 million before tax per year) are expected to arise from economies of scale and improved operational efficiency, by setting up a lean structure allowing to free up important resources for investments (including in technology). Integration costs are estimated to be in the range of approximately Euro 400 million before tax as a one-off, of which 72% were incurred in 2025 and the remaining 28% are expected to be incurred by the end of 2026. Revenue synergies (estimated at a run rate of up to approximately Euro 100 million before tax per year) are likewise expected to be obtained from increased productivity, including as a result of the contribution from product factories and cross-selling opportunities in high value-added business segments (wealth management, bancassurance, and specialty finance), all this by leveraging BPER's effective distribution model.

The merger was approved using as a reference, pursuant to and for the purposes of Article 2501-quater, paragraph 2, of the Italian Civil Code, the consolidated half-year financial reports of the two banks as at 30 June 2025, as determined by the resolutions of the Boards of Directors at the meetings held on 5 August 2025.
The Boards of Directors additionally determined the exchange ratio of 1.45 BPER shares for each ordinary share of BP Sondrio. The exchange ratio is subject to no cash adjustments. As part of the m, the share exchange will take place by means of the: (i) cancellation of all the treasury shares held by BP Sondrio on the effective date of the merger; (ii) cancellation of all the shares of the merging company owned by the acquiring company on the effective date of the merger; (iii) cancellation of the remaining ordinary shares of the merging company and allocation of the ordinary shares of the acquiring company in exchange for them based on the exchange ratio. BPER ordinary shares intended for the exchange will be made available to those entitled in accordance with the procedures of Monte Titoli s.p.a.'s centralised depository administration as uncertificated shares, starting from the merger effective date if it is a trading day, or from the first subsequent trading day.
Following the merger, BPER will therefore issue a maximum of 126,936,336 ordinary shares, with no par value, through a share capital increase for a maximum amount of Euro 190,912,249 in accordance with the exchange ratio and the share allocation procedures.
BP Sondrio shareholders will not have the right of withdrawal pursuant to Article 2437-quinquies of the Italian Civil Code as, following the merger, they will receive in exchange newly issued ordinary shares of BPER, which will be listed on Euronext Milan similarly to BP Sondrio ordinary shares outstanding at the time of their issuance.

On 16 October 2025, BPER's Board of Directors approved the new organisational model in a combined perspective, which will enter into force on the merger effective date. As part of the new model, also designed with a view to enhancing the integrated entities' contribution, new structures will be set up, and a branch network reorganisation functional for obtaining the estimated synergies will be carried out, with approximately 90 branches located in the Central-Northern regions of Italy being combined when overlapping, with the exclusion of the Province of Sondrio. BPER's Board of Directors concurrently approved the implementation of a pathway aimed at promoting generational turnover through a voluntary exit of 800 Group employees, including through access to the extraordinary benefits of the Solidarity Fund for the banking sector, to be largely accomplished in the course of 2026. Likewise, at its meeting today, BP Sondrio's Board of Directors approved the implementation of the voluntary exit pathway to the extent of its remit.

On 28 November 2025, the Plan for the merger by absorption of BP Sondrio into BPER was filed with the respective registered offices.

On 23 December 2025, Forvis Mazars s.p.a. – appointed by the section specialised in business-related matters of the Court of Bologna as the joint expert responsible for drafting the Exchange Ratio fairness opinion pursuant to and for the purposes of Article 2501-*sexies* of the Italian Civil Code – issued their opinion, which was later made available to the public under the terms and by the deadlines set out in the applicable laws and regulations.

On 23 January 2026, the Presidency of the Council of Ministers announced that it will not exercise its special powers under the 'golden power' legislation.

On 27 January 2026, the European Central Bank issued its regulatory authorisations for the merger as follows: (i) authorisation pursuant to Article 57 of Legislative Decree No. 385/93 (the "Consolidated Law on Banking") and related implementing provisions; (ii) non-objection assessment pursuant to Article 56 of the Consolidated Law on Banking, and related implementing provisions, in relation to the amendments to the Articles of Association related to the capital increase for the purposes of the merger, as well as (iii) authorisation pursuant to Articles 26, paragraph 3, and 28 of Regulation (EU) No. 575/2013 for classifying the newly issued ordinary shares resulting from the capital increase as CET1 instruments.

The merger plan was filed with Modena's Companies Register on 4 February 2026 and with Sondrio's Companies Register on 5 February 2026, pursuant to and for the purposes of Article 2501-ter of the Italian Civil Code.

3.4 Other significant events during 2025

A summary of other significant events occurring in 2025 is reported below.

Transfer of the E-Money business from Bibanca to the Parent Company

On 27 January 2025, after obtaining the authorisation from the European Supervisory Authority, BPER Banca and its subsidiary, Bibanca, finalised the transfer of the e-money business to the Parent Company thereby giving legal effect to the Demerger Deed stipulated on 16 January 2025. The transfer of activities to a single entity allows the BPER Banca Group to align monitoring of the business and its pricing with market best practice, to optimise relations with payment circuits and simplify the internal governance model.

Notice of voluntary early repayment of subordinated bond loan "Banca Monte Lucca s.p.a. 2020-2030 Fixed Rate Reset Callable Tier II"

On 30 June 2025, BPER carried out the early redemption of the subordinated bond loans called "Banca Monte di Lucca s.p.a. 2020-2030 Fixed Rate Reset Callable Tier II", having obtained the authorisations from the relevant Supervisory Authority. The bond loan Terms and Conditions provide for redemption in full and in advance of the maturity date (30 June 2030), pursuant to art. 8 (Early Redemption and/or Purchase) of the Terms and Conditions.
The bond loan was repaid at par (at 100% of the outstanding Nominal Value of Euro 4,000,000), plus interest accrued up to the repayment date (excluded), pursuant to the provisions of art. 13 (Payments) of the Terms and Conditions. Following early repayment, the bond loan was cancelled.

2025 EBA stress test results

On 1 August 2025, the European Banking Authority (EBA) published the results of the EU-wide stress test conducted in cooperation with the Bank of Italy, the European Central Bank (ECB) and the European Systemic Risk Board (ESRB).
The stress test does not contain any pass/fail thresholds. The test, however, is designed to be used as an important source of information for the purposes of the Supervisory Review and Evaluation Process (SREP).
The results thus assist competent authorities in assessing BPER Banca Group's ability to meet applicable prudential requirements under stressed scenarios.
The results of the test are shown below:

- baseline scenario: 2027 transitional CET1 ratio at 16.35%, corresponding to 131 bps higher than the CET1 ratio as at 31 December 2024 – restated;
- adverse scenario: 2027 transitional CET1 ratio at 14.10%, corresponding to 93 bps lower than the transitional CET1 ratio as at 31 December 2024 – restated. The year with the highest impact is 2025, with a total impact of 94 bps compared to the starting value.

The adverse stress test scenario was set by the ECB/ESRB and covers a three-year time horizon (2025-2027). The stress test was carried out applying a static balance sheet assumption as at December 2024 and therefore does not take into consideration future business strategies and management actions. It is neither a forecast of BPER Group's profits, nor does it include the effects of the Public Tender and Exchange Offer on all the ordinary shares of Banca Popolare di Sondrio s.p.a.
It should be noted that the comparative figure as at 31 December 2024 is a restated value, as it includes the estimated impact of the regulatory changes effective from 1 January 2025 related to the entry into force of CRR3 and CRD6.

SREP requirement revised after the acquisition of Banca Popolare di Sondrio

On 9 October 2025, following the conclusion of BPER Banca's Public Tender and Exchange Offer for the ordinary shares of Banca Popolare di Sondrio, the European Central Bank notified BPER Banca of its decision amending the Decision establishing prudential requirements to be met on a consolidated basis pursuant to art. 16 of Council Regulation (EU) No. 1024/2013, which was addressed to the Bank in relation to the Supervisory Review and Evaluation Process (SREP) on 3 December 2024.

The requirement that BPER Banca has to comply with on a consolidated basis in terms of Common Equity Tier 1 Ratio ("CET1 Ratio") is 9.40% (vs prior 9.32%), consisting of the sum of the minimum regulatory Pillar 1 requirement of 4.5%, the additional Pillar 2 requirement of 1.35%[38] and the Combined Buffer Requirement of 3.55%[39], while the minimum Total Own Funds Requirement ("Total Capital Ratio") is 13.95%.

BPER's consolidated capital ratios as at 31 December 2025 are as follows:

- Common Equity Tier 1 (CET1) Ratio of 14.83%;
- Total Capital ratio (TC Ratio): 19.20%.

The above ratios are in excess of the minimum capital requirements set by the ECB.

Change in the share capital of BPER Banca

On 4 August 2025, BPER Banca notified, pursuant to article 85-*bis* of Consob Regulation No. 11971/1999 as subsequently amended ("Issuers' Regulation"), the new composition of its share capital following the execution of the paid-in share capital increase in a divisible form and with exclusion of the option right pursuant to Article 2441, paragraph 4, first sentence, of the Italian Civil Code reserved to the voluntary public tender and exchange offer launched by BPER on all the ordinary shares of Banca Popolare di Sondrio s.p.a., thoroughly described in paragraph 3.2 above.
The newly issued shares of BPER were allocated to the BP Sondrio shareholders tendering to the Offer as a share component of the Offer consideration.
BPER Banca's new share capital consisted of 1,949,849,964 ordinary shares with no par value, for a total amount of Euro 2,909,962,900.57.

On 11 September 2025, BPER Banca notified, pursuant to Article 85-*bis* of Consob Regulation 11971/1999 as subsequently amended ("Issuers' Regulation"), a further change in its share capital following the partial voluntary conversion of the convertible bond loan "€ 150,000,000 Convertible Additional Tier 1 Capital Notes", issued by the Bank on 25 July 2019, as approved by BPER's Board of Directors on 11 July 2019 on the basis of the mandate granted by the Extraordinary Shareholders' Meeting of 4 July 2019.

More specifically:

- following the conversion requests received by 31 July 2025, No. 14,473,682 BPER ordinary shares were issued on 14 August 2025, with regular entitlement and the same characteristics as the shares outstanding as of the issuance date. The new amount of the share capital was filed with the Companies' Register of Modena on 10 September 2025 and registered with the same Companies' Register on 11 September 2025;
- following the conversion requests received by 14 November 2025, No. 62,656 BPER ordinary shares were issued on 28 November 2025, with regular entitlement and the same characteristics as the shares outstanding as of the issuance date. The new amount of the share capital was filed with the Companies' Register of Modena on 15 December 2025 and registered with the same Companies' Register on 16 December 2025.

As at 31 December 2025, BPER Banca's share capital consisted of 1,964,386,302 ordinary shares with no par value, for a total amount of Euro 2,953,571,914.57.

Purchase of a synthetic exposure on 9.99% of the Share Capital

On 21 October 2025, BPER Banca entered into derivative contracts with a leading counterparty for the purchase of a synthetic exposure to its own shares for a percentage equal to 9.99% of its share capital. Consequently, on 22 October 2025, the Bank sent the notification required under Article 119(1) of CONSOB Issuers' Regulation No 11971/1999, specifying that the duration of the transaction is approximately three years.

38 The Pillar 2 additional own funds requirement communicated by the ECB to BPER is 2.40% to be held in the form of 56.25% of CET1 capital and 75% of Tier 1 capital, as a minimum.

39 The Combined Buffer Requirement is made up of the Capital Conservation Buffer (2.50%), the O-SII Buffer (0.25%), the Countercyclical Capital Buffer (0.06% as at 30 June 2025) and the Systemic Risk Buffer (0.74% as at 30 June 2025).

The purchase of the synthetic exposure aims:

- from a strategic perspective, to send a strong sign of confidence in the Bank's growth prospects, in a process which will see, by the first half of 2026, the integration of Banca Popolare di Sondrio s.p.a. and the full development of the related synergies;
- from a financial perspective, to enable the Bank better management of any future share buyback plan, should the Bank decide to proceed with such a plan (subject to obtaining the necessary corporate and regulatory authorisations), including in response to market demands.

The financial instruments with which the synthetic exposure was purchased ensure BPER Banca (i) appropriate coverage of the related risk, as well as (ii) the flexibility necessary to best manage the capital and economic impacts of the transaction, in addition to excluding any possible physical settlement and, therefore, the purchase of treasury shares.
The purchased synthetic exposure involved, pursuant to Articles 36(1)(f) and 42(1) of Regulation (EU) No. 575/2013, a deduction from the Common Equity Tier 1 (CET1) capital.

Morningstar DBRS – rating upgrade

On 23 October 2025, the credit rating agency Morningstar DBRS upgraded the Long-Term Deposits credit rating of BPER Banca to "A (low)" from "BBB (high)" and confirmed the Short-Term Deposits at "R-1 (low)".
The trend on the Long-Term Deposits Rating changed to Stable from Positive.
The upgrade and trend change reflected Morningstar DBRS' credit rating action on Italy of 17 October 2025.

Early repayment of BPER Banca subordinated bond loan called "Euro 400,000,000 fixed rate tier 2 subordinated callable notes due 30 November 2030"

On 30 November 2025, BPER Banca carried out the early redemption of the bond loan "Euro 400,000,000 Fixed Rate Tier 2 Subordinated Callable Notes due 30 November 2030" in full and in advance of the maturity date set out in the relevant Terms and Consitions (i.e., 30 November 2030), pursuant to Article 4(d) (Voluntary Reimbursement by the Issuer – Call Option) of the same regulation. The early repayment was previously authorised by the competent supervisory authority.

Disposal of a 5.1% stake in the share capital of Alba Leasing s.p.a.

On 14 November 2025 BPER Banca finalised the disposal of a stake in the share capital of Alba Leasing s.p.a. The transaction allowed BPER to reduce the residual shareholding owned by the BPER Group in Alba Leasing to 47.66% of its share capital, with consequent loss of control and accounting deconsolidation of Alba Leasing as early as from this Consolidated Financial Report as at 31 December 2025.

Agreement signed between BPER Banca and the Trade Unions on generational turnover and career paths

On 19 December 2025, BPER Banca signed important agreements with the Group's Trade Unions, with the aim of continuing the process of generational turnover, including in accordance with the integration process planned with Banca Popolare di Sondrio, and setting new regulations for career paths to adapt them to the changed organisational and operational context.
Specifically, tools and measures were agreed upon to encourage the voluntary early exit of up to 800 employees of the BPER Group, to be implemented mainly during 2026, including through recourse to the banking industry's Solidarity Fund. In response to these exits, the agreement provides for 400 new hires and the stabilisation of 250 employees currently on temporary contracts, focusing on the areas where the Group operates.
Under the same agreement, a specific quota of hires is reserved for women victims of gender-based violence included in protection programmes, or children of femicide victims, in line with national regulations, confirming the Group's concrete commitment to inclusion and social responsibility.
Regarding career paths, internal regulations have been defined to ensure clear professional growth expectations are set for a significant number of the Group's employees, taking into account the new distribution model, its evolution and recent organisational changes.

Agreement signed between Banca Popolare di Sondrio s.p.a. and Nexi s.p.a. on Merchant Acquiring

On 24 December 2025, subsidiary BP Sondrio signed an agreement with Nexi s.p.a. for the sale of the business unit relating to merchant acquiring activities. Along with the Transaction, the sale to Nexi of the minority stake currently held by BP Sondrio in Nexi Payments s.p.a. was also agreed. The considerations for the sale and purchase transactions were set at Euro 105 million and Euro 57.7 million respectively, and will be fully paid in cash on the date of closing. These transactions represent the completion of a process already initiated by BP Sondrio under the terms and conditions communicated to the market during the presentation of the 2025–2027 Business Plan in March 2025. The closing is expected in the first months of 2026 and is subject to obtaining regulatory authorisations from the competent Authorities.

3.5 Events after the reporting period as at 31 December 2025

Participation in the Recovery Plan for Banca Progetto s.p.a.

On 28 January 2026, the Italian Interbank Deposit Protection Fund (FITD), BPER Banca s.p.a., Banca Monte dei Paschi di Siena s.p.a., Banco BPM s.p.a., Intesa Sanpaolo s.p.a., UniCredit s.p.a. and Banca Progetto s.p.a. under temporary Administration signed a binding term sheet regarding Banca Progetto's recovery plan (updating on 15 September 2025 the first term sheet version signed by the same parties).
The transaction, which qualifies as a preventive intervention pursuant to art. 35 of the Articles of Association of the Interbank Deposit Protection Fund (FITD), is structured around three key components:

- FITD and the 5 participating banks will join the process for the derisking of Banca Progetto's assets, with the support of specific guarantees provided by FITD;
- FITD will inject capital into Banca Progetto for a total amount of Euro 750 million;
- FITD will later transfer a majority stake in Banca Progetto to the five banks, through a jointly and equally owned vehicle, for a total consideration of Euro 40 million, with FITD retaining a minority shareholding not exceeding 9.9%.

The parties have undertaken to finalise the transaction as soon as possible (with completion expected by the end of March 2026), subject to obtaining authorisation from the competent Supervisory Authorities, approval by the Shareholders' Meeting of Banca Progetto, and fulfilment of certain additional conditions set out in the terms of the agreement.

6 branches sold as part of the public tender and exchange offer launched by BPER on Banca Popolare di Sondrio

On 24 February 2026, BPER Banca signed two agreements for the disposal of six branches located in the provinces of Varese and Como – five of which belonging to BPER and one to Banca Popolare di Sondrio – in favour of BCC Busto Garolfo e Buguggiate and BCC Cantù, both part of the BCC Iccrea Group. The sale will be carried out in compliance with the authorisation issued by the Italian Competition Authority as part of the public tender and exchange offer launched by BPER on all the ordinary shares of Banca Popolare di Sondrio. As a condition precedent, closing is subject to obtaining the required legal authorisations and completing the merger by absorption of BP Sondrio into BPER. The scope includes the transfer of the legal relationships, assets and liabilities, including relationships and contracts with customers and employees belonging to each branch, excluding "non-performing" customers/positions and private banking clients.

Developments in geopolitical tensions in the Middle East

With regard to the Israeli-Palestinian crisis, the armed conflict has escalated to involve the United States, Israel and Iran since 28 February 2026, which has further contributed to the persistent uncertainty surrounding the overall macroeconomic outlook.

4. SCOPE OF CONSOLIDATION OF THE BPER BANCA GROUP

4.1 Composition of the Group as at 31 December 2025

The BPER Banca Group has been registered since 7 August 1992 with code No. 5387.6 in the Register of Banking Groups referred to in art. 64 of Legislative Decree 385 of 1 September 1993.
The following is a list of the Banks and Companies included in the scope of consolidation at 31 December 2025, distinguishing between Banks and Companies consolidated on a line-by-line basis and Banks and Companies, whether or not belonging to the Group, consolidated under the equity method.

The BPER Banca Group has decided to align the scope of consolidation used for accounting purposes with that required for prudential reporting purposes. This is discussed further in the consolidated Explanatory Notes to this Consolidated Report.

Reported below are the percentages held by the Group[40] in each company, with further specific information provided, where necessary, by means of footnotes.

Banking Group companies consolidated on a line-by-line basis:
- BPER Banca s.p.a., based in Modena (Parent Company);
- BPER Bank Luxembourg s.a., based in the Grand Duchy of Luxembourg (100%);
- Banco di Sardegna s.p.a., based in Cagliari, which is held as follows: 100% of the ordinary shares and 96.614% of the preference shares, representing 99.492% of total capital;
- Bibanca s.p.a., based in Sassari (99.088%);
- BPER Real Estate, based in Modena, real estate company (100%)[41];
- Modena Terminal s.r.l., based in Campogalliano (Modena), the activities of which are the storage of goods, the storage and ageing of cheeses and the cold storage of meat and perishable products (100%)[42];
- BPER Factor s.p.a., based in Bologna, a factoring company (100%);
- Sardaleasing s.p.a., based in Sassari, leasing company (99.779%)[43];
- Arca Holding s.p.a.[44] based in Milan (91.777%);
- Arca Fondi SGR s.p.a. based in Milan, asset management company wholly owned by Arca Holding s.p.a.;
- Finitalia s.p.a. based in Milan, company that specialises in consumer lending (100%);
- Banca Cesare Ponti s.p.a., based in Milan (100%);
- Banca Popolare di Sondrio s.p.a., based in Sondrio (80.691%)[45];
- Banca Popolare di Sondrio (SUISSE) S.A., based in Lugano (100%) controlled and wholly owned by Banca Popolare di Sondrio s.p.a.;
- Banca della Nuova Terra s.p.a., based in Sondrio (100%) controlled and wholly owned by Banca Popolare di Sondrio s.p.a.;
- Sinergia Seconda S.r.l., based in Milan (100%) controlled and wholly owned by Banca Popolare di Sondrio s.p.a.;
- Factorit s.p.a., based in Milan, (100%) controlled and wholly owned by Banca Popolare di Sondrio s.p.a.;

Other subsidiaries consolidated under the equity method[46]:
- Estense Covered Bond s.r.l. based in Conegliano (Treviso), a special purpose vehicle for the issue of Covered Bonds under art. 7 *bis* of Law 130/99 (60%);
- BPER Trust Company s.p.a., based in Modena, with the role of trustee for trusts established by customers, as well as providing advice on trust matters (100%);
- Estense CPT Covered Bond s.r.l., based in Conegliano (TV), a special purpose vehicle for the issue of Covered Bonds under art. 7 *bis* of Law 130/99 (60%);
- Carige Covered Bond s.r.l. based in Genoa, a special purpose vehicle for the issue of Covered Bonds under art. 7 *bis* of Law 130/99 (60%);

40 Unless otherwise specified, the percentage shown refers to the Parent Company.
41 Held by: the Parent Company (78.988%) and Banco di Sardegna s.p.a. (21.012%).
42 The shareholding since 31 December 2024 has been reclassified under "Non-current assets and disposal groups classified as held for sale".
43 Held by: the Parent Company (52.846%) and Banco di Sardegna s.p.a. (46.933%).
44 The company is not a member of the Banking Group. Held by: the Parent Company (57.061%) and Banca Popolare di Sondrio s.p.a. (34.716%).
45 BPER Banca holds 81.331% of voting rights;
46 Following alignment of the scope of consolidation for accounting purposes with that used for supervisory purposes.

- Lanterna Finance s.r.l., based in Genoa, a special purpose vehicle pursuant to Law No. 130/99 (5%);
- Lanterna Mortgage s.r.l., based in Genoa, a special purpose vehicle pursuant to Law No. 130/99 (5%);
- Popso Covered Bond s.r.l., based in Conegliano (Treviso), a special purpose vehicle for the issuance of Covered Bonds under art. 7 *bis* of Law 130/99 controlled by Banca Popolare di Sondrio s.p.a. (60%);
- PrestiNuova s.r.l. – Agenzia attività finanziaria based in Rome, (100%) controlled and wholly owned by Banca della Nuova Terra s.p.a.;

As at 31 December 2025, the following direct and indirect subsidiaries, not included in the Banking Group since they do not contribute to its banking activities, fit within this cluster and are consolidated under the equity method[47]:

- Adras s.p.a. (100%);
- St. Anna Golf s.r.l., 100% wholly-owned by BPER Real Estate s.p.a.;
- Commerciale Piccapietra s.r.l. (100%);
- Annia s.r.l., 100% wholly-owned by BPER Real Estate s.p.a.;
- Rajna Immobiliare s.r.l., based in Sondrio, (100%) controlled and wholly owned by Banca Popolare di Sondrio s.p.a.;
- Pirovano Stelvio s.p.a., based in Sondrio, (100%) controlled and wholly owned by Banca Popolare di Sondrio s.p.a.;
- Servizi Internazionali e strutture integrate 2000 s.r.l., based in Milan, (100%) controlled and wholly owned by Banca Popolare di Sondrio s.p.a.;
- Rent2Go S.r.l., based in Monza (100%), controlled and wholly owned by Banca Popolare di Sondrio s.p.a.;
- Centro delle Alpi RE[48], based in Milan, (100%) controlled and wholly owned by Banca Popolare di Sondrio s.p.a.;
- Immobiliare Borgo Palazzo s.r.l., based in Milan, (100%) controlled and wholly owned by Sinergia Seconda s.r.l.;
- Immobiliare S. Paolo s.r.l., based in Tirano, (100%) controlled and wholly owned by Sinergia Seconda s.r.l.;

As at 31 December 2025, although there is no equity interest involved but since the IFRS 10 requirements continue to apply, the special purpose vehicles Centro delle Alpi SME s.r.l., controlled by Banca Popolare di Sondrio, fits within the scope of consolidation as there was no derecognition of receivables.

St. Anna Gestione Golf Società Sportiva Dilettantistica s.r.l., a subsidiary of BPER Real Estate through St. Anna Golf s.r.l., was excluded from the scope of consolidation as it was considered non-significant.

Associated companies consolidated under the equity method:

- Alba Leasing s.p.a.[49], based in Milan (47.661%);
- Cassa di Risparmio di Fossano s.p.a., based in Fossano (Cuneo) (23.077%);
- Cassa di Risparmio di Savigliano s.p.a., based in Savigliano (Cuneo) (31.006%);
- Resiban s.p.a., based in Modena (20%);
- Unione Fiduciaria s.p.a., based in Milan (48%)[50];
- Sarda Factoring s.p.a., based in Cagliari (21.484%)[51];
- Lanciano Fiera - Polo fieristico d'Abruzzo - consortium based in Lanciano (33.333%);
- Nuova Erzelli s.r.l., based in Genoa (40%);
- Gility s.r.l. SB, based in Milan (42.565%);
- Gardant Bridge Servicing s.p.a., based in Rome, a company specialising in debt recovery (30%);
- Arca Vita s.p.a. based in Verona (34.509%)[52];
- Polis Fondi Immobiliari of Banche Popolare SGR s.p.a. based in Milan (25.730%)[53]
- Liquid Factory s.b.r.l, based in Sondrio (9.057%);
- NPLight s.p.a., based in Ravenna (40%);
- Bormio Golf s.p.a., based in Bormio (25.237%);
- Lago di Como GAL s.c.r.l. based in Canzo (14.606%).

47 Following alignment of the scope of consolidation for accounting purposes with that used for supervisory purposes.
48 Closed-end real estate investment fund.
49 Held by: the Parent Company (28.397%) and Banca Popolare di Sondrio s.p.a. (19.264%).
50 Held by: BPER Banca (24%) and Banca Popolare di Sondrio (24%).
51 Held by: Banco di Sardegna s.p.a. (13.401%) and the Parent Company (8.083%).
52 Held by: BPER Banca (19.672%) and Banca Popolare di Sondrio (14.837%).
53 Held by: Banca Popolare di Sondrio (19.6%) and BPER Banca (6.130%).

5. THE BPER BANCA GROUP'S RESULTS OF OPERATIONS

5.1 Balance sheet aggregates

The most important balance sheet aggregates and items at 31 December 2025 are presented below on a comparative basis with 31 December 2024, in thousands of Euro, indicating the changes between periods in absolute and percentage terms. Note that this comparison is influenced by the increase in size of the BPER Group resulting from the afore-mentioned business combination with the Banca Popolare di Sondrio Group (hereinafter also referred to as "Banca Popolare di Sondrio"). For certain items of greater significance, changes on a like-for-like basis are shown[54].

For greater clarity in the presentation of the results, the accounting schedules envisaged by the 8th update of Bank of Italy Circular No. 262/2005 are presented below on a reclassified basis; in particular:

- debt securities measured at amortised cost (under item 40 "*Financial assets measured at amortised cost*") have been reclassified to item "*Financial assets*";
- loans mandatorily measured at fair value (included in item 20 c) "*Financial assets measured at fair value through profit or loss - other financial assets mandatorily measured at fair value*") have been reclassified to the item "*Loans*";
- "*Other assets*" includes items 110 "*Tax assets*", 120 "*Non-current assets and disposal groups classified as held for sale*" and 130 "*Other assets*";
- "*Other liabilities*" includes items 60 "*Tax liabilities*", 70 "*Liabilities associated with assets classified as held for sale*", 80 "*Other liabilities*", 90 "*Employee termination indemnities*" and 100 "*Provisions for risks and charges*".

Assets

(in thousands)

Assets	31.12.2025	31.12.2024	Changes	% Change
Cash and cash equivalents	11,681,192	7,887,900	3,793,292	48.09
Financial assets	45,716,990	29,040,782	16,676,208	57.42
a) Financial assets held for trading	1,020,166	664,625	355,541	53.49
c) Other financial assets mandatorily measured at fair value	1,395,895	812,239	583,656	71.86
d) Financial assets measured at fair value through other comprehensive income	6,995,048	5,694,010	1,301,038	22.85
e) Debt securities measured at amortised cost	36,305,881	21,869,908	14,435,973	66.01
- banks	5,828,841	6,137,029	(308,188)	-5.02
- customers	30,477,040	15,732,879	14,744,161	93.72
Loans	131,402,471	91,806,382	39,596,089	43.13
a) Loans to banks	2,495,176	1,544,202	950,974	61.58
b) Loans to customers	128,738,065	90,136,389	38,601,676	42.83
c) Loans mandatorily measured at fair value	169,230	125,791	43,439	34.53
Hedging activities	695,758	649,437	46,321	7.13
a) Hedging derivatives	779,557	649,437	130,120	20.04
b) Change in value of macro-hedged financial assets (+/-)	(83,799)	-	(83,799)	n.s.
Equity investments	869,937	302,494	567,443	187.59
Property, plant and equipment	3,132,924	2,502,191	630,733	25.21
Intangible assets	1,608,239	710,763	897,476	126.27
- of which: goodwill	575,706	170,018	405,688	238.61
Other assets	9,542,449	7,691,483	1,850,966	24.07
Total assets	**204,649,960**	**140,591,432**	**64,058,528**	**45.56**

54 Excluding the contribution of the Banca Popolare di Sondrio Group from the consolidated accounts as at 31 December 2025.

Loans to customers

Net loans to customers are made up solely of the loans allocated to item 40 b) "Financial assets measured at amortised cost – loans to customers" in the assets section of the balance sheet.

(in thousands)

Items	31.12.2025	31.12.2024	Changes	% Change
Current accounts	7,985,234	5,296,360	2,688,874	50.77
Mortgage loans	84,441,934	62,408,291	22,033,643	35.31
Repurchase agreements	1,294,868	-	1,294,868	n.s.
Leases and factoring	9,901,426	5,028,961	4,872,465	96.89
Other transactions	25,114,603	17,402,777	7,711,826	44.31
Net loans to customers	**128,738,065**	**90,136,389**	**38,601,676**	**42.83**

Loans to customers, net of adjustments, totalled Euro 128,738.1 million (Euro 90,136.4 million as at 31 December 2024), up by Euro 38,601.7 million compared to 31 December 2024, mainly due to the business combination with the Banca Popolare di Sondrio Group.

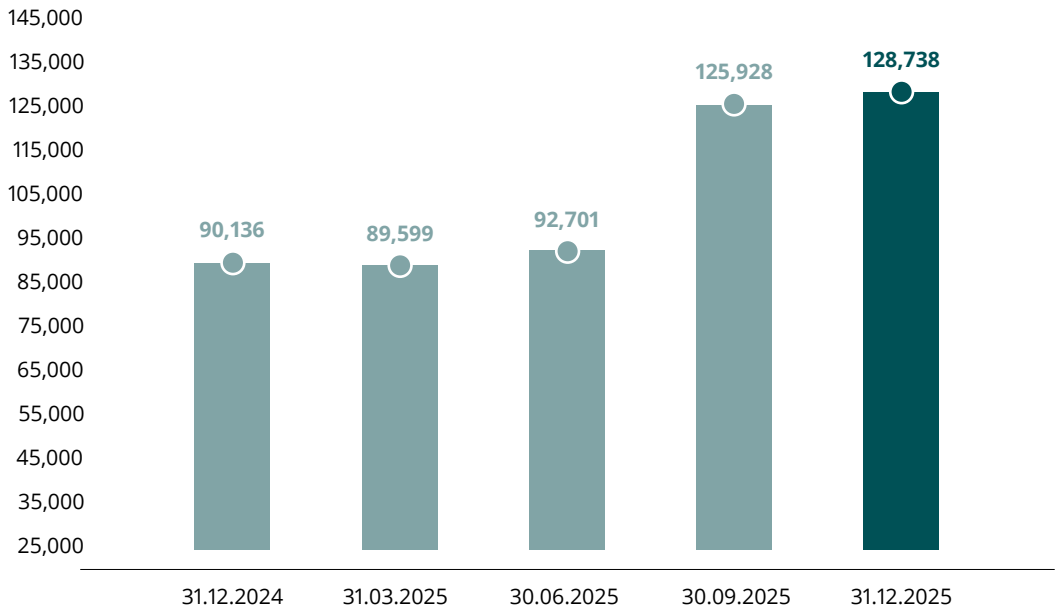
Loans to customers on a like-for-like basis

(in thousands)

Items	31.12.2025	31.12.2024	Changes	% Change
Current accounts	5,025,544	5,296,360	(270,816)	-5.11
Mortgage loans	62,084,777	62,408,291	(323,514)	-0.52
Repurchase agreements	776,161	-	776,161	n.s.
Leases and factoring	5,438,934	5,028,961	409,973	8.15
Other transactions	18,770,477	17,402,777	1,367,700	7.86
Net loans to customers	**92,095,893**	**90,136,389**	**1,959,504**	**2.17**

On a like-for-like basis, among the various technical forms, the following items recorded a positive change: Other Transactions by Euro 1,367.7 million (+7.86%), leasing and factoring transactions by Euro 410.0 million (+8.15%), and new repos by Euro 776.2 million. Furthermore, mortgages were down by Euro -323.5 million (-0.52%) and current accounts were down by Euro -270.8 million (-5.11%).

NET LOANS TO CUSTOMERS *(amounts in millions)*



(in thousands)

Items	31.12.2025	31.12.2024	Changes	% Change
Gross non-performing exposures	**2,767,405**	**2,211,934**	**555,471**	**25.11**
Bad loans	637,403	516,523	120,880	23.40
Unlikely-To-Pay loans	1,959,136	1,572,971	386,165	24.55
Past due loans	170,866	122,440	48,426	39.55
Gross performing exposures	**128,253,785**	**89,747,423**	**38,506,362**	**42.91**
Total gross exposure	**131,021,190**	**91,959,357**	**39,061,833**	**42.48**
Impairment losses on non-performing exposures	**1,461,348**	**1,200,514**	**260,834**	**21.73**
Bad loans	454,230	391,628	62,602	15.99
Unlikely-To-Pay loans	952,756	767,690	185,066	24.11
Past due loans	54,362	41,196	13,166	31.96
Impairment losses on performing exposures	**821,777**	**622,454**	**199,323**	**32.02**
Total impairment losses	**2,283,125**	**1,822,968**	**460,157**	**25.24**
Net non-performing exposures	**1,306,057**	**1,011,420**	**294,637**	**29.13**
Bad loans	183,173	124,895	58,278	46.66
Unlikely-To-Pay loans	1,006,380	805,281	201,099	24.97
Past due loans	116,504	81,244	35,260	43.40
Net performing exposures	**127,432,008**	**89,124,969**	**38,307,039**	**42.98**
Total net exposure	**128,738,065**	**90,136,389**	**38,601,676**	**42.83**

As at 31 December 2025, the provisions relating to non-performing loans amounted to Euro 1,461.3 million (Euro 1,200.5 million at 31 December 2024; +21.73%), for a coverage ratio of 52.81% (54.27% at 31 December 2024).
Net performing exposures totalled Euro 127,432.0 million (+42.98% compared with 31 December 2024); provisions related thereto amounted to Euro 821.8 million (Euro 622.5 million as at 31 December 2024; +32.02%) for a coverage ratio of 0.64% (0.69% as at 31 December 2024).
The total coverage ratio is thus 1.74%, down compared with the figure at 31 December 2024 (1.98%).
As further highlighted in the comments below, the trend shown is influenced by the effects of the business combination and its accounting treatment.

(in thousands)

Loans to customers	31.12.2025		31.12.2024		% Gross change	% Net change	% Coverage ratio
	Gross	Net	Gross	Net			
1. BPER Banca s.p.a.	81,162,706	79,649,469	79,796,162	78,334,245	1.71	1.68	1.86
2. BPER Bank Luxembourg s.a.	402,200	395,313	288,239	282,804	39.54	39.78	1.71
3. Bibanca s.p.a.	4,360,844	4,283,789	4,011,207	3,936,180	8.72	8.83	1.77
4. Banco di Sardegna s.p.a.	7,203,369	7,068,548	7,184,042	7,056,100	0.27	0.18	1.87
5. Banca Cesare Ponti s.p.a.	169,672	169,363	97,813	97,410	73.47	73.87	0.18
6. Banca Popolare di Sondrio s.p.a. (sub-consolidated)	37,061,712	36,642,196	-	-	n.s.	n.s.	1.13
Total banks	**130,360,503**	**128,208,678**	**91,377,463**	**89,706,739**	**42.66**	**42.92**	**1.65**
7. Sardaleasing s.p.a.	2,603,641	2,506,988	2,979,839	2,862,012	-12.62	-12.40	3.71
8. BPER Factor s.p.a.	3,079,068	3,051,238	2,298,190	2,271,434	33.98	34.33	0.90
9. Finitalia s.p.a.	382,128	375,311	401,131	393,470	-4.74	-4.62	1.78
Other companies and consolidation adjustments	(5,404,150)	(5,404,150)	(5,097,266)	(5,097,266)	6.02	6.02	-
Balance sheet total	**131,021,190**	**128,738,065**	**91,959,357**	**90,136,389**	**42.48**	**42.83**	**1.74**

(in thousands)

Non-performing loans	31.12.2025		31.12.2024		%	%	%
	Gross	Net	Gross	Net	Gross change	Net change	Coverage ratio
1. BPER Banca s.p.a.	1,877,459	798,097	1,803,060	837,448	4.13	-4.70	57.49
2. BPER Bank Luxembourg s.a.	10,248	4,023	8,091	3,023	26.66	33.08	60.74
3. Bibanca s.p.a.	113,142	57,491	96,054	44,795	17.79	28.34	49.19
4. Banco di Sardegna s.p.a.	151,747	63,776	137,429	67,970	10.42	-6.17	57.97
5. Banca Cesare Ponti s.p.a.	456	285	489	310	-6.75	-8.06	37.50
6. Banca Popolare di Sondrio s.p.a. (sub-consolidated)	473,746	331,621	-	-	n.s.	n.s.	30.00
Total banks	**2,626,798**	**1,255,293**	**2,045,123**	**953,546**	**28.44**	**31.64**	**52.21**
7. Sardaleasing s.p.a.	94,904	29,640	126,647	44,028	-25.06	-32.68	68.77
8. BPER Factor s.p.a.	40,302	19,429	33,990	11,916	18.57	63.05	51.79
9. Finitalia s.p.a.	5,401	1,695	6,174	1,930	-12.52	-12.18	68.62
Balance sheet total	**2,767,405**	**1,306,057**	**2,211,934**	**1,011,420**	**25.11**	**29.13**	**52.81**
Non-performing loans (balance sheet total)/Loans to customers	**2.11%**	**1.01%**	**2.41%**	**1.12%**			

Net non-performing loans amounted to Euro 1,306.1 million (+29.13% on 31 December 2024), equal to 1.01% of total net loans to customers (1.12% as at 31 December 2024), whereas on a gross basis the ratio of non-performing loans to loans to customers was 2.11% (2.41% as at 31 December 2024).
The coverage of non-performing loans of 52.81% has decreased compared with 31 December 2024 (54.27%), primarily as a result of the non-performing loans contributed by Banca Popolare di Sondrio, recognised at fair value as at the acquisition date (and, hence, net of their impairment provisions) as required by the international accounting standards (IAS/IFRS).

(in thousands)

Bad loans	31.12.2025		31.12.2024		%	%	%
	Gross	Net	Gross	Net	Gross change	Net change	Coverage ratio
1. BPER Banca s.p.a.	468,543	130,387	379,935	99,036	23.32	31.66	72.17
2. BPER Bank Luxembourg s.a.	1,465	57	849	9	72.56	533.33	96.11
3. Bibanca s.p.a.	13,555	1,842	23,300	5,011	-41.82	-63.24	86.41
4. Banco di Sardegna s.p.a.	37,472	9,574	21,453	5,734	74.67	66.97	74.45
5. Banca Cesare Ponti s.p.a.	83	23	56	11	48.21	109.09	72.29
6. Banca Popolare di Sondrio s.p.a. (sub-consolidated)	43,482	27,906	-	-	n.s.	n.s.	35.82
Total banks	**564,600**	**169,789**	**425,593**	**109,801**	**32.66**	**54.63**	**69.93**
7. Sardaleasing s.p.a.	49,534	10,625	68,301	13,067	-27.48	-18.69	78.55
8. BPER Factor s.p.a.	21,125	2,324	20,098	1,513	5.11	53.60	89.00
9. Finitalia s.p.a.	2,144	435	2,531	514	-15.29	-15.37	79.71
Balance sheet total	**637,403**	**183,173**	**516,523**	**124,895**	**23.40**	**46.66**	**71.26**
Bad loans (Balance sheet total)/Loans to customers	**0.49%**	**0.14%**	**0.56%**	**0.14%**			

Net bad loans amount to Euro 183.2 million (+46.66% compared with 31 December 2024), accounting for 0.14% of total net loans to customers (0.14% at 31 December 2024), whereas, on a gross basis, the bad loans on total loans to customers ratio comes to 0.49% (0.56% at 31 December 2024).
The coverage of bad loans is 71.26%, down from 75.82% at 31 December 2024.

(in thousands)

Unlikely-To-Pay loans	31.12.2025		31.12.2024		%	%	%
	Gross	Net	Gross	Net	Gross change	Net change	Coverage ratio
1. BPER Banca s.p.a.	1,371,058	648,889	1,374,028	706,340	-0.22	-8.13	52.67
2. BPER Bank Luxembourg s.a.	8,457	3,801	6,966	2,831	21.40	34.26	55.05
3. Bibanca s.p.a.	45,853	22,048	33,023	15,423	38.85	42.96	51.92
4. Banco di Sardegna s.p.a.	103,793	47,235	100,967	51,576	2.80	-8.42	54.49
5. Banca Cesare Ponti s.p.a.	286	192	318	208	-10.06	-7.69	32.87
6. Banca Popolare di Sondrio s.p.a. (sub-consolidated)	376,852	258,741	-	-	n.s.	n.s.	31.34
Total banks	**1,906,299**	**980,906**	**1,515,302**	**776,378**	**25.80**	**26.34**	**48.54**
7. Sardaleasing s.p.a.	42,209	17,644	49,527	25,234	-14.78	-30.08	58.20
8. BPER Factor s.p.a.	8,664	7,206	6,032	3,001	43.63	140.12	16.83
9. Finitalia s.p.a.	1,964	624	2,110	668	-6.92	-6.59	68.23
Balance sheet total	**1,959,136**	**1,006,380**	**1,572,971**	**805,281**	**24.55**	**24.97**	**48.63**
Unlikely to pay loans/Loans to customers	**1.50%**	**0.78%**	**1.71%**	**0.89%**			

Net unlikely-to-pay loans total Euro 1,006.4 million (+24.97% compared with 31 December 2024), representing 0.78% of total net loans to customers (0.89% at 31 December 2024), while on a gross basis the ratio is 1.50% (1.71% at 31 December 2024).
The coverage of unlikely-to-pay loans is 48.63%, mostly in line with 48.81% as at 31 December 2024.

(in thousands)

Past due loans	31.12.2025		31.12.2024		%	%	%
	Gross	Net	Gross	Net	Gross change	Net change	Coverage ratio
1. BPER Banca s.p.a.	37,858	18,821	49,097	32,072	-22.89	-41.32	50.29
2. BPER Bank Luxembourg s.a.	326	165	276	183	18.12	-9.84	49.39
3. Bibanca s.p.a.	53,734	33,601	39,731	24,361	35.24	37.93	37.47
4. Banco di Sardegna s.p.a.	10,482	6,967	15,009	10,660	-30.16	-34.64	33.53
5. Banca Cesare Ponti s.p.a.	87	70	115	91	-24.35	-23.08	19.54
6. Banca Popolare di Sondrio s.p.a. (sub-consolidated)	53,412	44,974	-	-	n.s.	n.s.	15.80
Total banks	**155,899**	**104,598**	**104,228**	**67,367**	**49.57**	**55.27**	**32.91**
7. Sardaleasing s.p.a.	3,161	1,371	8,819	5,727	-64.16	-76.06	56.63
8. BPER Factor s.p.a.	10,513	9,899	7,860	7,402	33.75	33.73	5.84
9. Finitalia s.p.a.	1,293	636	1,533	748	-15.66	-14.97	50.81
Balance sheet total	**170,866**	**116,504**	**122,440**	**81,244**	**39.55**	**43.40**	**31.82**
Past due loans/Loans to customers	**0.13%**	**0.09%**	**0.13%**	**0.09%**			

The net amount of past due loans of Euro 116.5 million (+43.40% compared with 31 December 2024) represents 0.09% of total net loans to customers (unchanged compared to 31 December 2024), whereas, on a gross basis, the past due loans on total loans to customers ratio is 0.13% (unchanged since 31 December 2024).
The coverage of past due loans has decreased to 31.82% (33.65% as at 31 December 2024).

The breakdown of loans to non-financial corporates is reported below by the respective ATECO codes of economic activity:

(in thousands)

Distribution of loans	31.12.2025	%
A. Agriculture, forestry and fishing	1,480,711	1.15
B. Mining and quarrying	213,234	0.17
C. Manufacturing	17,112,505	13.29
D. Provision of electricity, gas, steam and air-conditioning	2,387,551	1.85
E. Provision of water, sewerage, waste management and rehabilitation	1,070,604	0.83
F. Construction	3,895,773	3.03
G. Wholesaling and retailing, car and motorcycle repairs	10,482,651	8.14
H. Transport and storage	2,279,208	1.77
I. Hotel and restaurants	2,380,283	1.85
J. Information and communication	1,309,537	1.02
K. Financial and insurance activities	397,125	0.31
L. Real estate	5,613,762	4.36
M. Professional, scientific and technical activities	4,656,783	3.62
N. Rentals, travel agencies, business support services	1,643,243	1.28
O. Public administration and defence, compulsory social security	9,854	0.01
P. Education	93,623	0.07
Q. Health and welfare	752,288	0.58
R. Arts, sport and entertainment	559,606	0.43
S. Other services	1,665,355	1.30
Total loans to non-financial corporates	**58,003,696**	**45.06**
Individuals and other not included above	57,309,442	44.52
Financial companies	9,666,022	7.51
Insurance	204,237	0.16
Governments and other public entities	3,554,668	2.75
Total loans	**128,738,065**	**100.00**

Financial assets and equity investments

Among financial assets, debt securities measured at amortised cost solely consist of bonds allocated to items 40 a) and b) "Financial assets measured at amortised cost – loans to banks and loans to customers" in the assets section of the balance sheet.

(in thousands)

Items	31.12.2025	31.12.2024	Changes	% Change
Financial assets measured at fair value through profit or loss	2,416,061	1,476,864	939,197	63.59
- of which derivatives	*757,405*	*575,695*	*181,710*	*31.56*
Financial assets measured at fair value through other comprehensive income	6,995,048	5,694,010	1,301,038	22.85
Debt securities measured at amortised cost	36,305,881	21,869,908	14,435,973	66.01
a) banks	5,828,841	6,137,029	(308,188)	-5.02
b) customers	30,477,040	15,732,879	14,744,161	93.72
Total financial assets	**45,716,990**	**29,040,782**	**16,676,208**	**57.42**

Financial assets amount to Euro 45,717.0 million, including Euro 43,097.9 million of debt securities (94.27% of the total). Of these, Euro 32,010.4 million relates to sovereign States (up by 95.73% compared with 31 December 2024) and Euro 7,238.3 million to Banks (-3.44% on 31 December 2024).
Equity instruments come to Euro 546.7 million (1.20% of total), inclusive of Euro 505.8 million of stable equity investments classified in the FVOCI portfolio, Euro 26.8 million in securities held for trading (FVTPL) and Euro 14.1 million in other equity instruments mandatorily measured at fair value (FVTPL).
"Financial assets measured at fair value through profit or loss" include derivatives for an amount of Euro 757.4 million (+31.56% on 31 December 2024) and consist of interest rate, currency, equity, commodity derivatives traded with customers, derivatives relating to securitisation transactions, derivative instruments relating to the operational hedging of Certificates, and forward currency trading (with customers and/or used in the management of the foreign exchange position).
The increase in the balance of Financial assets as compared to 31 December 2024 is primarily due to the business combination with the Banca Popolare di Sondrio Group.

(in thousands)

Financial assets	31.12.2025	31.12.2024	Changes	% Change
1. BPER Banca s.p.a.	29,855,254	26,732,907	3,122,347	11.68
2. BPER Bank Luxembourg s.a.	275,034	231,950	43,084	18.57
3. Bibanca s.p.a.	12	19,561	(19,549)	-99.94
4. Banco di Sardegna s.p.a.	1,733,774	1,664,500	69,274	4.16
5. Banca Cesare Ponti s.p.a.	201,146	207,648	(6,502)	-3.13
6. Banca Popolare di Sondrio s.p.a. (sub-consolidated)	13,707,309	-	13,707,309	n.s.
Total banks	**45,772,529**	**28,856,566**	**16,915,963**	**58.62**
Other companies and consolidation adjustments	(55,539)	184,216	(239,755)	-130.15
Total	**45,716,990**	**29,040,782**	**16,676,208**	**57.42**

(in thousands)

Items	31.12.2025	31.12.2024	Changes	% Change
Equity investments	869,937	302,494	567,443	187.59
of which subsidiaries	*90,517*	*9,048*	*81,469*	*900.41*
of which associates	*779,420*	*293,446*	*485,974*	*165.61*

Following alignment of the scope of consolidation used for accounting purposes with that used for prudential reporting purposes, as discussed in detail in the Explanatory Notes, this item comprises significant investments (non-Group companies subject to significant influence, usually being investments in which the equity interest is greater than or equal to 20%), subsidiaries that are not part of the Banking Group since they do not contribute to its banking activities, and Group companies not meeting the requirements of art. 19 of Regulation (EU) No. 575/2013 that are measured under the equity method.
The increase in the balance of equity investments as compared to 31 December 2024 is traceable to the business combination with Banca Popolare di Sondrio.

Intangible assets

(in thousands)

Items	31.12.2025	31.12.2024	Changes	% Change
Intangible assets	1,608,239	710,763	897,476	126.27
of which goodwill	*575,706*	*170,018*	*405,688*	*238.61*

"Intangible assets" include amounts of goodwill for a total of Euro 575.7 million. The increase with respect to 31 December 2024 is due to the recognition of goodwill arising from first-time consolidation of Banca Popolare di Sondrio (Euro 405.7 million). The remaining component, allocated to the CGU Arca Holding has remained unchanged with respect to 31 December 2024.
The increase in "Other intangible assets" is primarily attributable to intangible assets with a finite useful life recognised as part of the Purchase Price Allocation (PPA) relating to the business combination with Banca Popolare di Sondrio (i.e. customer relationships for an amount of Euro 100.2 million, core deposits totalling Euro 258.1 million and Merchant acquiring for an amount of Euro 105.0 million); for further details, please refer to the information provided in Part G of the Explanatory Notes to the Consolidated Financial Report.

Interbank and liquidity position

The values of loans to banks only include the component of "Loans" allocated to item 40 a) "Financial assets measured at amortised cost – loans to banks" and "Current accounts and demand deposits" allocated to item 10 "Cash and cash equivalents" in the assets section of the balance sheet.

(in thousands)

Net interbank position	31.12.2025	31.12.2024	Changes	% Change
A. Loans to banks	**13,165,916**	**8,607,189**	**4,558,727**	**52.96**
- Loans	**2,495,176**	**1,544,202**	**950,974**	**61.58**
1. Current accounts and deposits	450,223	35,802	414,421	--
2. Repurchase agreements	-	343,404	(343,404)	-100.00
3. Compulsory reserve	1,408,953	1,013,730	395,223	38.99
4. Other	636,000	151,266	484,734	320.45
- Current accounts and demand deposits	**10,670,740**	**7,062,987**	**3,607,753**	**51.08**
1. with Central Banks	10,149,505	6,654,183	3,495,322	52.53
2. with Banks	521,235	408,804	112,431	27.50
B. Due to banks	**10,095,677**	**5,047,675**	**5,048,002**	**100.01**
Total (A-B)	**3,070,239**	**3,559,514**	**(489,275)**	**-13.75**

The net interbank position as at 31 December 2025 decreased by Euro 489.3 million compared to 31 December 2024. As at 31 December 2025, taking into account the business combination with Banca Popolare di Sondrio, loans to banks totalled Euro 13,165.9 million (+52.96% as compared to 31 December 2024), relating primarily to sight deposits with Central Banks. Total deposits from banks amounted to Euro 10,095.7 million (Euro 5,047.7 million at 31 December 2024).

Operations with the ECB

As at 31 December 2025, the BPER Banca Group had no transactions in place with the ECB.

Counterbalancing Capacity

(in millions)

Counterbalancing Capacity	Guarantee value	Encumbered portion	Unencumbered portion
Eligible securities and loans (net of the unencumbered portion of ABACO collateralised assets)	**45,932**	**14,856**	**31,076**
- of which Securities and loans transferred to the Pooling Account	*6,177*	*-*	*6,177*

At 31 December 2025, the Central Treasury held significant resources relating to securities eligible for refinancing at the European Central Bank of an overall amount, net of margin calls, of Euro 45,932 million (Euro 27,500 million at 31 December 2024). The unencumbered portion amounts to Euro 31,076 million (Euro 23,111 million at 31 December 2024). Of the amount held in the Treasury, as at 31 December 2025, a total of Euro 6,177 million, not refinanced and hence entirely available, is attributable to the Pooling account (as at 31 December 2024, securities eligible for refinancing totalling Euro 5,546 million were held in the Pooling Account, entirely available).
The amounts posted as at 31 December 2025 include the positions attributable to Banca Popolare di Sondrio.

Liabilities and shareholders' equity

(in thousands)

Liabilities and shareholders' equity	31.12.2025	31.12.2024	Changes	% Change
Due to banks	10,095,677	5,047,675	5,048,002	100.01
Direct deposits	168,671,139	118,117,555	50,553,584	42.80
a) Due to customers	150,762,018	104,250,319	46,511,699	44.62
b) Debt securities issued	14,441,252	11,155,186	3,286,066	29.46
c) Financial liabilities designated at fair value	3,467,869	2,712,050	755,819	27.87
Financial liabilities held for trading	316,687	224,294	92,393	41.19
Hedging activities	57,557	144,481	(86,924)	-60.16
a) Hedging derivatives	101,261	226,324	(125,063)	-55.26
b) Change in value of macro-hedged financial liabilities (+/-)	(43,704)	(81,843)	38,139	-46.60
Other liabilities	7,913,401	5,493,147	2,420,254	44.06
Minority interests	1,030,454	210,413	820,041	389.73
Shareholders' equity pertaining to the Parent Company	16,565,045	11,353,867	5,211,178	45.90
a) Valuation reserves	289,707	216,411	73,296	33.87
b) Reserves	5,358,543	5,285,033	73,510	1.39
c) Equity instruments	1,793,575	1,115,596	677,979	60.77
d) Advanced dividends (-)	(196,357)	-	(196,357)	n.s.
e) Share premium reserve	4,589,105	1,244,576	3,344,529	268.73
f) Share capital	2,953,572	2,121,637	831,935	39.21
g) Treasury shares	(41,547)	(32,035)	(9,512)	29.69
h) Profit (Loss) for the year	1,818,447	1,402,649	415,798	29.64
Total liabilities and shareholders' equity	**204,649,960**	**140,591,432**	**64,058,528**	**45.56**

Deposits

(in thousands)

Items	31.12.2025	31.12.2024	Changes	% Change
Current accounts and demand deposits	128,724,397	93,722,900	35,001,497	37.35
Time deposits	6,195,951	2,078,811	4,117,140	198.05
Repurchase agreements	8,648,644	1,825,110	6,823,534	373.87
Lease liabilities	562,677	402,257	160,420	39.88
Other liabilities	6,630,349	6,221,241	409,108	6.58
Bonds	14,166,651	9,890,105	4,276,546	43.24
- subscribed for by institutional customers	12,128,518	9,350,143	2,778,375	29.71
- subscribed for by ordinary customers	2,038,133	539,962	1,498,171	277.46
Certificates	3,467,869	2,712,050	755,819	27.87
Certificates of deposit	274,601	1,265,081	(990,480)	-78.29
Direct deposits from customers	**168,671,139**	**118,117,555**	**50,553,584**	**42.80**
Indirect deposits	**229,541,866**	**167,163,815**	**62,378,051**	**37.32**
- of which under management	81,885,517	71,457,668	10,427,849	14.59
- of which under custody	147,656,349	95,706,147	51,950,202	54.28
Life Bancassurance	**24,012,470**	**21,006,225**	**3,006,245**	**14.31**
Funds under custody and management	**422,225,475**	**306,287,595**	**115,937,880**	**37.85**

Direct deposits from customers of Euro 168,671.1 million have increased by +42.80% since 31 December 2024, as a result of the business combination with Banca Popolare di Sondrio, which contributed Euro 46,648.0 million.

Indirect customer deposits, marked to market, amounted to Euro 229,541.9 million, up by Euro 62,378.1 million (+37.32%) compared to 31 December 2024; out of this aggregate, the component referring to Banca Popolare di Sondrio amounted to Euro 45,690.5 million.

Total funds under custody and management by the Group, including life insurance premiums (Euro 24,012.5 million) amounted to Euro 422,225.5 million.

Deposits – on a like-for-like basis

(in thousands)

Items	31.12.2025	31.12.2024	Changes	% Change
Current accounts and demand deposits	94,573,969	93,722,900	851,069	0.91
Time deposits	2,245,729	2,078,811	166,918	8.03
Repurchase agreements	6,001,532	1,825,110	4,176,422	228.83
Lease liabilities	415,864	402,257	13,607	3.38
Other liabilities	6,482,440	6,221,241	261,199	4.20
Bonds	8,690,258	9,890,105	(1,199,847)	-12.13
- subscribed for by institutional customers	8,048,191	9,350,143	(1,301,952)	-13.92
- subscribed for by ordinary customers	642,067	539,962	102,105	18.91
Certificates	3,467,869	2,712,050	755,819	27.87
Certificates of deposit	274,530	1,265,081	(990,551)	-78.30
Direct deposits from customers	**122,152,191**	**118,117,555**	**4,034,636**	**3.42**
Indirect deposits	**183,851,390**	**167,163,815**	**16,687,575**	**9.98**
- of which under management	77,796,159	71,457,668	6,338,491	8.87
- of which under custody	106,055,231	95,706,147	10,349,084	10.81
Life Bancassurance	**21,719,780**	**21,006,225**	**713,555**	**3.40**
Funds under custody and management	**327,723,361**	**306,287,595**	**21,435,766**	**7.00**

On a like-for-like basis, direct Deposits as at 31 December 2025 amounted to Euro 122,152.2 million (+3.42% as compared to 31 December 2024). Among the various technical forms, the following items recorded a positive change: repurchase agreements with institutional counterparties by Euro 4,176.4 million (+228.83%), current accounts and demand deposits by Euro 851.1 million (+0.91%), certificates by Euro 755.8 million (+27.87%), due to new issuances by the Parent Company BPER Banca in the period, time deposits by Euro 166.9 million (+8.03%) and Other Liabilities by Euro 261.2 million (+4.20%) relating primarily to forms of short-term funding (Cold Money).
A negative balance change was recorded in certificates of deposit for Euro -990.6 million (-78.30%) and bonds for Euro -1,199.8 million (-12.13%) mainly as a result of a some bond issuances for institutional counterparties coming to maturity.
Indirect deposits totalled Euro 183,851.4 million (+9.98% on 31 December 2024).

(in thousands)

Direct deposits	31.12.2025	31.12.2024	Changes	% Change
1. BPER Banca s.p.a.	107,129,444	103,707,279	3,422,165	3.30
2. BPER Bank Luxembourg s.a.	256,270	277,136	(20,866)	-7.53
3. Bibanca s.p.a.	206	265,488	(265,282)	-99.92
4. Banco di Sardegna s.p.a.	12,885,534	12,106,776	778,758	6.43
5. Banca Cesare Ponti s.p.a.	1,994,917	1,901,951	92,966	4.89
6. Banca Popolare di Sondrio s.p.a. (sub-consolidated)	46,648,040	-	46,648,040	n.s.
Total banks	**168,914,411**	**118,258,630**	**50,655,781**	**42.83**
Other companies and consolidation adjustments	(243,272)	(141,075)	(102,197)	72.44
Total	**168,671,139**	**118,117,555**	**50,553,584**	**42.80**

Direct deposits include subordinated liabilities:

(in thousands)

Items	31.12.2025	31.12.2024	Changes	% Change
Non-convertible subordinated liabilities	1,673,113	1,476,697	196,416	13.30
Total Subordinated liabilities	**1,673,113**	**1,476,697**	**196,416**	**13.30**

Subordinated loans outstanding, with a book value of Euro 1,673.1 million, have increased by 13.30% compared with 31 December 2024, mainly thanks to the contribution of Banca Popolare di Sondrio (Euro 641.1 million as at 31 December 2025). The bond loan BPER 3.625%/TF, for a nominal value of Euro 400 million, was repaid before maturity.
As was the case as at 31 December 2024, there are no convertible subordinated liabilities at 31 December 2025.

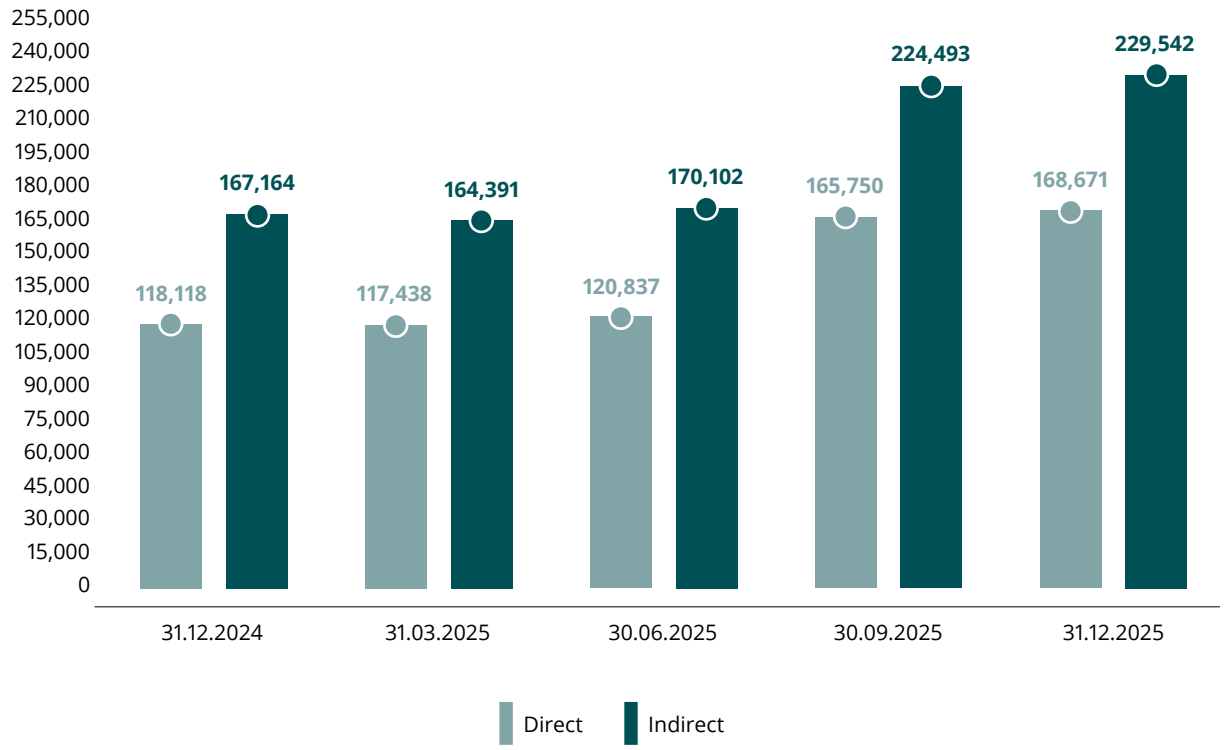
(in thousands)

Indirect deposits	31.12.2025	31.12.2024	Changes	% Change
1. BPER Banca s.p.a.	126,820,049	117,993,437	8,826,612	7.48
2. BPER Bank Luxembourg s.a.	944,104	674,939	269,165	39.88
3. Banco di Sardegna s.p.a.	8,029,653	6,517,556	1,512,097	23.20
4. Banca Cesare Ponti s.p.a.	29,664,369	26,856,555	2,807,814	10.45
5. Banca Popolare di Sondrio s.p.a. (sub-consolidated)	45,690,476	-	45,690,476	n.s.
Total banks	**211,148,651**	**152,042,487**	**59,106,164**	**38.87**
6. Arca Fondi SGR s.p.a.	48,175,295	42,291,975	5,883,320	13.91
Other companies and consolidation adjustments	(29,782,080)	(27,170,647)	(2,611,433)	9.61
Total	**229,541,866**	**167,163,815**	**62,378,051**	**37.32**

The comparative figure as at 31.12.2024 was restated to bring it into line with the presentation format as at 31.12.2025.

The chart shows the dynamics of direct and indirect deposits in the last five quarters:

DEPOSITS *(amounts in millions)*



Shareholders' equity

(in thousands)

Items	31.12.2025	31.12.2024	Changes	% Change
Shareholders' equity pertaining to the Parent Company	**16,565,045**	**11,353,867**	**5,211,178**	**45.90**
- of which profit (loss) for the year	*1,818,447*	*1,402,649*	*415,798*	*29.64*
- of which shareholders' equity excluding profit (loss) for the year	*14,746,598*	*9,951,218*	*4,795,380*	*48.19*

The increase in shareholders' equity pertaining to the Parent Company is due to the capital increase made to service the public tender and exchange offer on Banca Popolare di Sondrio.

(in thousands)

Items	31.12.2025	31.12.2024	Changes	% Change
Minority interests	**1,030,454**	**210,413**	**820,041**	**389.73**
- of which profit (loss) for the year pertaining to minority interests	*62,019*	*35,861*	*26,158*	*72.94*
- of which shareholders' equity pertaining to minority interests excluding their share of profit (loss) for the year	*968,435*	*174,552*	*793,883*	*454.81*

The increase in shareholders' equity pertaining to minority interests is due to the portion attributable to minority shareholders of Banca Popolare di Sondrio.

(in thousands)

Shareholders' equity	31.12.2025	31.12.2024	Changes	% Change
1. BPER Banca s.p.a.	14,283,563	9,352,751	4,930,812	52.72
2. BPER Bank Luxembourg s.a.	85,360	77,245	8,115	10.51
3. Bibanca s.p.a.	311,762	328,694	(16,932)	-5.15
4. Banco di Sardegna s.p.a.	1,135,657	975,041	160,616	16.47
5. Banca Cesare Ponti s.p.a.	171,211	153,566	17,645	11.49
6. Banca Popolare di Sondrio s.p.a.	4,244,004	-	4,244,004	n.s.
Total banks	**20,231,557**	**10,887,297**	**9,344,260**	**85.83**
Other companies and consolidation adjustments	(4,516,524)	(761,527)	(3,754,997)	493.09
Total	**15,715,033**	**10,125,770**	**5,589,263**	**55.20**
Profit (Loss) for the year pertaining to the Parent Company	1,818,447	1,402,649	415,798	29.64
Profit (Loss) for the year pertaining to minority interests	62,019	35,861	26,158	72.94
Total shareholders' equity	**17,595,499**	**11,564,280**	**6,031,219**	**52.15**

This figure is made up of liability items 120, 140, 150, 155, 160, 170, 180, 190 and 200.

5.2 Own funds and capital ratios

The harmonised rules for banks and investment companies contained in Regulation (EU) No. 575/2013 (CRR) and in the 2013/36/EU Directive (CRD IV) approved on 26 June 2013 and published in the Official Journal of the European Union the next day, entered into force on 1 January 2014.

These rules were later amended by Regulation (EU) 2019/876 of the European Parliament and of the Council ("CRR2") and Directive 2019/878/EU of the European Parliament and of the Council (CRDV) of 20 May 2019, published in the Official Journal of the European Union on 7 June 2019.
On 19 June 2024, Regulation (EU) 2024/1623 (CRR3) of the European Parliament and of the Council of 31 May 2024 amending Regulation (EU) No. 575/2013 was published in the Official Journal of the European Union as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor; Directive (EU) 2024/1619 (CRD VI) of the European Parliament and of the Council of 31 May 2024 amending Directive 2023/36/EU was also published in the Official Journal of the European Union as regards supervisory powers, sanctions, third-country branches, and environmental, social and governance risks.
Subject to certain exceptions, the CRR3 Regulation has applied since 1 January 2025.

This regulatory framework, which is the only set of rules that seeks to harmonise prudential regulations of the Member States of the European Community, was made applicable in Italy by the Bank of Italy's Circular 285, published on 17 December 2013 and subsequent updates.
The scope of consolidation for accounting purposes is the same as that used for prudential reporting purposes: companies excluded are treated in the same way as the Banks and Companies subject to significant influence and consolidated under the equity method.

As at 31 December 2025, the BPER Banca Group has internal models in use for measuring the capital requirements relating to the credit risk represented by both business and retail customers. The scope includes BPER Banca, Banco di Sardegna and Bibanca[55].
After the acquisition of control over Banca Popolare di Sondrio, the BPER Banca Group will retain the internal models of the acquired legal entity for its exposures to corporates and retail exposures until its merger by absorption into BPER Banca.

For the year 2025, the Bank of Italy has identified the BPER Banca Group among Other Systemically Important Institutions (hereinafter also "O-SII") authorised to operate in Italy, which is required to maintain an O-SII capital buffer of 0.25% from 1 January 2025[56].

On 9 October 2025, following the conclusion of BPER Banca's Public Tender and Exchange Offer for the ordinary shares of Banca Popolare di Sondrio, the ECB notified BPER Banca of its decision amending the Decision establishing prudential requirements to be met on a consolidated basis pursuant to art. 16 of Council Regulation (EU) No. 1024/2013 (decision of 3 December 2024 in relation to the "Supervisory Review and Evaluation Process - SREP").

55 It does not include non-renewed former Carige Group retail exposures.

56 As per the press release published by the Bank of Italy on 27 February 2026, the BPER Banca Group, qualifying among other systemically important institutions authorised to operate in Italy, is required to hold an O-SII capital buffer equal to 0.50% from 1 April 2026.

According to the ECB Decision, the new requirement that BPER Banca will have to comply with on a consolidated basis in terms of Common Equity Tier 1 Ratio is 9.40% (vs prior 9.32%), consisting of the sum of the minimum regulatory Pillar 1 requirement of 4.5%, the additional Pillar 2 requirement of 1.35%[57] and the Combined Buffer Requirement of 3.55%[58], while the minimum Total Own Funds requirement ("Total Capital ratio") shall be 13.95%.

Capital requirements updated as at 31 December 2025 are listed below:

- Common Equity Tier 1 Ratio: of 9.37%, being the sum of Pillar 1 minimum regulatory requirement pursuant to art. 92 of Regulation (EU) No. 575/2013 (4.50%), plus the additional Pillar 2 requirement in accordance with art. 16 of Regulation (EU) No. 1024/2013 (P2R component of 1.35%[59]), plus the combined buffer requirement in accordance with art. 129-131 of Directive 2013/36/EU as transposed into national law (3.52%[60]);
- Tier 1 Ratio: of 11.32%, being the sum of the minimum requirement pursuant to art. 92 of Regulation (EU) No. 575/2013 (6.00%), plus the additional Pillar 2 requirement in accordance with art. 16 of Regulation (EU) No. 1024/2013 (P2R component of 1.80%[61]), plus the combined buffer requirement in accordance with art. 129-131 of Directive 2013/36/EU as transposed into national law (3.52%);
- Total Capital Ratio: of 13.92%, being the sum of the minimum requirement pursuant to art. 92 of Regulation (EU) No. 575/2013 (8.00%), plus the additional Pillar 2 requirement in accordance with art. 16 of Regulation (EU) No. 1024/2013 (P2R component of 2.40%), plus the combined buffer requirement in accordance with art. 129-131 of Directive 2013/36/EU as transposed into national law (3.52%).

In accordance with regulations for the prudential supervision of banks, failure to comply with the CET1 Ratio and Total Capital Ratio minimum requirements would lead to limitations on the distribution of earnings and the need to adopt a plan for the conservation of capital.

The amount of available equity (Phased-in CET1) as at 31 December 2025 is quantified at Euro 4,374 million (roughly 546 bps of CET1).

With regard to the above, the amount calculated for CET1 includes that portion of the profit for the year allocable to equity, Euro 450.9 million, as determined in accordance with the process envisaged in art. 3 of ECB Decision (EU) 656/2015 dated 4 February 2015 and art. 26, para. 2 of Regulation (EU) No. 575/2013 (CRR) for its inclusion.

The following table shows the BPER Banca Group's capital ratios and the minimum capital adequacy requirements for regulatory purposes as at 31 December 2025.

(in thousands)

	31.12.2025	31.12.2024	Changes	% Change
Common Equity Tier 1 capital - CET1	11,881,694	8,578,930	3,302,764	38.50
Additional Tier 1 capital (AT1)	1,865,439	1,115,906	749,533	67.17
Tier 1 capital (Tier 1)	**13,747,133**	**9,694,836**	**4,052,297**	**41.80**
Tier 2 capital (Tier 2 - T2)	1,635,782	1,570,683	65,099	4.14
Total Own Funds	**15,382,915**	**11,265,519**	**4,117,396**	**36.55**
Total Risk-weighted assets (RWA)	**80,141,723**	**54,227,812**	**25,913,911**	**47.79**
CET1 Ratio (CET1/RWA)	**14.83%**	**15.82%**	**-99 bps**	
Tier 1 Ratio (Tier 1/RWA)	**17.15%**	**17.88%**	**-73 bps**	
Total Capital Ratio (Total Own Funds/RWA)	**19.20%**	**20.77%**	**-157 bps**	
RWA/Total assets	**39.16%**	**38.57%**	**+59 bps**	

The capital ratios are as follows:

- Common Equity Tier 1 Ratio of 14.83% (15.82% as at 31 December 2024);
- Tier 1 Ratio (Fully Phased) of 17.15% (17.88% as at 31 December 2024);
- Total Capital Ratio (Fully Phased) of 19.20% (20.77% as at 31 December 2024).

57 The Pillar 2 additional own funds requirement is 2.40% to be held in the form of 56.25% of CET1 capital and 75% of Tier 1 capital, as a minimum.

58 The Combined Buffer Requirement is made up of the Capital Conservation Buffer (2.50%), the O-SII Buffer (0.25%), the Countercyclical Capital Buffer (0.06% as at 30 June 2025) and the Systemic Risk Buffer (0.74% as at 30 June 2025).

59 The additional Pillar 2 requirement communicated by the ECB to BPER on 9 October 2025 in its Decision amending the currently applicable SREP decision for BPER Banca is 2.40%, to be held in the form of 56.25% of CET1 capital as a minimum.

60 The Combined Buffer Requirement is made up of the Capital Conservation Buffer (2.50%), the O-SII Buffer (0.25%), the Countercyclical Capital Buffer (0.0549% as at 31 December 2025) and the Systemic Risk Buffer (0.7172% as at 31 December 2025).

61 The additional Pillar 2 requirement communicated by the ECB to BPER on 9 October 2025 in its Decision amending the currently applicable SREP decision for BPER Bancais 2.40%, to be held in the form of 75% of Tier 1 capital as a minimum.

Note that the BPER Banca Group uses different methods for calculating risk-weighted assets, which are summarised below:

- credit risk: for exposures to corporate and retail customers of the Group banks represented by BPER Banca, Banco di Sardegna and Bibanca, credit risk is measured using the AIRB approach, except for exposures to Large Corporates for which the FIRB methodology is applied; for exposures to corporate and retail customers of Banca Popolare di Sondrio, the internal models developed by the legal entity are applied, pending its merger and integration into BPER Banca. For exposures to other companies that are not in the scope of validation and for other risk assets not included in the validated models, the standardised approach is applied, as is the case for relationships stemming from the former Carìge Group, to an extent limited to the scope of retail exposures;
- credit adjustment risk: the standardised approach is used with no eligible hedges;
- market risk - the standardised approach is used for assessing market risk (general and specific risk on equities, general risk on debt securities and positioning risk for units in investment funds) to determine the related separate and consolidated capital requirement;
- operational risk: operational risk measurement uses the BIC (Business Indicator Component).

5.3 Reconciliation of consolidated net profit/shareholders' equity

Consolidated net profit for the year pertaining to the parent company comprises, on a shareholding basis, the sum of profits (losses) at 31 December 2025 of the following Banks and Companies of the Group included in the line-by-line scope of consolidation.

(in thousands)

Reconciliation of consolidated profit (loss) for the year	**31.12.2025**
BPER Banca s.p.a.	**1,464,745**
Other Group companies:	**551,987**
Banco di Sardegna s.p.a.	*163,430*
Bibanca s.p.a.	*59,719*
BPER Bank Luxembourg s.a.	*3,898*
Banca Cesare Ponti s.p.a.	*82,238*
Arca Holding s.p.a. (consolidated figure)	*54,751*
Sardaleasing s.p.a.	*16,428*
BPER Factor s.p.a.	*8,295*
Finitalia s.p.a.	*8,769*
BPER Real Estate s.p.a.	*(4,748)*
Modena Terminal s.r.l.	*(2,525)*
Banca Popolare di Sondrio s.p.a. (consolidated figure)	*161,732*
Total net profit (loss) of the Group	**2,016,732**
Consolidation adjustments	(198,285)
Consolidated profit (loss) for the year	**1,818,447**

As required by current regulations, the following is presented with regard to the position at 31 December 2025:

Reconciliation of the shareholders' equity and results of the Parent Company with the related consolidated amounts

(in thousands)

	Increase (decrease)	
	Profit (Loss) for the year	Shareholders' equity
Amounts relating to the Parent Company	**1,464,745**	**15,748,307**
DIFFERENCES between the shareholders' equity of companies consolidated on a line-by-line basis (net of minority interests) and the book value of the related equity investments held by their parent companies	532,729	765,434
DIVIDENDS collected from companies consolidated on a line-by-line basis or measured under the equity method	(212,841)	-
DIFFERENCE between the interest in shareholders' equity (including results for the year) and the book value of companies consolidated under the equity method	33,814	51,304
Profit (Loss) for the year and shareholders' equity of the Parent Company as at 31.12.2025	**1,818,447**	**16,565,045**
Profit (Loss) for the year and shareholders' equity of minority interests	**62,019**	**1,030,454**
Total consolidated Profit (Loss) for the year and shareholders' equity as at 31.12.2025	**1,880,466**	**17,595,499**
Total consolidated Profit (Loss) for the year and shareholders' equity as at 31.12.2024	**1,438,510**	**11,564,280**

5.4 Income statement aggregates

Summary data from the Consolidated Income Statement at 31 December 2025 is presented below in thousands of Euro, appropriately compared with the amounts at 31 December 2024 and highlighting the changes in absolute and percentage terms. Note that this comparison is influenced by the Group's scale up in size during the year resulting from the acquisition of control over Banca Popolare di Sondrio, whose P&L contribution to the consolidated results is limited to the second half of 2025, having identified as further detailed in Part G of the Explanatory Notes, the accounting effectiveness of the business combination as of 1 July 2025.

The accounting schedules envisaged by the 8th update of Bank of Italy Circular No. 262/2005 are presented below on a reclassified basis. The principal reclassifications relate to the following items:

- *"Net commission income"* includes commission on placement of Certificates, allocated for accounting purposes to item 110 *"Net income on other financial assets and liabilities measured at fair value through profit or loss"* of the accounting statement (Euro 25.6 million as at 31 December 2025 and Euro 18.3 million as at 31 December 2024);
- "*Net income from financial activities*" includes items 80, 90, 100 and 110 in the accounting schedule, net of the Certificates placement fees under the item above;
- the item "*Gains (losses) of equity investments measured under the equity method*" includes the Parent Company's share of any gains (losses) of equity investments consolidated under the equity method, allocated to item 250 "*Gains (Losses) of equity investments*" in the accounting schedule;
- indirect tax recoveries, allocated for accounting purposes to item 230 *"Other operating expense/income",* have been reclassified as a reduction in the related costs under *"Other administrative expenses"* (Euro 336.2 million at 31 December 2025 and Euro 303.7 million at 31 December 2024);
- recoveries of costs of appraisals for new loans, allocated for accounting purposes to item 230 "*Other operating expense/income*", have been reclassified as a reduction in the related costs under "*Other administrative expenses*" (Euro 17.1 million at 31 December 2025 and Euro 16.7 million at 31 December 2024);
- "Innovation" tax credits, allocated for accounting purposes to item 230 "*Other operating expense/income*", were reclassified under "*Staff costs*" (Euro 1.6 million as at 31 December 2025) and "*Other administrative expenses*" (Euro 0.3 million as at 31 December 2025);
- the item "*Staff costs*" includes costs relating to staff training and refund of expenses against receipts, allocated to item 190 b) "*Other administrative expenses*" in the accounting statement (Euro 15.4 million at 31 December 2025 and Euro 17.6 million at 31 December 2024);
- *"Net adjustments to property, plant, equipment and intangible assets"* include items 210 and 220 of the accounting schedule;
- gross economic effects from the use of provisions for risks and charges set aside in prior periods (former "*Other operating expenses/Reversal of provisions for risks and charges"*) were directly offset within the same item (item not present as at 31 December 2025 and Euro 17 million as at 31 December 2024);
- the item "*Gains (Losses) on investments*" includes items 250, 260, 270 and 280 of the accounting schedule, net of the Parent Company's share of any gains (losses) of equity investments consolidated under the equity method, reclassified as a separate item;
- the net result of Alba Leasing s.p.a. was reclassified under *"Profit (Loss) from discontinued operations, after tax"*;

- the item *"Contributions to systemic funds"* have been shown separately from the specific accounting technical forms to give a better and clearer representation, as well as to leave the item *"Other administrative expenses"* as a better reflection of the trend in the Group's operating costs. In particular, at 31 December 2025, this item represents the component allocated for accounting purposes to *"Other administrative expenses"* in relation to:
  - the 2025 contribution to the DGS (Deposit Guarantee Scheme) for Euro 9.6 million.
  - estimated annual contribution to the Guarantee Fund for life insurance for an amount of Euro 2.2 million.
- the item "*Integration costs*" includes costs directly related to the business combination with Banca Popolare di Sondrio separately from the specific accounting items (*"Other operating expense/income", "Staff costs", "Other administrative expenses", "Net adjustments to property, plant, equipment and intangible assets*" and *"Net provisions for risks and charges"*) to provide a better picture of the current operations result;
- The item "*PPA impact*" includes expense and income for the second half of 2025 directly related to the fair value measurement of assets and liabilities acquired as part of the business combination with Banca Popolare di Sondrio (including, principally: the time value of financial assets and liabilities, amortisation of identified intangible assets, and a collective impairment charge newly recognised on credit exposures measured at fair value as part of the PPA).

Consolidated Income Statement

(in thousands)

Items	31.12.2025	31.12.2024	Changes	% Change
Net interest income	3,815,243	3,376,876	438,367	12.98
Net commission income	2,405,387	2,058,435	346,952	16.86
Dividends	62,764	41,821	20,943	50.08
Gains (losses) of equity investments measured under the equity method	43,913	(12,361)	56,274	-455.25
Net income from financial activities	127,358	13,499	113,859	843.46
Other operating expense/income	134,623	96,367	38,256	39.70
Operating income	**6,589,288**	**5,574,637**	**1,014,651**	**18.20**
Staff costs	(1,800,564)	(1,915,500)	114,936	-6.00
Other administrative expenses	(856,127)	(784,151)	(71,976)	9.18
Net adjustments to property, plant and equipment and intangible assets	(356,852)	(334,591)	(22,261)	6.65
Operating costs	**(3,013,543)**	**(3,034,242)**	**20,699**	**-0.68**
Net operating income	**3,575,745**	**2,540,395**	**1,035,350**	**40.76**
Net impairment losses to financial assets at amortised cost	(317,613)	(331,758)	14,145	-4.26
- loans to customers	*(313,955)*	*(322,844)*	*8,889*	*-2.75*
- other financial assets	*(3,658)*	*(8,914)*	*5,256*	*-58.96*
Net impairment losses to financial assets at fair value	154	(209)	363	-173.68
Gains (Losses) from contractual modifications without derecognition	(1,529)	(1,321)	(208)	15.75
Net impairment losses for credit risk	**(318,988)**	**(333,288)**	**14,300**	**-4.29**
Net provisions for risks and charges	(43,317)	(75,653)	32,336	-42.74
Gains (Losses) on investments	(17,309)	34,210	(51,519)	-150.60
Profit (Loss) from current operations	**3,196,131**	**2,165,664**	**1,030,467**	**47.58**
Contributions to systemic funds	(11,851)	(111,684)	99,833	-89.39
Integration Costs	(288,558)	-	(288,558)	n.s.
PPA Impact	(181,775)	-	(181,775)	n.s.
Profit (Loss) before tax	**2,713,947**	**2,053,980**	**659,967**	**32.13**
Income taxes for the year	(839,335)	(615,470)	(223,865)	36.37
Profit (Loss) from discontinued operations after tax	5,854	-	5,854	n.s.
Profit (Loss) for the year	**1,880,466**	**1,438,510**	**441,956**	**30.72**
Profit (Loss) for the year pertaining to minority interests	(62,019)	(35,861)	(26,158)	72.94
Profit (Loss) for the year pertaining to the Parent Company	**1,818,447**	**1,402,649**	**415,798**	**29.64**

Consolidated income statement by quarter as at 31 December 2025

(in thousands)

Items	1st quarter 2025	2nd quarter 2025	3rd quarter 2025	4th quarter 2025	1st quarter 2024	2nd quarter 2024	3rd quarter 2024	4th quarter 2024
Net interest income	811,876	814,142	1,078,269	1,110,956	843,620	838,852	840,753	853,651
Net commission income	541,116	522,368	646,224	695,679	498,723	516,015	487,942	555,755
Dividends	3,290	39,733	11,133	8,608	4,882	32,211	3,303	1,425
Gains (losses) of equity investments measured under the equity method	5,296	6,997	15,170	16,450	(4,118)	2,847	3,997	(15,087)
Net income from financial activities	18,789	16,157	22,622	69,790	13,968	(3,675)	(6,846)	10,052
Other operating expense/income	48,490	23,713	20,866	41,554	4,099	10,626	41,871	39,771
Operating income	**1,428,857**	**1,423,110**	**1,794,284**	**1,943,037**	**1,361,174**	**1,396,876**	**1,371,020**	**1,445,567**
Staff costs	(414,052)	(408,892)	(480,201)	(497,419)	(437,692)	(622,465)	(395,674)	(459,669)
Other administrative expenses	(179,639)	(174,729)	(230,157)	(271,602)	(188,567)	(188,699)	(179,061)	(227,824)
Net adjustments to property, plant and equipment and intangible assets	(73,731)	(77,045)	(97,259)	(108,817)	(63,044)	(69,206)	(73,569)	(128,772)
Operating costs	**(667,422)**	**(660,666)**	**(807,617)**	**(877,838)**	**(689,303)**	**(880,370)**	**(648,304)**	**(816,265)**
Net operating income	**761,435**	**762,444**	**986,667**	**1,065,199**	**671,871**	**516,506**	**722,716**	**629,302**
Net impairment losses to financial assets at amortised cost	(68,119)	(72,433)	(87,969)	(89,092)	(92,223)	(82,224)	(78,378)	(78,933)
- loans to customers	*(70,509)*	*(72,255)*	*(84,953)*	*(86,238)*	*(94,977)*	*(85,887)*	*(78,808)*	*(63,172)*
- other financial assets	*2,390*	*(178)*	*(3,016)*	*(2,854)*	*2,754*	*3,663*	*430*	*(15,761)*
Net impairment losses to financial assets at fair value	(175)	560	(102)	(129)	(1,049)	1,005	(324)	159
Gains (Losses) from contractual modifications without derecognition	(2,667)	154	(547)	1,531	(184)	(471)	(397)	(269)
Net impairment losses for credit risk	**(70,961)**	**(71,719)**	**(88,618)**	**(87,690)**	**(93,456)**	**(81,690)**	**(79,099)**	**(79,043)**
Net provisions for risks and charges	(16,872)	2,138	(15,440)	(13,143)	(4,659)	(6,346)	(20,003)	(44,645)
Gains (Losses) on investments	213	1,999	(678)	(18,843)	149,347	1,980	1,059	(118,176)
Profit (Loss) from current operations	**673,815**	**694,862**	**881,931**	**945,523**	**723,103**	**430,450**	**624,673**	**387,438**
Contributions to systemic funds	-	-	-	(11,851)	(111,822)	2,258	(10)	(2,110)
Integration Costs	-	-	-	(288,558)	-	-	-	-
PPA Impact	-	-	-	(181,775)	-	-	-	-
Profit (Loss) before tax	**673,815**	**694,862**	**881,931**	**463,339**	**611,281**	**432,708**	**624,663**	**385,328**
Income taxes for the year	(222,360)	(226,228)	(273,438)	(117,309)	(145,029)	(157,783)	(199,892)	(112,766)
Profit (Loss) from discontinued operations, after tax	-	-	5,854	-	-	-	-	-
Profit (Loss) for the year	**451,455**	**468,634**	**614,347**	**346,030**	**466,252**	**274,925**	**424,771**	**272,562**
Profit (Loss) for the year pertaining to minority interests	(8,529)	(8,091)	(39,255)	(6,144)	(8,976)	(8,029)	(11,908)	(6,948)
Net profit (loss) for the year attributable to the Parent Company	**442,926**	**460,543**	**575,092**	**339,886**	**457,276**	**266,896**	**412,863**	**265,614**

It should be noted that the Reclassified Income Statement by quarter as at 31 March 2024 differs from the figures published on the same date due to the reclassification adopted with effect from 30 June 2024 which relates to the following components: i. charges for payment services provided that were reclassified from *"Other administrative expenses"* to *"Net commission income"* (Euro 7.9 million as at 31 March 2024); ii. and the recoveries of costs for services ancillary to lending that were reclassified from *"Other operating expense/income"* to *"Other administrative expenses"* (Euro 3.8 million as at 31 March 2024).

Net interest income

Net interest income amounts to Euro 3,815.2 million, on the rise as compared to 31 December 2024 (Euro 3,376.9 million). The positive change was influenced by the contribution from Banca Popolare di Sondrio (Euro 546.8 million in the second half).
On a like-for-like basis, there is a 3.2% decline mostly impacted by the fall in market interest rates which led to a decrease in both the commercial spread on customer operations (loans and direct deposits) and the average yield of the portfolio of owned securities.
In addition to recalling the dynamics of interest-bearing loans and deposits, already highlighted in paragraph 5.1 "Balance sheet aggregates", an indication of the trend in average lending/funding rates is given below for a better understanding of the trend in interest rates for loans and deposits (on a like-for- like basis):

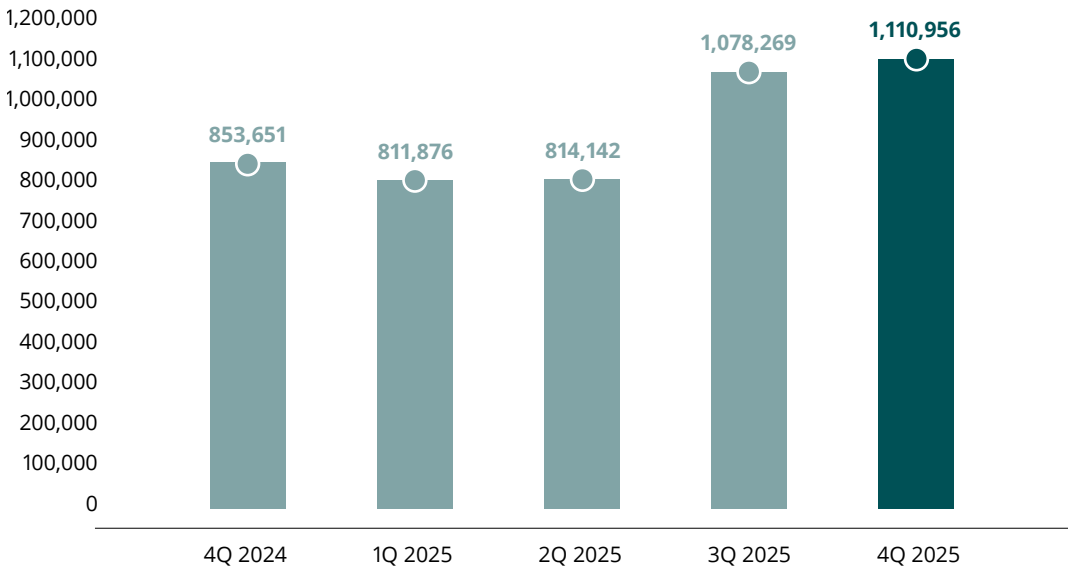
- the average interest rate for the year, based on Group lending rates to customers was 3.88%, a decrease of about 62 bps compared with the previous year's average rate (4.50%);
- the average yield on the securities portfolio is 2.43%, down by 26 bps year compared to the previous year;
- the average cost of direct deposits from customers was 0.72%, down by about 44 bps compared to 2024 (1.16%);
- the average cost of interest-bearing liabilities was 0.89% (vs. 1.34% as at 31 December 2024);
- the spread between loan and deposit rates of Group customer accounts is 3.15% (3.34% as at 31 December 2024);
- the overall gap between the average annual rate of return on interest-bearing assets and the average annual cost of interest-bearing liabilities amounts to 2.53% (it was 2.69% as at 31 December 2024).

(in thousands)

Net interest income	31.12.2025	31.12.2024	Changes	% Change
1. BPER Banca s.p.a.	2,634,367	2,758,377	(124,010)	-4.50
2. BPER Bank Luxembourg s.a.	10,520	12,339	(1,819)	-14.74
3. Bibanca s.p.a.	158,523	135,313	23,210	17.15
4. Banco di Sardegna s.p.a.	302,581	305,976	(3,395)	-1.11
5. Banca Cesare Ponti s.p.a.	32,585	27,047	5,538	20.48
6. Banca Popolare di Sondrio s.p.a. (sub-consolidated)	546,763	-	546,763	n.s.
Total banks	**3,685,339**	**3,239,052**	**446,287**	**13.78**
Other companies and consolidation adjustments	129,904	137,824	(7,920)	-5.75
Total	**3,815,243**	**3,376,876**	**438,367**	**12.98**

Regarding the quarterly trend in Net Interest Income, illustrated in the following chart, the increase recorded in the third and fourth quarter is mainly traceable to consolidation of Banca Popolare di Sondrio.

NET INTEREST INCOME *(amounts in thousands)*



Net commission income

Net commission income, amounting to Euro 2,405.4 million, was higher than at 31 December 2024 (Euro 2,058.4 million, +16.86%) mainly due to the business combination with Banca Popolare di Sondrio.

(in thousands)

Net commission income	31.12.2025	31.12.2024	Changes	% Change
Trading in currency/financial instruments	11,168	17,780	(6,612)	-37.19
Investment Services	1,008,188	840,877	167,311	19.90
Bancassurance non-life	144,323	128,226	16,097	12.55
Collection and payment services	748,213	657,714	90,499	13.76
Loans and guarantees	406,162	331,348	74,814	22.58
Other commissions	87,333	82,490	4,843	5.87
Total net commission income	**2,405,387**	**2,058,435**	**346,952**	**16.86**

Net commission income - on a like-for-like basis

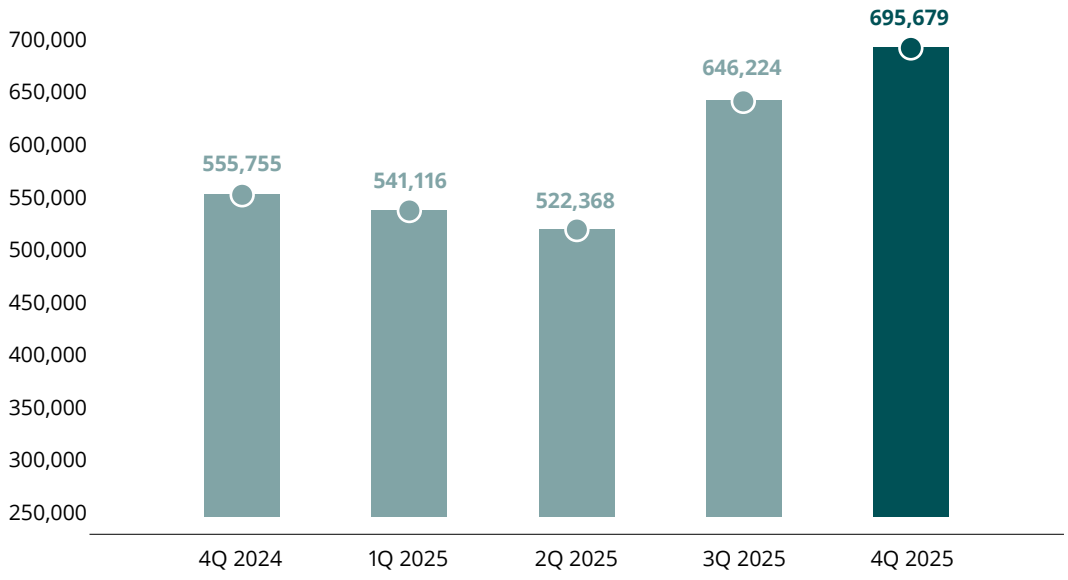
On a like-for-like basis, as shown in the following table, net Commission income, amounting to Euro 2,160.8 million, was up 4.97% compared to 31 December 2024; this trend is primarily due to commissions on investment services (+10.31%), bancassurance commissions on life insurance (+11.80%) and commissions on payment cards (+23.86%).

(in thousands)

Net commission income	31.12.2025	31.12.2024	Changes	% Change
Trading in currency/financial instruments	13,091	17,780	(4,689)	-26.37
Investment Services	927,532	840,877	86,655	10.31
Bancassurance non-life	137,883	128,226	9,657	7.53
Collection and payment services	671,137	657,714	13,423	2.04
Loans and guarantees	337,395	331,348	6,047	1.82
Other commissions	73,723	82,490	(8,767)	-10.63
Total net commission income	**2,160,761**	**2,058,435**	**102,326**	**4.97**

The quarterly performance in Net commission income shown in the following chart is influenced very clearly by the acquisition of control of Banca Popolare di Sondrio (+Euro 117.2 million in the third quarter, and +Euro 127.4 million in the fourth quarter). The result of the fourth quarter was positively contributed to by Bancassurance commissions on non-life insurance products which, with the commercial targets set for 2025 being achieved, made it possible to obtain Euro 31.7 million in additional commissions. Net commission income was also contributed to by the positive performance of commissions on investment services.

NET COMMISSIONS *(amounts in thousands)*



Net income from financial activities

Net income from financial activities (including dividends of Euro 62.8 million) amounted to a positive Euro 190.1 million (Euro 55.3 million as at 31 December 2024) broken down as follows.

(in thousands)

Net income from financial activities (including dividends)	31.12.2025	31.12.2024	Changes	% Change
Dividends	62,764	41,821	20,943	50.08
Trading activities	133,137	41,050	92,087	224.33
Hedging activities	(3,698)	1,773	(5,471)	-308.57
Proceeds from disposals	51,988	70,672	(18,684)	-26.44
- of which securities	*28,140*	*38,227*	*(10,087)*	*-26.39*
- of which loans	*22,784*	*32,428*	*(9,644)*	*-29.74*
- of which repurchase of financial liabilities	*1,064*	*17*	*1,047*	--
Other financial assets/liabilities measured at fair value	24,002	1,166	22,836	--
Certificates	(78,071)	(101,162)	23,091	-22.83
Total	**190,122**	**55,320**	**134,802**	**243.68**

The positive change recorded compared with the prior financial year, particularly with regard to the contribution from trading, is influenced by the input of Banca Popolare di Sondrio and the valuation of the derivative contracts entered into by the parent company BPER Banca for the purchase of a synthetic exposure on 9.99% of its share capital.

Other operating expense/income

The item Other operating expense/income amounted to Euro 134.6 million (Euro 96.4 million as at 31 December 2024).

As a result of the dynamics illustrated above, Operating income amounted to Euro 6,589.3 million (+18.20% compared to the previous year).

Operating costs

Operating costs amount to Euro 3,013.5 million, essentially in line with the amount as at 31 December 2024.

The main components of Operating costs are reported below.

"*Staff Costs*" amounted to Euro 1,800.6 million, down compared to the previous year (-6.00%), where non-recurring costs were recorded in relation to the extension of the workforce optimisation manoeuvre for a total amount of Euro 193.5 million.

"*Other administrative expenses*" amounted to Euro 856.1 million, up 9.18% compared to the previous year, mainly due to the increase in size of the Group.

"*Net adjustments to property, plant, equipment and intangible assets*" totalled Euro 356.9 million (Euro 334.6 million as at 31 December 2024).
Amortisation and depreciation of assets owned amounted to Euro 259.9 million (Euro 210.3 million as at 31 December 2024), while net write-downs amounted to Euro 6.3 million (Euro 40.4 million as at 31 December 2024), with the latter related mainly to impairment of software whose useful life was revised (Euro 7.0 million vs. 34.3 million as at 31 December 2024) and assets classified as inventories under IAS 2 for an amount of Euro 1.5 million (Euro 7.0 million as at 31 December 2024).

The depreciation of rights of use related to leased assets amounted to Euro 91.3 million (Euro 82.4 million as at 31 December 2024), while net write-backs were recognised for an amount of Euro 0.6 million (net adjustments amounted to Euro 1.5 million as at 31 December 2024).

(in thousands)

Operating costs	31.12.2025	31.12.2024	Changes	% Change
1. BPER Banca s.p.a.	2,434,879	2,542,684	(107,805)	-4.24
2. BPER Bank Luxembourg s.a.	9,556	8,421	1,135	13.48
3. Bibanca s.p.a.	42,616	65,317	(22,701)	-34.76
4. Banco di Sardegna s.p.a.	245,706	260,709	(15,003)	-5.75
5. Banca Cesare Ponti s.p.a.	131,244	116,189	15,055	12.96
6. Banca Popolare di Sondrio s.p.a. (sub-consolidated)	317,539	-	317,539	n.s.
Total banks	**3,181,540**	**2,993,320**	**188,220**	**6.29**
Other companies and consolidation adjustments	(167,997)	40,922	(208,919)	-510.53
Total	**3,013,543**	**3,034,242**	**(20,699)**	**-0.68**

Net operating income therefore amounts to Euro 3,575.7 million (Euro 2,540.4 million at 31 December 2024).

Net impairment losses for credit risk

Net impairment losses for credit risk amounted to Euro 319.0 million (Euro 333.3 million as at 31 December 2024), relating primarily to net impairment losses on loans to customers measured at amortised cost, equal to Euro 314.0 million (Euro 322.8 million as at 31 December 2024); details on net impairment losses for credit risk on loans to customers are provided in the table below.

(in thousands)

Net impairment losses for credit risk on loans to customers	31.12.2025	31.12.2024	Changes	% Change
1. BPER Banca s.p.a.	267,257	238,159	29,098	12.22
2. BPER Bank Luxembourg s.a.	1,502	402	1,100	273.63
3. Bibanca s.p.a.	27,090	31,311	(4,221)	-13.48
4. Banco di Sardegna s.p.a.	6,121	37,880	(31,759)	-83.84
5. Banca Cesare Ponti s.p.a.	(107)	150	(257)	-171.33
6. Banca Popolare di Sondrio s.p.a. (sub-consolidated)	(2,510)	-	(2,510)	n.s.
Total banks	**299,353**	**307,902**	**(8,549)**	**-2.78**
Other companies and consolidation adjustments	14,602	14,942	(340)	-2.28
Total	**313,955**	**322,844**	**(8,889)**	**-2.75**

The overall cost of credit at 31 December 2025, calculated only on loans to customers, was 24 bps (36 bps at 31 December 2024). Most of the various components of the cost of credit as at 31 December 2025 are attributable to the non-performing portfolio (Euro 338.1 million), mainly as a result of an increase in the expected loss from the workout scenario (Euro 306.1 million); however the adjustment to losses referring to the disposal scenario is more moderate (Euro 32 million). Expected losses on the performing portfolio, following the improvement in the quality of the performing loan portfolio (including the reduction of the Stage 2 portfolio) led to a release of provisions for approximately Euro 24.4 million.

Net provisions for risks and charges

"Net provisions for risks and charges" totalled Euro 43.3 million (Euro 75.7 million as at 31 December 2024) and are broken down as follows:

- *Net write-backs on guarantees and commitments* amounting to Euro 3.2 million (Euro 1.4 million as at 31 December 2024);
- *Other provisions for risks and charges* amounting to Euro 46.5 million (Euro 77.1 million at 31 December 2024).

Gains (Losses) on investments

This item shows a negative net balance of Euro 17.3 million (it was Euro 34.2 million positive at 31 December 2024), mainly deriving from impairment losses following disposal of equity investments (Euro 12.4 million) and write-downs on the equity portfolio (Euro 5.8 million);
In the previous financial year, the result was primarily impacted by the capital gain of Euro 150.1 million arising from the sale of control of Bridge Servicing to the counterparty Gardant, as well as by write-downs on the real estate portfolio measured at fair value (Euro 30.1 million) and on equity investments for an amount of Euro 86.3 million.

Contributions to systemic funds

The total amount of contributions to systemic funds paid during the year was Euro 11.9 million (Euro 111.7 million at 31 December 2024). This amount comprises contribution paid to the DGS (Deposit Guarantee Scheme), equal to Euro 9.6 million (Euro 109.6 million as at 31 December 2024), and the estimated annual contribution to the Guarantee Fund for Life Insurance of Euro 2.2 million (Euro 2.1 million as at 31 December 2024).

Integration Costs

The costs relating to the integration of Banca Popolare di Sondrio with BPER Banca, totalling Euro 288.6 million, can primarily be itemised as follows:

- Staff costs (Euro 177.5 million): cost estimated for the implementation of a new workforce optimisation effort under the agreement entered into with the Trade Union Organisations on 19 December 2025;
- Other administrative expenses (Euro 57.0 million): non-recurring costs referring primarily to organising IT migration in preparation for the merger of Banca Popolare di Sondrio into BPER Banca;
- Provisions for risks and charges (Euro 12.2 million) and Other operating expense/income (Euro 11.2 million): penalties recognised by Banca Popolare di Sondrio for the early termination of a number of supply agreements;
- Net adjustments to property, plant, equipment and intangible assets (Euro 30.6 million): impairment of software whose useful life was revised after the business combination.

PPA Impact

With regard to the "stand-alone" presentation of the financial effects relating to the second half of 2025, following the fair value measurement of the assets acquired as part of the business combination with Banca Popolare di Sondrio, the main impacts can be summarised as follows:

- Net interest income: Euro -28.3 million, due to lower interest income on loans and higher interest expense on direct deposits than contractually foreseen;
- Amortisation of property, plant and equipment and intangible assets recognised as part of PPA: Euro -11.3 million;
- Collective provisions on performing loans (reversal of adjustments): Euro -180.0 million;
- Reversals resulting from the early pay-off of "non-performing" loans: Euro 37.9 million.

Net profit

Profit before tax amounted to Euro 2,713.9 million (Euro 2,054 million as at 31 December 2024).
"Income taxes for the year" amounted to Euro 842.4 million and were determined by applying tax regulations in force as at 31 December 2025. The item was positively impacted for an amount of Euro 31.9 million by the recognition of deferred tax assets on regional production tax (IRAP) temporary differences which will be absorbed over the three-year period 2026-2028, when the IRAP surcharge introduced by Law No. 199/2025 comes into effect, for an amount of approximately Euro 48.0 million from deferred tax assets released to the income statement in connection with valuations made under the PPA, and for an amount of approximately Euro 3.6 million from IRAP credit arising from the conversion of surplus ACE (Allowance for Corporate Equity) of Banca Carige s.p.a. and Banca del Monte di Lucca s.p.a. prior to the merger into BPER (2022), which became deductible in the 2025 tax year.
The item *"Profit (Loss) from discontinued operations after tax"* refers to Alba Leasing's profit for the third quarter of Euro 5.9 million.

Profit for the year after tax amounted to Euro 1,880.5 million (Euro 1,438.5 million as at 31 December 2024) and is broken down into its components: i. Profit pertaining to minority interests totalling Euro 62.0 million (Euro 35.9 million at as 31 December 2024), ii. Profit pertaining to the Parent Company totalling Euro 1,818.4 million (Euro 1,402.6 million as at 31 December 2024).

5.5 Employees

Employees	31.12.2025	31.12.2024	Changes
1. BPER Banca s.p.a.	15,867	16,525	(658)
2. BPER Bank Luxembourg s.a.	40	37	3
3. Bibanca s.p.a.	169	225	(56)
4. Banco di Sardegna s.p.a.	1,707	1,802	(95)
5. Banca Cesare Ponti s.p.a.	541	578	(37)
6. Banca Popolare di Sondrio s.p.a. (sub-consolidated)	3,593	-	3,593
Total banks	**21,917**	**19,167**	**2,750**
Subsidiaries consolidated line-by-line	342	341	1
Balance sheet total	**22,259**	**19,508**	**2,751**

Figures refer to the point-in-time number of employees at 31 December 2025 at banks and companies included in the scope of line-by-line consolidation The number does not include 28 leaves of absence (24 resources as at 31 December 2024).
Group employees at 31 December 2025 include 342 persons seconded with Group companies (289 at 31 December 2024).

5.6 Geographical organisation

Branches	31.12.2025	31.12.2024	Changes
1. BPER Banca s.p.a.	1,280	1,285	(5)
2. Banco di Sardegna s.p.a.	270	271	(1)
3. Banca Cesare Ponti s.p.a.	2	2	-
4. Banca Popolare di Sondrio s.p.a.	494	-	494
Total Italian banks	**2,046**	**1,558**	**488**
5. BPER Bank Luxembourg s.a.	1	1	-
6. BPS Suisse s.a.	21	-	21
Total	**2,068**	**1,559**	**509**

Banca Popolare di Sondrio's branches include 130 treasury desks. 108 Private Banking Centres, now part of Banca Cesare Ponti, add to the branch network.

Please refer to the "Other attachments" section of this Consolidated Financial Report of the BPER Banca Group for details of the BPER Banca Group's footprint throughout the country.

6. MAIN RISKS AND UNCERTAINTIES

6.1 Identification of risks, underlying uncertainties and the approach to manage them

To ensure that the corporate activity is driven by criteria of sound and prudent management, the BPER Banca Group identifies the Risk Appetite Framework (RAF) to monitor the risk profile that the Group intends to assume in the implementation of its business strategies. The RAF is a coordinated set of methodologies, processes, policies, controls and systems that make it possible to establish, communicate and monitor the Group's risk appetite.

The Group adopts mechanisms aimed at allowing the effective integration of risk appetite with management activities. In particular, the Group consistently reconciles its RAF, business model, strategic plan, Capital and Funding Plan, ICAAP, ILAAP and budget, identifying suitable coordination mechanisms.

The RAF formalises the risk appetite level to achieve its strategic goals and, more specifically, it sets out the applicable areas of analysis and reference metrics. For each area, the Group defines indicators and their respective meaningful levels where applicable (Risk Capacity, Risk Tolerance, Alert Thresholds, Early Warning, Risk Appetite, Risk Limits). The RAF also describes the risks that it deems appropriate to define qualitative instructions for to guide the controls.
The activities involved in the process are subject to updates on at least a yearly basis and, in any case, any time an update is necessary due to changes in the internal (e.g. review of the organisational structure, changes in the Group's Business model) or external context (e.g. review of the reference regulatory framework, changes in the market environment).
RAF metrics are continuously monitored both at a consolidated level and at the level of individual risk-taking units to promptly manage any breaches of the defined actual risk profile thresholds. If necessary, escalation mechanisms are activated to assess potential corrective actions.
The structure of the Risk Appetite Framework, through the definition of thresholds and monitoring of fourth-level indicators (alert indicators) tied to market or macroeconomic indicators, allows the Group to detect macroeconomic stress scenarios and manage them through escalation mechanisms that may trigger managerial actions and/or target reviews.

RAF management includes the following activities:

- identification of the risks to be evaluated that may have significant impacts on the economic, financial and equity equilibrium of the Group (Group Risk Map);
- identification of the elements through which the Group expresses its risk appetite level to achieve its strategic objectives (areas of analysis, metrics, thresholds and risks for which it is considered appropriate to define qualitative guidelines for monitoring);
- definition of threshold calibration and quantification rules;
- formalisation of RAF decisions taken as part of the Risk Appetite Statement (RAS);
- verification of trends in the actual risk values (Risk Profile) of the RAF metrics with respect to the established risk appetite and thresholds;
- definition and activation of differentiated assessment and escalation procedures based on the type of threshold being exceeded;
- preparation of periodic reporting for the Chief Executive Officer and the Board of Directors of the Parent Company and Group companies, providing a quarterly summary of the development of the actual risk profile in relation to defined thresholds.

For further details, see Part E - Information on risks and related hedging policy of the Consolidated Financial Report as at 31 December 2025.

Identification of risks

The first phase in the management of the RAF identifies the potential risks to which the Group is or could be exposed, both in a point-in-time and forward-looking perspective. The identification of risks is based on the analysis of the prudential supervisory framework, of market best practices and of the macroeconomic context (with the purpose of promptly identifying potential risk factors deriving from systemic uncertainties that may affect all players in the banking industry), ensuring consistency with the business model, the Group's operations and risk profile and the business and strategic objectives defined as part of the preparation of the Business plan, Budget, Capital and Funding Plan.

The risks identified as potentially impactful for the BPER Banca Group, both in a point-in-time and forward-looking perspective, are organised into a risk tree structure grouping various sub-risk categories into main risks. These are analysed to determine which are considered "material risks" for the Group.

The analyses carried out showed the materiality of the following main risks:
- Credit risk;
- Liquidity risk;
- Counterparty risk;
- Market risk;
- Operational risk;
- Reputational risk;
- Interest rate risk in the Banking Book;
- Credit spread risk in the Banking Book;
- Strategic/business risk.

The risks that are material for the Group form a Risk Inventory.
In order to strengthen the management of these risks and prevent strains, material risks are subject to a further assessment aimed at analysing the contribution of each individual legal entity to the consolidated risk level.
The overview of the Risk Inventory and the application of risks to the individual legal entities forms the Group Risk Map.
In line with the RAF defined by the Parent Company, for risks identified as material, the Board of Directors of BPER Banca sets, with a special policy, the risk objectives, the related risk exposure and operational limits and the process of risk assumption and management with roles and responsibilities defined also for the Corporate Bodies.

Risk Appetite Statement (RAS)

The "Risk Appetite Statement of the BPER Group", consistently with the risks identified in the "Group Risk Map", formalises the risk appetite at the Group level, with the objective of taking on board the guidelines provided by the reference regulations and the expectations and interests of the Group's internal and external stakeholders. The risk appetite is expressed through the following:
- quantitative indicators (RAS metrics) defined in accordance with the Group's capital adequacy and liquidity adequacy assessment processes as well as with risk management processes;
- indications of a qualitative nature.

Reporting

In terms of reporting, the Group has established specific regular information flows to Top management and the Corporate Bodies of the Parent Company, Banks, and other Group Companies concerning capital adequacy and exposure to key risks.
The findings in the risk reporting are discussed within management and board committees and underpin the capital and liquidity adequacy assessments submitted to the Parent Company and Group company Boards of Directors.

Risk governance responsibilities

The individual risk governance policies define the roles and responsibilities of the functions in charge of taking and managing each risk, including the responsibilities of the Corporate Bodies.
In line with the "Group Policy on the Internal control system", the Corporate Bodies have a central role to play in the process of risk governance, providing for certain responsibilities with regard to the design, implementation, evaluation and external communication phases.

The Parent Company's Board of Directors therefore performs the strategic supervision function at Group level, intervening in all phases envisaged by the model and, by means of strategic directives, involving the Boards of Directors of the individual Group Banks and Companies for the activities that are their responsibility, i.e.:
- it gives the CEO adequate powers and resources to implement the strategic guidelines, the RAF and risk governance policies defined by the Board of Directors of the Parent Company in the design of the internal control system and is responsible for taking all the necessary steps to ensure that the organisation and its internal control system comply with the principles and requirements laid down in regulatory provisions, monitoring compliance on an ongoing basis;
- receives, either directly or through the CEO, the information flows required to gain full awareness of the various risk factors and the ability to govern them, so as to plan and implement interventions to ensure the compliance and adequacy of the Internal Control System.

For said purpose, the Chief Executive Officer, in relation to the Group as a whole and its members, with the help of the competent structures, implements the necessary initiatives and activities to continuously guarantee the completeness, adequacy, functionality and reliability of the Internal Control System.

The Boards of Statutory Auditors[62] of the Parent Company and of the Group's Banks and Companies, each to the extent of its own responsibilities, perform their assignments as foreseen by the law and the articles of association and have the responsibility of ensuring the completeness, suitability and functionality of the internal control system and of the RAF. The results are brought to the attention of the respective Boards of Directors.

The Board of Directors of each Group's Bank and Company assigns a mandate to its own corporate structures to implement, in its own corporate set-up, the decisions taken by the Parent Company.

Internal board committees and other internal committees set up by the Boards of Directors of the Parent Company and of the Group Companies, if in place, are also involved in the overall Internal Control System, whose composition and functioning are defined in the relevant regulation approved by the Board itself.
The internal board committees are dedicated to the in-depth analysis of specialist topics and have inquiry, advisory and proposal-making duties in support of the Board of Directors, while the Internal Committees provide advice and support to the Management Body.

In particular, the Risks (managerial) Committee, a body with consultative powers, assists the Chief Executive Officer in the determination and implementation of the Risk Appetite Framework, of risk governance policies and of the capital and liquidity adequacy process for the Group and Group Companies.

Decentralised at the individual Group's Banks and Companies there are people who act as "Contacts" for all of the second level control functions, in addition to the Manager Responsible for Preparing the Company's Financial Reports, for the following purposes:

- overseeing operations in line with the Parent Company's duties of guidance and coordination, taking into account specific local aspects and the type of business carried on by individual Group's Banks and Companies;
- ensuring effective operational links between the Parent Company and each Group's Banks and Companies;
- all communication flows to corporate bodies.

With regard to the companies of former Banca Popolare di Sondrio Group, in order to ensure compliance with the Group's RAF and risk management regulations, while maintaining continuity in monitoring risks at the individual companies level and pending the merger by absorption of Banca Popolare di Sondrio, BPER's Board of Directors approved the organisational model to be adopted by the corporate control functions and the Manager responsible for preparing the Company's financial reports. Specifically, with regard to the Risk Management Function, the following is noted:

- Banca Popolare di Sondrio: the risk management function is to be temporarily devolved to the subsidiary until the merger, and it will operate in accordance with the Parent Company's direction and coordination;
- Banca Nuova Terra and Factorit: the corporate control functions are to be retained by Banca Popolare di Sondrio until the merger, with the corresponding functions of the Parent company BPER Banca being responsible for direction and coordination;
- Banca Popolare di Sondrio Suisse: the company's decentralised risk management function is to be maintained, in accordance with the regulatory and banking environment in which it operates.

For more information and details on the overall control system implemented at the Banking Group level and on the tasks assigned to each control body or function identified, please refer to the information provided in the Explanatory Notes, Part E - Information on risks and related hedging policies (particularly the "Introduction" to the qualitative and quantitative information), to the Consolidated Financial Report as at 31 December 2025, the Pillar 3 Public Disclosures as at 31 December 2025, as well as to the Report on Corporate Governance and Ownership Structure as at 31 December 2025, which are available on the company's website https://group.bper.it.

Credit risk

The credit risk governance policy defines the principles governing the assumption and management of credit risk, including responsibilities of corporate structures and bodies.

62 Bank of Italy Circular no. 285 of 2013, first part, Title IV, Chapter 3 "The body with control function is responsible for monitoring the completeness, adequacy, functionality and reliability of the internal control system and the RAF".

The outcomes of credit risk measures, including internal rating system parameters, are reported in management reporting. More specifically:

- the outcome of the analyses on the credit portfolio, risk parameters and limits monitoring is included in the quarterly Risk Report, which is sent to Top Management and the Corporate Bodies of the Parent Company and of Group Banks and Companies. The information is discussed by the Risks Committee and presented by the Chief Risk Officer to the Control and Risk Committee and the Board of Directors of the Parent Company;
- a specific report is prepared for the Top Management of the Parent Company and of Group Banks and Companies on a monthly basis, including the monitoring of supervisory thresholds set for credit and concentration risk;
- a network reporting tool is prepared, characterised by different views of the loan portfolio, with different levels of data aggregation (Branch, Regional Department, General Management, Bank and Group) and hierarchical visibility cones.

For a description of the advanced credit risk measurement methodologies based on internal ratings, please refer to part E of these Explanatory Notes, in the chapter that describes management, measurement and control Systems.

Financial risk

The market, interest rate, liquidity, CSRBB (Credit spread risk on the banking book) and counterparty risk governance policies define the principles governing the assumption and management of these risks, including the responsibilities of the corporate structures and bodies.

With particular reference to financial risk management, an analytical system is used to measure, monitor and report on market, counterparty, liquidity and interest-rate risks and CSRBB.
The Group's policy for managing the securities portfolio, market risk, interest rate risk, CSRBB, and liquidity and funding risk is defined by the Finance Committee of the Parent Company.
The aforementioned risk profiles are monitored through the preparation and communication to the business and management functions of the management report prepared with different frequency (from daily to monthly, depending on the characteristics of the monitored risk) and of the analyses carried out to support the Finance Committee, while the monitoring of RAF limits and thresholds and the performance and composition of the risk profiles of the Group and of individual entities are reported on a quarterly basis as part of the quarterly risk report submitted to the Risk Committee, to the Control and Risk Committee and to the Board of Directors of the Parent Company, as well as to the Board of Directors of the Group Banks and Companies, for the areas within their remit.

For more information on financial risks and related controls, please refer to the Explanatory Notes to this Report, Part E, Section 2, para. 1.2 – Market risk, para. 1.3 Derivative instruments and hedging policies, para. 1.4 Liquidity risk of the Consolidated Financial Report as at 31 December 2025.

Operational risk

The operational, ICT and security, third party risk governance policies define the principles that govern the assumption and management of these risks, including the responsibilities of the corporate structures and bodies.
As regards the governance of operational risk, the BPER Banca Group applies the Standardised Approach to calculate the capital requirement for operational risk[63].
The model of operational risk governance and management adopted by the BPER Banca Group, designed to identify, assess, monitor, mitigate and report operational risks to the appropriate hierarchical levels, is formalised in specific internal rules. It provides for the centralised management at the Parent Company by the Risk Management Function, which relies on the support from a Contact of the Function in place at all Group banks and companies.

The operational risk management and measurement system adopted by the BPER Banca Group is ensured by the following processes:

- Loss Data Collection: system for collecting and filing the loss events that derive from operational risks, supported by dedicated IT tools under constant development that ensure the completeness, accuracy and quality of the data gathered;
- measurement of operating risks via the Risk Self-Assessment, in order to determine over a one-year time horizon the prospective level of exposure to operating risks and assess the adequacy of processes and line controls;
- measurement of risk by determining the level of capital absorption by operating risk from both a regulatory (own funds) and an operational standpoint (economic capital);
- system of reporting and communication to the Board of Directors and Senior Management, together with procedures to undertake appropriate mitigation actions based on the information flows sent (quarterly risk report).

63 This choice was made starting from reporting of data as at 01 January 2025.

Together, the analysis of Loss Data Collection and the measurement of operational risks make it possible to identify areas of vulnerability in which operating losses are more concentrated, in order to understand the underlying causes and highlight the opportunity for corrective actions, including insurance cover (external transfer of risk).
The BPER Banca Group has also adopted specific analytical frameworks for IT and third-party risk, with the aim of identifying the exposure to these types of risk and the corrective actions needed to avoid exceeding the established risk appetite threshold. Finally, a specific analysis is carried out in relation to operational and security risk related to payment services as required by the supervisory provisions in force. The results of these activities are also presented in the quarterly risk report.

Reputational risk

The framework for the management of reputational risk is aimed at monitoring, managing, mitigating and presenting in a structured manner the periodic position of the Group in relation to this risk, together with the corrective actions needed to mitigate any vulnerabilities identified[64].
The principal elements comprising the framework for the management of reputational risk are described and formalised in the "Policy on the governance of reputational risk". This document centralises the management of this activity within the Risk Management Function of the Parent Company, and specifies the responsibilities of the Organisational Units within the Parent Company and the Group companies concerned, both under normal operating conditions and should any "critical reputational events" occur.
The system of reputational risk management adopted by the BPER Group has the following components:

- identification and assessment of risk based on Reputational Data Collection and Reputational Self-Assessment;
- monitoring of the Group's exposure to reputational risk using a series of specific Key Risk Indicators;
- management of critical reputational events (escalation): management of particularly critical reputational events, by means of an escalation process functional for short and long term responses and mitigation;
- reporting: preparation of suitable reports, based on the various processes/sub-processes comprising the framework, in order to present in summary form the outcome of the risk management activities to all bodies and functions concerned.

For more qualitative information on operational risk and reputational risk and related controls, please refer to the Explanatory Notes to this Report, Part E, Section 2, para. 1.5 Operational risks of the Consolidated Financial Report as at 31 December 2025.

6.2 Other evidence of risk

Business Continuity

In 2025, annual activities aimed at f Business continuity management were continued, in order to update the Business Continuity Plan of the Parent Company and the Group's Banks and Companies.
In particular, Business Impact Analyses (BIAs) were carried out during the year to identify potential risks and failure points of business processes, business continuity solutions were updated to ensure effective recovery in the event of an emergency, scheduled testing for business continuity, disaster recovery and digital operational resilience were carried out to check effectiveness of the Plan and ensure continuous improvement.

The elements that characterised the financial year 2025 concerned:

- in line with external regulations (European Regulation 2022/2554 "Digital Operational Resilience Act" (DORA), Circular 285 of 17 December 2013), and following approval by the Board of Directors' meeting on 17 April 2025 of the updated "Regulation on the Business Continuity management and Digital Operational Resilience process", the Operating Instructions of the sub-process for the "Ordinary Management of Business Continuity" were updated on 20 August 2025. The main changes introduced relate to bringing the content into line with the current version of the aforementioned Regulation, the identification of Critical or Important Functions (CIF) in accordance with the DORA Regulation, the formalisation of input and output information flows between the Business Impact Analysis (BIA) and the company's Applications Catalogue, and the introduction of the asset prioritisation formula;
- an update to the Business Continuity Plan (approved by the Parent Company's Board of Directors on 18 December 2025), in combination with specific response and recovery plans for each scenario and an update to the Crisis Communication Plan;
- the ISO 22301 certification which was once again confirmed by external auditors this year;
- the continuation of the control and coordination activity of the Parent Company's Business Continuity function on legal entities within the scope of consolidation;
- activities to monitor Banca Popolare di Sondrio and its subsidiaries, which have been part of the scope of the BPER Banca Group since 18 July 2025;

64 This choice was made with effect from the 2017 financial year.

- the monitoring of critical suppliers continued by checking existing and new contracts to assess the guarantees pledged. Monitoring included assessments through continuity tests and the gathering of appropriate information to fully assess the quality of the continuity measures offered by vendors;
- Crisis management and restoration activities were carried out and coordinated for branches affected by flood events, particularly in Emilia-Romagna and Liguria;
- training activities continued on how to fill out the impact assessments, monitor and manage suppliers (contact persons for contracts);
- the Crisis Communication Plan was updated in collaboration with the Business Continuity Office and the Communications Office.

Activities continued with a view to enhancing the focus on operational resilience and the dissemination of a culture of business continuity within the Group. In a continuous improvement perspective, the activities included training sessions for the roles involved in Business Continuity, Disaster Recovery and Crisis Management working for the Parent Company and the Group's Companies.

Climate Change

Transition to a circular, low-carbon economy and its integration and management in the regulatory and prudential supervisory framework entails both risks and opportunities for the entire economic system and for financial institutions, while the physical damage caused by climate change and environmental degradation can have a significant impact on the real economy and the financial sector.

The European Central Bank identified climate and environmental risks among the main risk factors to be proactively managed under the supervisory priorities of the Single Supervisory Mechanism (SSM) for the banking sector, and starting in 2021, undertook activities aimed at verifying banks' positioning with respect to the provisions of the guidelines that the ECB issued on the subject (ECB Guide on climate-related and environmental risk).
Against this backdrop, the BPER Banca Group has structured its own sustainability process through the adoption of an integrated strategy, capable of combining business growth and financial strength with social and environmental sustainability, thereby creating long-term shared value. The focus on sustainability and commitment to ESG and sustainability issues are reiterated in the new Business Plan "B:Dynamic|Full Value 2027".
In particular, the BPER Banca Group, through cross-cutting work groups, identified action lines in the climate-related and environmental areas to strengthen strategy, business, risk governance and regulatory compliance, approved by the Board of Directors of the Parent Company and forwarded to the European Central Bank.

With a view to continuously complying with the Supervisory Authorities' requirements, activities were conducted in the second half to assess possible areas for improvement to comply with the latest regulatory provisions issued by the EBA on the management of ESG factors and scenario analyses.

As part of the BPER Banca Group's risk identification process, a qualitative-quantitative materiality analysis specific to ESG risk factors was updated, aiming to identify areas that require heightened attention in managing such factors within risk processes.

In line with prior financial years, the analyses were carried out for each risk impacted by ESG factors, highlighting the specific results for different time horizons and business lines. More specifically:

- the time horizons used for the analysis of credit, market, strategic, operational, and reputational risk (short-term: <=3 years - 2028; medium-term 5/6 years - 2030; long-term > 10 years - 2050) were set up consistent with supervisory expectations and Net Zero Banking Alliance targets. For liquidity risk, the time horizons turned out to be different due to the type of risk and related operations (short-term within 12 months; medium- and long-term beyond 12 months);
- the materiality analysis was made by lines of business identified by the Group;
- non-climatic environmental factors (NRR - Nature Related Risk) were included.

In addition, analyses have been introduced to assess the potential materiality of social and governance factors in relation to certain types of risk. Specifically, the social factor was taken into account for credit, liquidity and strategic risk, whilst the governance risk factor was considered for credit and strategic risk. Furthermore, transmission channels have been categorised into microeconomic and macroeconomic channels based on the level of propagation of the random chains.

The importance of monitoring ESG risk factors within the Risk Appetite Framework is confirmed; indeed, in 2025, the ICAAP exercise involved an in-depth analysis of the impact of the main climate risk drivers on credit, operational, strategic and business risks.
In this context, climate stress testing was carried out with two different perspectives:

- a short-term perspective, aimed at assessing the impact of specific climate risk events within a macro scenario that considers the current context;
- a long-term perspective (up to 2050) aimed at assessing, in the context of the NGFS scenarios released in November 2023 (phase IV), how the Group might face an Orderly Transition or, conversely, a Current Policies context.

As part of the 2025 ILAAP process, assessments were carried out on the potential impacts of climate-related and environmental factors on the liquidity and funding profile, including an analysis of specific ESG stress factors as part of the ILAAP stress scenario.

Following these developments, the BPER Banca Group has been progressively implementing its quarterly risk reporting, including Nature Related Risk (NRR) profile views, prospective risk views, and breakdowns by business line.
When integrating the aforementioned areas, consideration was also given to the connections and relationships with the various business processes impacted and the commitments made by the Group in this regard (e.g., Net Zero Banking Alliance - NZBA).
All of this confirms the strategic importance that the BPER Banca Group attaches to sustainability issues, the management of which translates into consistent and concrete commitments both at governance level and in the day-to-day operations of all of the Company's functions.
It should finally be highlighted that the BPER Banca Group will continue to consider additional areas of intervention in the next years to further develop its risk management frameworks with the aim of specifically capturing both the risk type specificities and developments in the regulatory and macro-economic frameworks.

6.3 Disclosure of exposures to sovereign debt held by listed companies

As required by CONSOB Communication DEM/11070007 of 5 August 2011 (and in the letter sent to listed Banking Issuers dated 31 October 2018), details are provided below about the holdings of bonds issued by Central and Local Governments and by Government entities, as well as about the loans granted to them.

Debt securities

Issuer	Rating	Cat.	Nominal value	Book Value	Fair Value	OCI Reserves	%
Governments(*):			**31,861,359**	**31,558,466**	**31,492,909**	**23,808**	**98.59%**
Italy	BBB+		**21,554,616**	**21,732,986**	**21,864,105**	**38,921**	**67.89%**
		FVTPLT	36,329	36,646	36,646	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	1,886,030	1,943,475	1,943,475	38,921	
		AC	19,632,257	19,752,865	19,883,984	#	
Spain	A		**2,782,900**	**2,710,140**	**2,673,876**	**(2,806)**	**8.47%**
		FVTPLT	-	-	-	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	791,000	766,733	766,733	(2,806)	
		AC	1,991,900	1,943,407	1,907,143	#	
France	A+		**2,161,800**	**2,124,749**	**2,122,207**	**(3,307)**	**6.64%**
		FVTPLT	-	-	-	#	
		FVO	-	-	-	#	
		FVTPLM	6,800	7,296	7,296	#	
		FVOCI	525,000	525,573	525,573	(3,307)	
		AC	1,630,000	1,591,880	1,589,338	#	
Germany	AAA		**1,888,880**	**1,824,217**	**1,761,180**	**(6,196)**	**5.70%**
		FVTPLT	1	2	2	#	
		FVO	-	-	-	#	
		FVTPLM	8,379	8,628	8,628	#	
		FVOCI	475,000	471,551	471,551	(6,196)	
		AC	1,405,500	1,344,036	1,280,999	#	
European Union	AAA		**1,382,655**	**1,310,743**	**1,314,843**	**16**	**4.10%**
		FVTPLT	200	184	184	#	
		FVO	-	-	-	#	
		FVTPLM	4,655	4,693	4,693	#	
		FVOCI	125,100	125,105	125,105	16	
		AC	1,252,700	1,180,761	1,184,861	#	
U.S.A.	AA+		**1,015,000**	**858,409**	**772,883**	**-**	**2.68%**
		FVTPLT	125,000	108,210	108,210	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	-	-	-	-	
		AC	890,000	750,199	664,673	#	
European Stability	A+		**365,752**	**346,893**	**344,007**	**(1,171)**	**1.08%**
Fund		FVTPLT	-	-	-	#	
		FVO	-	-	-	#	
		FVTPLM	6,052	6,468	6,468	#	
		FVOCI	167,700	158,507	158,507	(1,171)	
		AC	192,000	181,918	179,032	#	

(cont.)

Issuer	Rating	Cat.	Nominal value	Book Value	Fair Value	OCI Reserves	%
Belgium	A+		**231,400**	**211,547**	**207,236**	**-**	**0.66%**
		FVTPLT	-	-	-	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	-	-	-	-	
		AC	231,400	211,547	207,236	#	
Ireland	AA		**150,000**	**129,863**	**129,053**	**-**	**0.41%**
		FVTPLT	-	-	-	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	-	-	-	-	
		AC	150,000	129,863	129,053	#	
Austria	AA		**101,300**	**102,113**	**101,926**	**11**	**0.32%**
		FVTPLT	1,300	391	391	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	50,000	49,784	49,784	11	
		AC	50,000	51,938	51,751	#	
Other	-		**227,056**	**206,806**	**201,593**	**(1,660)**	**0.65%**
		FVTPLT	56	8	8	#	
		FVO	-	-	-	#	
		FVTPLM	10,000	10,737	10,737	#	
		FVOCI	19,000	16,731	16,731	(1,660)	
		AC	198,000	179,330	174,117	#	
Other public entities:			**478,886**	**451,924**	**441,186**	**(1,611)**	**1.41%**
France	-		**309,659**	**282,271**	**271,595**	**(1,655)**	**0.88%**
		FVTPLT	-	-	-	#	
		FVO	-	-	-	#	
		FVTPLM	3,259	3,444	3,444	#	
		FVOCI	52,000	45,638	45,638	(1,655)	
		AC	254,400	233,189	222,513	#	
Italy	-		**144,204**	**144,507**	**144,445**	**44**	**0.45%**
		FVTPLT	-	-	-	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	20,000	20,433	20,433	44	
		AC	124,204	124,074	124,012	#	
Other	-		**25,023**	**25,146**	**25,146**	**-**	**0.08%**
		FVTPLT	23	9	9	#	
		FVO	-	-	-	#	
		FVTPLM	5,000	5,405	5,405	#	
		FVOCI	20,000	19,732	19,732	-	
		AC	-	-	-	#	
Total as at 31.12.2025			**32,340,245**	**32,010,390**	**31,934,095**	**22,197**	**100.00%**

(*) The individual percentages, calculated on book value, shown in the above table may not agree with the total because of roundings. Figures are expressed in thousands of Euro. The ratings indicated are those of Fitch Ratings as at 31 December 2025.

Loans

Issuer	*Rating*	Cat.	Nominal value	Book Value	Fair value	OCI Reserves	%
Governments (*):			**2,642,229**	**2,642,229**	**2,705,492**	**-**	**74.33%**
Italy	BBB+		**2,642,229**	**2,642,229**	**2,705,492**	**-**	**74.33%**
		FVTPLT	-	-	-	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	-	-	-	-	
		AC	2,642,229	2,642,229	2,705,492	#	
Other public entities:			**912,438**	**912,438**	**931,912**	**-**	**25.67%**
Italy	-		**910,696**	**910,696**	**930,134**	**-**	**25.62%**
		FVTPLT	-	-	-	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	-	-	-	-	
		AC	910,696	910,696	930,134	#	
Algeria	-		**1,428**	**1,428**	**1,428**	**-**	**0.04%**
		FVTPLT	-	-	-	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	-	-	-	-	
		AC	1,428	1,428	1,428	#	
The Netherlands	AAA		**314**	**314**	**350**	**-**	**0.01%**
		FVTPLT	-	-	-	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	-	-	-	-	
		AC	314	314	350	#	
Total loans as at 31.12.2025			**3,554,667**	**3,554,667**	**3,637,404**	**-**	**100.00%**

(*) The individual percentages, calculated on book value, shown in the above table may not agree with the total because of roundings. Figures are expressed in thousands of Euro. The ratings indicated are those of Scope Ratings as at 31 December 2025.

Based on their book value, repayment of these exposures is broken down as follows:

	on demand	up to 1 year	1 to 5 years	> 5 years	Total
Debt securities	-	1,321,379	10,745,234	19,943,777	**32,010,390**
Loans	500,809	276,846	222,065	2,554,947	**3,554,667**
Total	**500,809**	**1,598,225**	**10,967,299**	**22,498,724**	**35,565,057**

Control over the risks inherent in the portfolio is maintained by the directors who monitor the effects on profitability, liquidity and the Group's capital base, also through sensitivity analyses. No critical elements have been identified on the basis of these analyses.

6.4 Contributions to systemic funds

In 2025, contributions were made to the DGS (Deposit Guarantee Scheme) for an amount of Euro 9.6 million (Euro 109.6 million as at 31 December 2024), primarily to supplement the fund's financial resources, taking into account the trend in protected deposits and payment obligations undertaken.

As at 31 December 2025, the estimated annual contribution to the Guarantee Fund for life insurance was recognised in the accounts, for an amount of Euro 2.2 million (Euro 2.1 million as at 31 December 2024).

7. OTHER INFORMATION

7.1 Market positioning

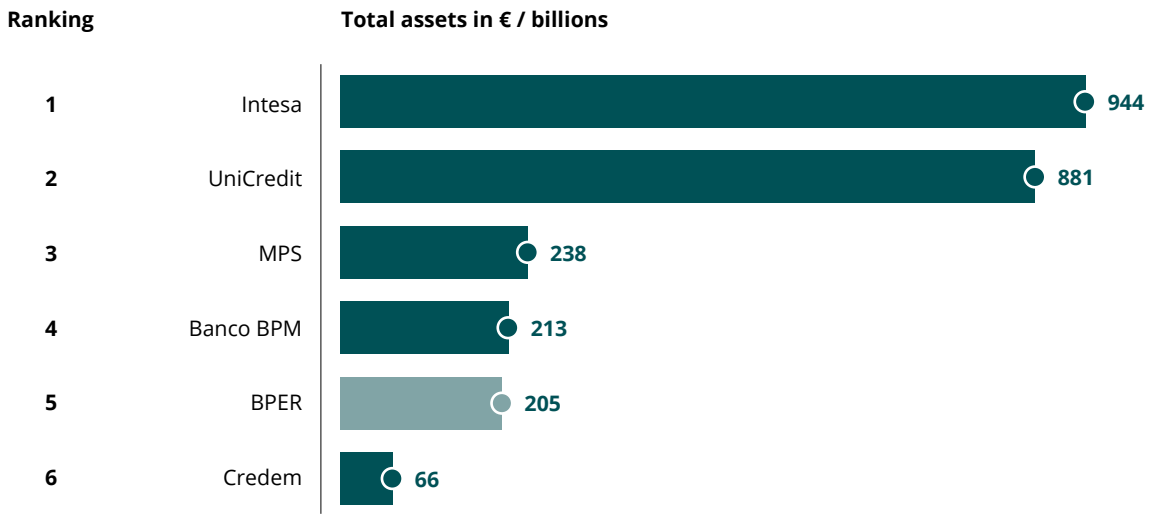
The BPER Banca Group operates mainly in the traditional banking sector, i.e. loans and deposits and providing credit to customers, who are mainly represented by households and small and medium-sized corporates. The Parent Company BPER Banca operates throughout the country.
As at 31 December 2025, the BPER Banca Group operates across Italy with a network of 2,046 branches (in addition to the 21 bank branches of Banca Popolare di Sondrio (Suisse) SA and the Luxembourg head office of BPER Bank Luxembourg SA) with a domestic market share, updated to 30 September 2025 of 11.2%. Over 108 Private Banking Centres, part of Banca Cesare Ponti, add to the branch network.

On the Italian banking scene, the BPER Banca Group ranks fifth by total assets and loans (volumes as at 30 September 2025):

Positioning with respect to competitors

Figures at 30 September 2025 *(total assets in Euro/billion)*

POSITIONING WITH RESPECT TO COMPETITORS



Source: Management reporting and benchmarking of Banking Groups' Financial Reports at 30 September 2025

Within the domestic banking system, the BPER Banca Group's market share also including Banca Popolare di Sondrio's market share of loans to customers, excluding bad loans, was 7.0% as at 30 September 2025, while market share of deposits was 6.7%.

	Loans		Deposits	
	September 2024	September 2025	September 2024	September 2025
Producer households	9.28%	12.01%	9.84%	11.96%
Consumer households	6.10%	7.10%	4.70%	5.57%
Corporates	5.94%	8.46%	6.17%	8.29%
Total customers	**5.26%**	**6.99%**	**5.18%**	**6.73%**

7.2 Lending policies

The BPER Banca Group is operating in a economic and financial context, the main dynamics of which have been illustrated in chapter 1 "Macroeconomic context" of this Report. The overall scenario in 2025 was characterised by major uncertainty from global geo-political instability and the new trade rules resulting from the introduction of higher tariffs by the United States.
Against this backdrop, the Italian economy has shown modest growth, in line with the results for 2024, with the main components showing signs of a slight recovery. In particular, as regards domestic demand, a significant contribution came from the improvement in investment – still supported by the National Recovery and Resilience Plan (NRRP) – and, to a more modest extent, from household spending.
Export performance also showed signs of growth, with new trade tariffs so far proving to have a very modest impact.
This trend was coupled by low inflation, which is nevertheless showing signs of a slight increase.
On the monetary front, the European Central Bank's continued expansionary monetary policy measures have further reduced the cost of money, easing the burden of debt servicing and supporting the gradual recovery in lending to the economy.
The labour market confirms its latest positive developments with a gradual increase in employment.
In particular, in a constantly evolving environment, the BPER Banca Group confirmed its support to domestic industry during the first half of 2025 and its attention to specific industrial micro-sectors considered as being mostly impacted by macroeconomic and industrial policy effects during the year.
Combined with this are the BPER Banca Group guidelines for attaching priority to the promotion of "green" and "technological innovation" loans, cross-cutting all sectors of the economy and capable of ensuring greater competitiveness for recipient companies. The operations connected with the achievement of the objectives defined under the National Recovery and Resilience Plan (NRRP) also add to the above.

7.3 Management and development of the Information System

Given the banking nature of the BPER Banca Group, research, development and innovation activities are mainly aimed at applying technological innovations in customer relations, to improve and expand the range of products and services offered, and in internal company processes, to simplify them and make them more efficient.

Information Technology Area

In 2025, the Chief Information Officer (CIO) area started to work on its projects according to the main strategic guidelines identified for Information Technology.
Key projects involving the BPER Banca Group IT processes included:

- scaling-up the IT Factory;
- modernising applications and journey to cloud;
- IT resilience.

IT Factory of the future

New Operating Model

In 2025 the new operating model was defined and structured according to a "Product–Platform" logic, with the aim of enabling increased productivity, greater efficiency, and better alignment with the business.
An "IT talent" development path was also structured by reviewing role architecture, defining technical career paths, and introducing the "Chapter" model to promote lifelong learning and skills development.
The new operating model is one of the key factors to ensure increased productivity and greater operational efficiency, not only within IT processes and activities, but also in alignment with other corporate functions, particularly business and organisation.
The IT talent evolution pathway was consolidated in 2025; with particular reference to the monitoring and monetisation of the IT Factory's productivity, the target solution for the monitoring dashboard was finalised, with implementation set to begin in early 2026, and activities for the integration of business processes in the Trace estimator have started.

Software lifecycle automation

As regards the introduction of l GenAI within the IT Factory, measures involve the integration of GenAI at every stage of the software lifecycle – including maintenance – with the aim of maximising productivity, reducing time-to-market, improving quality, and promoting knowledge sharing.
In 2025, the implementation of the infrastructure was finalised and development work was completed for the use cases falling within the priority areas covered by the scope (Coding and Reverse Engineering), for which the onboarding and training phase for IT departments was launched so that they can be put in operation as early as from the first months of 2026.

IT Operations

During 2025, the roll-out of the new dashboard for monitoring the performance of application services and the network infrastructure was completed, and additional enhancements planned for 2025 were finalised, in particular daily reports and real-time views of the quality of the service provided.
In parallel, a series of automations were implemented in infrastructure ticketing processes, thanks to which significant results were obtained in terms of efficiency and management times: the reduction was evident in processing time (approximately 90%), ticket backlog (approximately 30%) and average aging (approximately 50%).

Modernising applications and journey to cloud

Modernisation 2.0

The application modernisation process undertaken under the previous Business Plan is continuing and evolving, also using innovative tools (e.g. GenAI) in line with the objective of completing the Group modernisation by 2027 arranged with the continuation and consolidation of the journey to Cloud.
In 2025, the roll-out of the New Payments Portal was completed; this was completely redesigned with web-based and cloud-ready interfaces and an end-to-end review of branch processes to manage operations relating to the Bills and receivables Portfolio, Direct Debit mandates and Advances on invoices.
As part of the re-engineering of the current account settlement procedure to a cloud-based architecture, the parallel run of the 'New cloud-based current account settlement' has been activated.
With particular reference to the ASSI Bancassurance Platform, work is continuing to enable the adoption of a target architecture for micro-services and cloud transition for the underlying architecture.
Activities have also been launched to enable the transition of the branches' existing current account procedure to web interfaces.

Cloud Adoption

In 2025, IT initiatives led to the completion of all the projects scheduled for the year:

- Data Centre Strategy: the project came to a close with completion of the data centre rationalisation. The final phase involved the closure of the CSE banking services centre in Bologna and the implementation of the disaster recovery solution at Aruba, thereby reducing risk in the event of a disaster thanks to geographical distance, the technology employed and improved reboot processes. The disaster recovery test was successfully carried out in September.
- Cloud-based multi-channel approach: the project was completed with the implementation of the solution on the AWS cloud, migration of all customers and decommissioning of the Fastweb site
- New certification environment: after the setup was finalised on 30 June 2025, the gradual migration of the applications to the new certification environment has now been completed.

IT resilience

In line with the objectives of the IT Strategic Plan regarding IT security and information system resilience, the key initiatives implemented in 2025 made it possible to meet all of the technology debt reduction targets for 2025 (Application Server 6.9% - target 8%; Database 3.9% - target 6%; Operating Systems 2.9% - target 3%).
At the same time, activities continued to gradually reduce the vulnerability backlog, resulting by the end of 2025 in a remaining 0.28% backlog for vulnerabilities classified as critical/high, and 0.96% for those classified as 'medium'.
This work will continue without interruption throughout 2026.

IT Security Area

The BPER Banca Group carried out the following projects, details of which are provided below:

- updating the Security Management Macro-Process Regulation, to enhance and strengthen the existing processes, in line with best practices and sector regulations.
- approving the new Security and Resilience Training Plan for 2026, an awareness programme for BPER Group personnel, top management, and specialists. Delivery methods include e-learning, workshops, induction sessions, table-top exercises, and phishing campaign simulations;
- completion of project activities forming part of the 2025 Operational Plan, notably: creation of an integrated Vulnerability Governance Framework to strengthen monitoring of compliance with the timelines set out in internal processes; acquisition of new technology to advance email security against spam and phishing; introduction of a fraud intelligence service, through the activation of a dedicated service for the retrieval of fraudulent IBAN codes; updating the regulatory IT hardening framework; introduction of a Data Loss Prevention tool to mitigate the main data outflow channels; extension of multifactor authentication (MFA) controls to workstation access; definition of regulations relating to the cloud security framework and commissioning of the platform supporting the Cloud Security Framework; purchase and incorporation of a new Identity Governance solution into BPER systems to streamline the governance of accounts and powers granted; strengthening the management of security vulnerability patching activities through the vulnerability management tool, and enhancing Threat Intelligence capabilities through the introduction of dedicated platforms;
- implementation of the CISO (Chief Information Security Officer) Dashboard, with a view to identifying the main emerging threats from both external and internal contexts, relevant security incidents, and initiatives aimed at mitigating such scenarios;
- development of a framework for first-level security controls, with a view to tracking activities and identifying any deviations and/or anomalies from the requirements of internally defined processes.

Data & Analytics Area

On 18 December 2025, BPER Banca's Board of Directors approved the updated version of the Group's Data & AI Strategy. The strategy is based on 5 main guidelines, which were defined in 2024.

- DATA Ready to Compliance: regulatory compliance in the field of data is, on the one hand, an essential requirement and, on the other, an opportunity to standardise and evolve its framework to ensure value for the Bank;
- DATA Ready To Business: relying on complete, governed, and high-quality data is a prerequisite to supporting the business and adopting advanced systems that leverage AI and Generative AI;
- AI - Unleash clients' full value: adopting advanced AI and GenAI techniques to provide new tools for an evolved customer interaction and commercial proposal;
- AI - Capture our latent economies of scale: adopting advanced AI and GenAI techniques to provide BPER employees with tools to support their operating activities;
- AI - IT factory of the future: adopting advanced AI and GenAI techniques to support the IT factory throughout the entire software lifecycle and manage support processes.

Based on these guidelines, the key drivers for 2026 have been identified across different sectors:

- Ready for Compliance DATA: in continuity with 2025, strong focus on BCBS 239 in 2026, including in view of its extension to the new Legal Entities and the need for timeliness of reporting (T+20).
- Ready for Business DATA: a focus on activities that support business decision-making in data-driven contexts.
- AI (Unleash clients' full value; Capture our latent economies of scale; IT factory of the future): prioritisation of use cases with a high economic impact, with a focus on initiatives that support the business and review operational processes.

Ready for Compliance Data

In accordance with the regulations and the latest guidelines published by the ECB on risk data aggregation and risk reporting, a Group-wide programme was launched in 2021 with the aim of achieving full compliance with the BCBS-239 principles by 30 June 2027. This programme was updated during 2025 and is nearing completion in early 2026, in light of two key contextual factors that have emerged:

- Integration of Banca Popolare di Sondrio and the need to have the Group-wide programme include the findings arising from the on-site inspection carried out at Banca Popolare di Sondrio.
- Findings and recommendations arising from the "ICT Risk" on-site inspection carried out in BPER at the end of 2024.

Ready for Business Data

Throughout 2025, the Group worked to deliver value to the business, promote a self-service approach to accessing and using data, and ensure the continuous improvement of data quality and monitoring.

Keyinitiatives were continued aimed at strengthening the management of information assets and ensuring an effective and measurable protection of Data Governance. Two priority areas have guided this process:

- the adoption of a risk-based approach to identify and monitor the processes with the greatest impact on data;
- the enhancement of management reporting and monitoring tools, to increase management awareness and ensure alignment with expectations.

In particular, during 2025, initiatives were carried out in relation to: Data Classification in production environments; Data Masking in non-production environments; the Data Deletion initiative (launched in 2024 end expiring in 2027) continued with the aim of deleting personal data at the end of the established retention periods. Furthermore, the first risk-based data governance initiative was completed in the last quarter of 2025. In addition, the data management training and awareness programme continued, targeting staff at various levels of the organisation.

Artificial Intelligence

To ensure compliance with new regulations in this area, following the enactment of the AI Act, an assessment was carried out on the governance model for Artificial Intelligence systems to assess its compliance and identify any need to strengthen safeguards, resulting in an updated version of the Artificial Intelligence Systems Governance Regulation and Operational Instructions relating thereto.

With the advent of new Generative and Agentic AI Models it became necessary not only to adapt development methodologies, but also the Cloud infrastructure in order to ensure the elasticity and scalability typical of Cloud systems, by integrating dedicated data management components. The evolution of the cloud-based technology infrastructure began in 2025, with the introduction of capabilities for generative and real-time AI.

More than 20 new use cases were implemented in 2025, focusing, for example, on: understanding customer habits and customising the proposition; increasing response speed and customer satisfaction levels; automated, digital management of operational processes; boosting the productivity of the IT Factory through 'AI in the loop'; adoption of Copilot tools to support the operations of branch and non-branch colleagues; enhancement of anti-money laundering control tools; strengthening of audit controls.

7.4 Real estate business

The Real Estate Department, as part of the COO area, ensures the strategic and comprehensive management of the Group's real estate assets, promotes the development of strategic real estate activities in synergy with the Bank's business and supports the management of the real estate vehicles held by the Group, in addition to managing and coordinating the Building & Facility Management activities for the properties of the Parent Company and the Group Companies. The Real Estate Department includes the Property & Facility Unit and Real Estate Active Management and the Real Estate Budgeting & Reporting Office.

At 31 December 2025, the BPER Banca Group had the following real estate companies:

- BPER Real Estate s.p.a., based in Modena and invested in by BPER Banca s.p.a., which has controlling ownership in the company, and by Banco di Sardegna s.p.a., which manages and enhances the value of the Group's property assets, some of which are in use in the banking activities;
- Adras s.p.a. based in Milan and wholly controlled by BPER Banca, owner of a single asset (Centro Commerciale Tanit, in Sassari);
- Sant'Anna Golf s.r.l., wholly owned by BPER Real Estate s.p.a., with registered office in Genoa, owner of the "Sant'Anna Golf Club" property complex, and active in the golf club management and development through its subsidiary St. Anna Gestione Golf SSD a r.l.;
- Commerciale Piccapietra s.r.l., with registered office in Genoa, owned by BPER Banca, owner of a business unit with a commercial licence for the operation of retail sales in large stores;
- Annia s.r.l. based in Milan and controlled by BPER Real Estate s.p.a. On 22 December 2025, the sale of the property portfolio and the associated business unit relating to a business centre located in Portogruaro (Venice), the only asset owned by Annia s.r.l., was finalised;
- Sinergia Seconda s.r.l., based in Milan, 100% controlled by BPER Banca via Banca Popolare di Sondrio s.p.a. The real estate company mostly carries out ancillary functions associated with the real estate needs of Banca Popolare di Sondrio and its subsidiaries;
- Immobiliare Borgo Palazzo s.r.l., based in Milan, 100% controlled by BPER Banca via Sinergia Seconda s.r.l.;
- Immobiliare S. Paolo s.r.l, based in Tirano, 100% controlled by BPER Banca via Sinergia Seconda s.r.l.;

With regard to the portfolio of assets not used in operations identified as held for sale, an overall amount of around Euro 62.5 million worth of properties was sold in 2025.

During 2025, key management activities in the real estate segment were as follows;

- Projects continued regarding the optimisation and rationalisation of workspaces (headquarters and branches) and cost-efficiency measures, by reducing occupied space per employee (project "RE Rightsizing"). Specifically, the following activities are underway:
  - renovation of the Modena Management Centre, BPER's Park: the project covers the three buildings and involves separate redevelopment phases. At the end of the restructuring works, the complex will provide over 600 workstations for a total workforce of approximately 750 people. The site, consistently with the process of certification to the LEED Gold standards, will meet the highest standards of sustainability and personal comfort. To date, the construction site on Building A is underway; in the fourth quarter of 2025, the tender was held for Building B, the outdoor areas and the guest facilities, with work scheduled to begin in the first quarter of 2026 and the entire complex due to be completed by the fourth quarter of 2027;
  - renovation of the building in Rome - Via Bissolati, to be used as the Parent Company's main headquarters in the capital. In this regard, work is currently underway and is due to be completed by the end of March 2026. The Rome project will also obtain LEED Gold certification;
  - implementation of space rationalisation initiatives ("Rightsizing") in various locations (Varese, Bologna, Avellino, Matera, Crotone, etc.), and further similar projects are currently being considered for other locations (Bergamo, Brescia).
- Completion of the project for the restructuring of the Regional Head Offices in Ancona and Naples, in January and October 2025 respectively. Both projects have received LEED Platinum certification.
- Conclusion in July 2025 of the Genoa hub consolidation by merging the two operational offices into the Via D'Annunzio property complex.
- Following the award of a public tender launched by the Università Federico II of Naples, a preliminary sales agreement was signed through the company BPER Real Estate s.p.a. on 15 April 2025, subject to conditions precedent, with that University for the sale of a property complex owned by BPER Real Estate s.p.a., located in the municipality of Ercolano. Construction works, scheduled to be carried out by BPER Real Estate s.p.a., in preparation for the completion of the transaction, began during the first half of 2025.
- Continuation of projects to develop two prestigious historical buildings for use as museum hubs (so-called "RE 4 Culture Project") in Ferrara (Palazzo Koch) and l'Aquila (Palazzo Farinosi-Branconi) respectively. The two buildings will house "La Galleria" of BPER, where part of the Group's art collection will be exhibited.
- Further projects were developed in support of the Bank's business (RE4Business). Of particular note is the project for the renovation of the historic Milan-based Banca Private Cesare Ponti headquarters, located in Piazza Duomo 19. The tender process for the renovation works on this project was completed in the fourth quarter of 2025; the works will begin as soon as the necessary authorisations have been received from the relevant authorities (the local council and the Superintendency) and are expected to be completed during 2026.

Following the acquisition of control over Banca Popolare di Sondrio s.p.a. earlier last summer, BPER Banca's Real Estate Department is supporting the integration of the portfolios of property used and not used in the business belonging to the banking group of the same name.

The Property & Facility Unit of the Real Estate Department guaranteed a full service to the Group by coordinating several activities, including: management of 18,668 requests for maintenance, continuation of the property tax (IMU) renegotiation and of regularisation of the Group's real estate portfolio following due diligence, coordination and execution of the projects under the points above.
Moreover, the Unit is also in charge of interventions related to health and safety in the workplace (Legislative Decree 81/08). In this area, activities - already launched in 2024 - were continued to strengthen control and execution of the works needed to maintain adequate environmental conditions for Group employees.

7.5 Treasury shares

On 17 January 2025, an application was submitted to the ECB requesting authorisation to purchase and dispose of treasury shares, in order to guarantee payment of instalments due in 2026 in relation to both the 2025 short-term incentive plan ("2025 MBO") and previous instalments of existing short- and long-term incentive plans, as well as other remuneration components payable via financial instruments (e.g. severance, retention bonuses). This authorisation was obtained on 11 April 2025.

In light of the above, the ordinary treasury share buyback programme for the free-of-charge allocation of ordinary shares to the employees launched on 7 November 2025 was concluded on the same date.
In particular, on 7 November 2025 BPER purchased a total of 1,650,000 treasury shares on Euronext Milan at an average purchase price per share of Euro 10.4512, for a total consideration of Euro 17,244,480.
The purchase transactions, under the authorisation granted by BPER Shareholders' Meeting of 18 April 2025, were carried out by the intermediary Equita SIM s.p.a., acting independently in accordance with article 4(2)(b) of Commission Delegated Regulation (EU) 2016/1052

On 18 December 2025, a new application was submitted to the ECB requesting authorisation to purchase and dispose of treasury shares, in order to guarantee payment of instalments due in 2027 in relation to both the 2026 short-term incentive plan ("2026 MBO") and previous instalments of existing short- and long-term incentive plans, as well as other remuneration components payable via financial instruments.
Furthermore, the shares may be used to fund all incentive schemes established prior to 2026 and intended for specific categories of staff currently employed by Banca Popolare di Sondrio s.p.a., whose merger by absorption into BPER Banca was approved by the respective Boards of Directors on 5 November 2025.

During the reporting period, treasury shares were also granted free of charge to employees, in line with the provisions of the Remuneration Policies (e.g. for short-term and long-term incentive and/or severance schemes).

No quotas or shares in Group companies are held through trust companies or other third parties.
The carrying amount of the Group's interest in the treasury shares held by consolidated companies, classified as a deduction from shareholders' equity item 180, is Euro 41,547 thousand, of which Euro 21,065 thousand relates to BPER Banca shares held by the Parent Company.

Shares of BPER Banca s.p.a.	Number of shares	Total par value
Total as at 31.12.2025	2,387,716	21,064,986
Total as at 31.12.2024	6,112,499	32,029,433

In addition, there are also:

- 62,292 shares issued -and held by- Bibanca s.p.a., for a total of approximately Euro 6 thousand;
- 2,921,239 shares issued by banks of the Banca Popolare di Sondrio Group, for an amount of Euro 20,476 thousand.

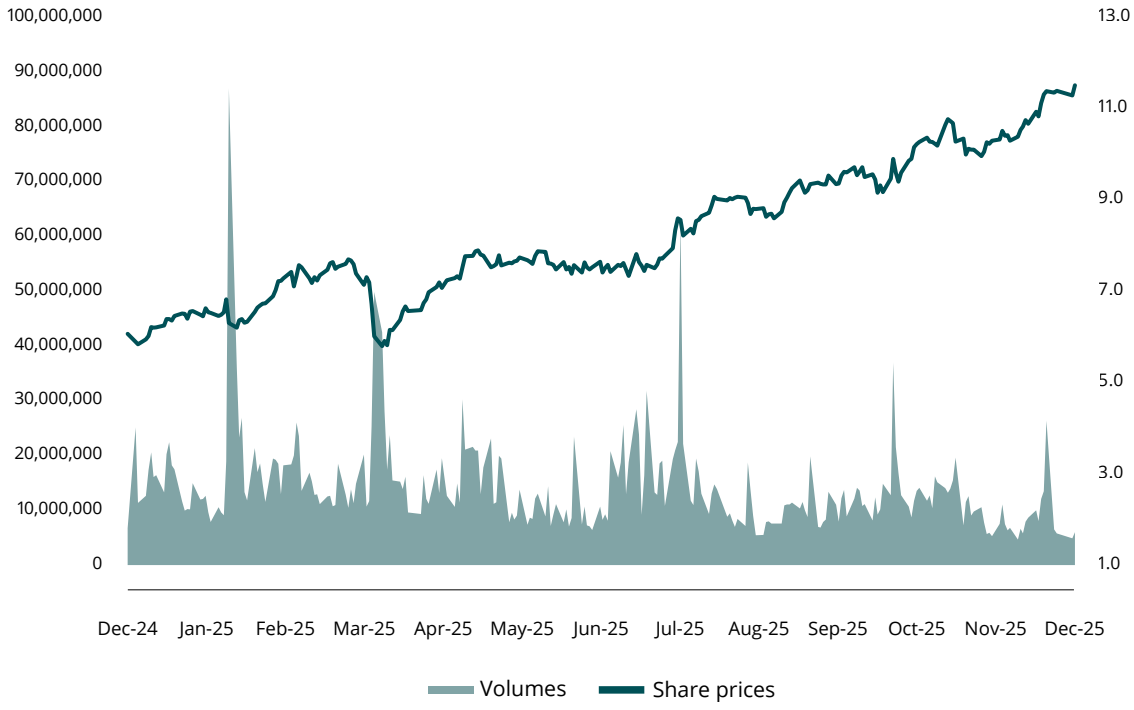
7.6 BPER Banca share price performance

The year 2025 was characterised by moderate growth, despite a global environment that remained uncertain, with periods of high volatility, though always within an underlying bullish trend. Global share prices continued to rise, buoyed by a stable macroeconomic environment and ongoing enthusiasm for AI-related technologies, despite temporary shocks caused by US trade policies and tariffs.

In the United States, the S&P500 index has risen by 16.8% since the start of the year, while the Euro Stoxx 50 has registered a 19.0% increase in Europe. In Italy, the Italian FTSE MIB stock index was up 31.5% over the period, and the FTSE Italia All-Share Banks Index recorded a performance growth of 65.7%.

In this context, the official price of the BPER Banca stock recorded a positive change (89.1%), from Euro 6.1 at the end of 2024 to Euro 11.6 as at 30 December 2025 .
The trading volumes of BPER Banca shares have stabilised at a daily average of about Euro 14.6 million shares traded on a daily basis from the beginning of the year.

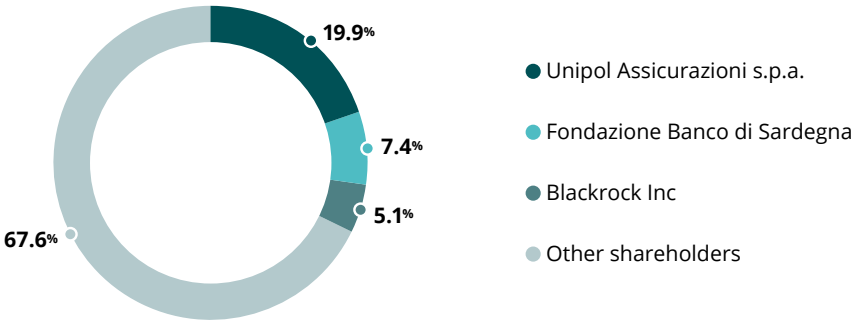
BPER SHARE PRICE AND VOLUMES



7.7 Breakdown of ownership structure

Share capital, fully subscribed and paid in, amounts to Euro 2,953,571,914.57 and is represented by 1,964,386,302 registered ordinary shares. The main shareholders of BPER Banca are: Unipolsai Assicurazioni s.p.a. (19.9%), Fondazione di Sardegna (7.4%) and BlackRock Inc. (5.1%).

SHAREHOLDERS: BREAKDOWN *(values in %)*



(*) In addition to the shareholdings reported above:
JPMorgan Chase & Co. notified Consob, through Form 120B, of a stake of 2.245% in BPER Banca's share capital, along with a 7.346% investment in financial instruments as at 1 December 2025, and has not provided any updates on these holdings.

7.8 Ratings as at 31 December 2025

Financial ratings

The rating assigned to a bank is an assessment of its trustworthiness and, more specifically, its ability to repay a loan over a given period of time. It is therefore a summary assessment of its credit risk profile, summarising the available quantitative and qualitative information.

Fitch Ratings

On 5 December 2025, the international agency Fitch Ratings has upgraded the Bank's Long-Term Issuer Default Rating (IDR) to "BBB" from "BBB-" and Viability Rating (VR) to "bbb" from "bbb-". The Outlook on the Long-Term IDR is Positive.

International Rating Agency	Latest review date	Long Term	Short Term	Outlook	Viability Rating	Subordinated debt	Senior Preferred debt	Senior non-preferred debt	LT Deposits
Fitch Ratings	05.12.2025	BBB	F2	Positive	bbb	BB+	BBB	BBB -	BBB+

Key:
Short Term (Issuer Default Rating): Debt repayment capacity in the short term (less than 13 months) (F1: best rating – D: default).
Long Term (Issuer Default Rating): Ability to meet financial commitments in a timely manner regardless of the maturity of the individual bonds. This rating is an indicator of the issuer's probability of default (AAA: best rating – D: default).
Viability Rating: Evaluation of the bank's intrinsic financial strength, seen on the assumption that it cannot rely on extraordinary forms of external support (aaa: best rating – f: default).
Long Term Deposit: Ability to repay deposits in local currency in the long term (original maturity equal to or greater than 1 year) (AAA: best rating – D: default).
Subordinated debt: Opinion on the issuer's ability to honour subordinated debt. Fitch adds "+" or "-" to report the relative position with respect to the category.
Senior Preferred Debt: this is a measurement of the probability of default of Senior Preferred bonds expressed on a scale from AAA to D.
Senior Non-Preferred Debt: this is a measurement of the probability of default of Senior Non-Preferred bonds expressed on a scale from AAA to D.
Outlook: indicates the possible future evolution of the rating, which can be "positive", "stable" or "negative".

S&P Global

On 21 July 2025, S&P Global Ratings affirmed BPER Banca's long- and short-term issuer credit ratings at "BBB/A-2" and maintained the stable outlook.

International Rating Agency	Latest review date	Stand Alone Credit Profile	Long-Term Issuer Credit Rating	Short-Term Issuer Credit Rating	Long-Term Resolution Counterparty Rating	Short-Term Resolution Counterparty Rating	Outlook
S&P Global	21.07.2025	BBB	BBB	A-2	BBB+	A-2	Stable

Key:
Stand alone credit profile: measures the stand-alone creditworthiness of a company based on the analysis of its financial fundamentals. It is expressed on a scale from AAA to D.
Long-Term Issuer Credit Rating: this is a measurement of the probability of default and expresses the bank's capacity to repay medium/long-term financial obligations. It is expressed on a scale from AAA to D.
Short-Term Issuer Credit Rating: measures the capacity of the rated organisation to repay its short-term financial obligations. The assessment scale comprises six levels (A-1; A-2; A-3;B, C and D).
Long-term Resolution Counterparty Rating: reflects S&P Global Ratings' view of the bank's creditworthiness with respect to the timely fulfilment of certain medium- to long-term financial liabilities that may be protected as part of a possible resolution process (bail-in).
It is expressed on a scale from AAA to CC.
Short-term Resolution Counterparty Rating: reflects S&P Global Ratings' view of the bank's creditworthiness with respect to the timely fulfilment of certain short-term financial liabilities that may be protected as part of a possible resolution process (bail-in). The measurement scale comprises six levels from A-1 (the best) to SD and D (the worst).
Outlook: indicates a forward-looking assessment on the possible evolution of the long-term rating assigned in a future period, usually within two years. Any changes in economic and financial conditions are taken into account when the outlook is determined.

Moody's

On 25 November 2025, Moody's Ratings has upgraded BPER's long-term deposit to "A3" from "Baa1", long-term issuer and senior unsecured debt ratings to "Baa2" from "Baa3" and changed its outlook to stable from positive. The upgrade of BPER's BCA to "baa2" from "baa3" reflects the upgrade of Italy's sovereign rating dated 21 November, which was capping the bank's BCA. The BCA upgrade is also supported by the bank's good asset quality, despite fast loan growth, and solid profitability and capital. The Rating Agency has also taken into account BPER's strong funding and liquidity profile, characterized by low refinancing risk and a substantial amount of high-quality liquid assets.

International Rating Agency	Latest review date	Short Term Deposit	Long Term Deposit	Outlook (Long Term Deposit)	Long Term Issuer	Outlook (Long Term Issuer)	Baseline Credit Assessment ("BCA")	Subordinated debt
Moody's	25.11.2025	P-2	A3	Stable	Baa2	Stable	baa2	Baa3

Key:
Short Term Deposit: Ability to repay deposits in local currency in the short term (original maturity equal to or less than 13 months) (Prime-1: highest quality – Not Prime: not classifiable among the Prime categories).
Long Term Deposit: Ability to repay deposits in local currency in the long term (original maturity equal to or greater than 1 year) (Aaa: best rating – C: default).
Outlook: indicates the possible future evolution of the rating, which can be "positive", "stable", "negative" or "developing".
Long Term Issuer: Opinion on the issuer's ability to honour senior debt and bonds (Aaa: best rating – C: default).
Baseline Credit Assessment (BCA): The BCA is not a rating but an opinion on the intrinsic financial strength of the bank in the absence of external support (aaa: best rating – c: default).
Subordinated debt: Opinion on the issuer's ability to honour subordinated debt. Moody's adds 1, 2, and 3 to each generic class; 3 indicates that the issuer is positioned in the lower part of the category (Aaa: best rating – C: default).
Senior Non-Preferred Debt: this is a measurement of the probability of default of Senior Non-Preferred bonds expressed on a scale from Aaa to C (Aaa: best rating – C: default).

DBRS Morningstar

On 23 October 2025, the credit rating agency Morningstar DBRS upgraded the Long-Term Deposits credit rating of the Bank to "A (low)" from "BBB (high)" and confirmed the Short-Term Deposits at "R-1 (low)". The trend on the Long-Term Deposits Rating changed to Stable from Positive. The upgrade and trend change reflected Morningstar DBRS' credit rating action on Italy of 17 October 2025.

International Rating Agency	Latest review date	Long-Term Issuer Rating	Short-Term Issuer Rating	Long-Term Senior Debt	Short-Term Debt	Long-Term Deposits	Short-Term Deposits	Senior Non-Preferred Debt	Subordinated Debt	Trend
DBRS Morningstar	23.10.2025	BBB (high)	R-1 (low)	BBB (high)	R-1 (low)	A (low)	R-1 (low)	BBB	BBB (low)	Stable

Key:
Short-Term Issuer Rating: measures the capacity of the rated organisation to repay its short-term financial obligations. The measurement scale comprises six levels (R-1; R-2; R-3; R-4; R-5 and D).
Long-Term Issuer Rating: This is a measurement of the probability of default and expresses the bank's capacity to repay medium/long-term financial obligations. It is expressed on a scale from AAA to D.
Long-Term Deposits: this is a measurement that expresses the vulnerability to default of uninsured medium/long-term deposits. It is expressed on a similar scale to the one used for the long-term rating (from AAA to D).
Short-Term Deposits: this is a measurement that expresses the vulnerability to default of uninsured short-term deposits. It is expressed on a similar scale to the one used for the short-term rating (R-1; R-2; R-3; R-4; R-5 and D).
Long-term Senior Debt: this is a measurement of the probability of default of Senior Preferred bonds expressed on a scale from AAA to D.
Short-term Debt: this is a measurement of the probability of default of short-term bonds expressed on a scale from R-1 to D.
Senior Non-Preferred Debt: this is a measurement of the probability of default of Non-Senior Preferred bonds expressed on a scale from AAA to D.
Subordinated Debt: this is a measurement of the probability of default of Subordinated Tier 2 bonds expressed on a scale from AAA to D.
Trend: indicates a forward-looking assessment on the possible evolution of the long-term rating assigned over a period of 1-2 years.

ESG rating

The ESG rating (or sustainability rating) is a synthetic evaluation that certifies the soundness of an issuer, a security or a fund in terms of environmental, social and governance performance.
As evidence of the BPER Banca Group's commitment in this area, the ratings received by 31 December 2025 (which relate to the 2024 financial year) are reported below.
For more information: https://group.bper.it/en/sostenibilita/rating-esg/rating-e-indici-esg.

S&P Global Corporate Sustainability Assessment (CSA)

The S&P Global Corporate Sustainability Assessment (CSA) leads the field in helping companies make the link between sustainability and their business strategies. Covering over 12,000 companies globally, the CSA is an annual evaluation of a company's sustainability practices.
BPER Banca obtained 77 points (out of 100) in the 2025 S&P Global Corporate Sustainability Assessment, reflecting an 8-point improvement compared to the previous year (CSA Score as at 30 July 2025).
Finally, BPER was selected by S&P as Sustainability Yearbook Member and included in the prestigious S&P Global Sustainability Yearbook 2026.

International Rating Agency	Score	Ranking (from lowest to highest score)
S&P Global	77	1 to 100

Standard Ethics Rating (SER)

Standard Ethics is an independent rating agency that issues non-financial sustainability ratings. In 2025 the Agency raised the Corporate Standard Ethics Rating of BPER Banca to "EEE-" from prior "EE+" with "Positive" outlook.

International Rating Agency	Score	Ranking (from lowest to highest score)
Standard Ethics Rating	EEE-	From F to EEE

MSCI ESG Ratings

MSCI ESG Research provides an ESG rating to global public companies and some private companies based on their exposure to sector-specific ESG risks and their ability to manage these risks compared to competitors.
In 2025, BPER Banca received an "AA" rating.

International Rating Agency	Score	Ranking (from lowest to highest score)
MSCI ESG Ratings	AA	From CCC to AAA

ISS ESG

The Institutional Shareholder Services ("ISS") group of companies supports investors and companies in building long-term sustainable growth by providing high-quality data, analysis and insights.
In 2025, BPER received a "C" rating from ISS ESG Corporate.

International Rating Agency	Score	Ranking (from lowest to highest score)
ISS ESG	C	From D- to A+

Carbon Disclosure Project (CDP)

The Carbon Disclosure Project is an international non-profit organisation that allows companies to declare and report on their risks linked to climate change and communicate their environmental performance to stakeholders. In 2025, BPER Banca was assigned a rating upgrade to "A-" for the management of climate change issues.

International Rating Agency	Score	Ranking (from lowest to highest score)
CDP	A-	From D- to A

Sustainable Fitch

Sustainable Fitch's ESG ratings offer a comprehensive solution for assessing the environmental, social and governance performance of all asset classes at entity, framework and instrument level, helping the ESG financial community to make better, more informed decisions.
In 2025, Sustainable Fitch affirmed the ESG rating of BPER Banca s.p.a. at "2" and its score at 63.

International Rating Agency	Score	Ranking (from lowest to highest score)
Sustainable Fitch	2	From 5 to 1

Morningstar Sustainalytics[65]

Morningstar Sustainalytics is a leading ESG research, rating and data management company that helps investors around the world develop and implement responsible investment strategies.
In September 2025, BPER Banca received an "ESG Risk Rating" of 14.9 by Morningstar Sustainalytics and was assessed as "Low risk" of incurring any significant financial impact arising from ESG factors.

International Rating Agency	Score	Ranking (from lowest to highest score)
Morningstar Sustainalytics	Low	From Severe to Negligible

7.9 Inspections and audits

Note that the disclosure provided below is for information purposes only with regards to the checks carried out as part of the ordinary supervisory activity to which the BPER Banca Group is subject, as it operates in a highly regulated sector. As indicated in the Explanatory Notes to this Report, the Directors are of the opinion that the observations that emerged in the various inspection areas, for which the Group always prepares suitable action plans to implement the Supervisory Authority's recommendations as quickly as possible, will entail significant impacts in terms of income, assets and cash flows of the BPER Banca Group.

Information is provided below on the main inspections performed on the BPER Banca Group, by the Supervisory Authority for which an event occurred during 2025. For matters not otherwise specified herein, please refer to the Consolidated Financial Report of the BPER Banca Group as at 31 December 2024.

65 Under no circumstances should the ESG Risk Rating be construed as investment advice or expert opinion, as defined by applicable regulations. Copyright ©2025 Sustainalytics, a Morningstar company. All rights reserved. This section includes information and data provided by Sustainalytics and/or its content providers. Information provided by Sustainalytics is not directed to or intended for use or distribution to India-based clients or users and its distribution to Indian resident individuals or entities is not permitted. Morningstar/Sustainalytics accepts no responsibility or liability whatsoever for the actions of third parties in this respect. Use of such data is subject to conditions available at https://www.sustainalytics.com/legal-disclaimers/.

European Central bank – ECB

Inspection (2022)

From 17 October 2022 to 17 March 2023, Banca Popolare di Sondrio was subject to an on-site inspection regarding credit and counterparty risk with the aim of assessing compliance with and the implementation of the IFRS9 accounting standard, as well as carrying out a Credit Quality Review on selected portfolios and assessing credit risk processes. On 29 April 2025, a Final follow-up Letter was received summarising the findings and relevant recommendations and deadlines set by the Supervisory Authority. To follow up on the inspection findings, on 27 June 2025 Banca Popolare di Sondrio sent an Action Plan containing the remedial actions, whose implementation is in line with the deadlines set by the Supervisory Authorities.

Inspection (2024)

From 17 June 2024 to 13 September 2024, BPER Banca was subject to an on-site inspection on IT risk, aimed at assessing IT governance, IT operational management and data quality management. On 20 November 2025, a Follow-up Letter was received summarising the findings and relevant recommendations and deadlines set by the Supervisory Authority. In response to the recommendations made, on 19 December 2025, BPER Banca submitted an Action Plan containing the remedial actions currently being implemented.

From 4 November 2024 to 3 April 2025, BPER Banca was subject to an on-site inspection on credit and counterparty risk with the aim of assessing compliance with and the implementation of the IFRS 9 accounting standard, as well as carrying out a Credit Quality Review on selected portfolios and assessing the credit risk processes. On 21 July 2025, the Final Report was received.

From 14 October 2024 to 16 January 2025, Banca Popolare di Sondrio was subject to an on-site inspection aimed at assessing Risk Data aggregation and Risk reporting. On 14 October 2025, a Final follow-up Letter was received summarising the findings and relevant recommendations and deadlines set by the Supervisory Authority.

From 21 October 2024 to 17 January 2025, BPER Banca was subject to an on-site Internal Model Investigation (IMI) with the objective of evaluating internal credit risk models on the Corporate segment. On 1 October 2025 a Final Decision was received containing the recommendations made by the Supervisory Authority in response to the findings that had emerged during the inspection. In response to the findings, BPER Banca submitted an Action Plan on 29 October 2025 containing the remedial actions currently being implemented.

These inspections are part of the 2024 Supervisory Examination Programme (SEP) set by the ECB for the BPER Banca Group.

Inspections (2025)

From 12 May 2025 to 26 September 2025, BPER Banca was subject to an on-site Internal Model Investigation (IMI) with the objective of evaluating internal credit risk models on the Retail segment. The Bank is waiting to learn the decisions of the Supervisory Authority.

From 20 October 2025 to 16 January 2026, BPER Banca was subject to an on-site inspection with the objective of evaluating interest rate, liquidity and funding risk. The Bank is waiting to learn the decisions of the Supervisory Authority.

These inspections are part of the 2025 Supervisory Examination Programme (SEP) set by the ECB for the BPER Banca Group.

Inspections (2025) – Banca Popolare di Sondrio

From October 2022 to April 2023, the Banca Popolare di Sondrio Group was subject to an on-site inspection on credit and counterparty risk with a specific focus on the Corporate&Large and Small and Medium Enterprises segments. The Final Report was submitted on 23 January 2024, followed by the ECB's Final Decision on 29 April 2025, setting out requirements and recommendations.
In response to these requirements and recommendations, the Bank has for some time been implementing remedial measures; the ECB initially reserved the right to assess their effectiveness and compliance with deadlines, subsequently providing a positive assessment of the four recommendations due on 30 September 2025. On the basis of the findings received from the Supervisory Authority, the Bank has already taken steps to enhance its tools and methodologies for better assessing credit risk, including with regard to positions requiring monitoring as requested by the Authority, and has reclassified such positions as non-performing where the relevant criteria are met. With regard to potential reclassification issues for supervisory reporting purposes – which affect only a portion of the sample examined by the Supervisory Authority – the Bank continued its dialogue with the ECB, including in relation to events that occurred after the conclusion of the inspection, such as the combination with the BPER Group, and the procedural and IT measures implemented to support credit risk assessment. During the fourth quarter of 2025, on-balance-sheet exposures for which a classification discrepancy remained following the notification received from the ECB on 22 July 2025 were sold, the proceeds were collected and the residual low-amount portion was reclassified as non-performing, without recognising any significant financial effects in addition to those that had already been recognised.

On 14 April 2025 an on-site inspection on Banca Popolare di Sondrio's internal models(IMI) started, focusing on a review of the AIRB PD and LGD models for the Corporate segment and the initial validation of the AIRB framework for the subsidiary, Factorit s.p.a. The inspection ended on 18 July 2025 and was followed by the Draft Report received from the inspection team on 18 September 2025. The following day, BPER Banca, in its capacity as the Parent Company, submitted a formal request to the ECB for the application for validation to be withdrawn, as the BPER Group's acquisition had brought about a complete overhaul of the organisational structure and the risk models in use.
The process ended with the receipt of the Final Report on 9 October 2025.

Between October 2024 and January 2025, Banca Popolare di Sondrio underwent an on-site inspection concerning the assessment of risk data aggregation and risk reporting (RDARR), which was followed by the Exit Meeting on 18 April 2025, the Final Report containing the findings on 20 May 2025 and the Final follow-up letter on 15 October 2025. In accordance with the requirements of the Supervisory Authority, the bank submitted an action plan in January 2026 setting out the remedial measures to address the issues identified.

Bank of Italy

Inspection (2024)

From 17 to 19 September 2024, BPER Banca was subject to on-site inspections by the Bank of Italy to verify fulfilment of ECAF requirements on all debtors potentially eligible for monetary policy refinancing purposes (static pool) assessed using an internal ratings-based (IRB) system. On 6 May 2025, the Bank of Italy communicated the outcomes of its inspection. On 22 October 2025, BPER Banca communicated the completion of the corrective actions implemented to address the findings identified by the Supervisory Authority.

CONSOB - the Italian Securities and Exchange Commission

Inspections (2025)

From 20 January to 7 October 2025, BPER Banca was subject to an inspection on investment services and product governance as a follow-up to the inspection carried out in 2020 on the same areas of analysis. The Bank is waiting to learn the decisions of the Supervisory Authority.

On 1 October 2025, CONSOB launched an inspection on Arca Fondi SGR with regard to its investment decision-making process, the pricing process for the funds it sets up and manages, and the effectiveness of the controls put in place to ensure compliance with industry regulations.

Single Resolution Board – SRB

Inspections (2025)

From 10 March to 28 March 2025, BPER Banca was the subject of an on-site inspection on the Minimum Requirement for own funds and Eligible Liabilities (MREL), Liability Data Reporting (LDR) and bail-in operations. The Bank is waiting to learn the decisions of the Supervisory Authority. On 6 January 2026, the bank received the Final Report summarising the findings identified by the Supervisory Authority.

7.10 Information on intercompany and related-party transactions

Relations with the Companies included in the scope of consolidation and with the Associates and related parties, pursuant to IAS 24, as well as Article 2497-*bis* of the Italian Civil Code and CONSOB Communication DEM 6064293 of 28 July 2006, are disclosed in Part H of the Consolidated Explanatory Notes.

In accordance with the Regulation on transactions with related parties adopted by CONSOB with resolution n. 17221/2010 (and subsequent amendments), the BPER Banca Group has adopted specific internal rules to ensure transparency and substantive and procedural correctness of transactions with related parties.
In this context, the Parent Company BPER Banca adopted the "Policy for the governance of non-compliance risk concerning conflicts of interest with Relevant Persons and risk activities with Associated Persons", which was also implemented by the banks and other companies of the Group. This Policy also complies with the Bank of Italy's requirements in terms of "Risk activities and conflict of interest with associated persons" as contained in Circular 285 dated 17 December 2013 - 34th update dated 22 September 2020.
The document is published on BPER Banca's website (https://group.bper.it/en/, in the Governance / Governance Documents section) and on the websites of the other Group Banks.

It should be noted that, as at 31 December 2025, the only listed bank within the Group – other than the Parent Company BPER – to which the provisions of CONSOB Regulation No. 17221/2010 apply is Banca Popolare di Sondrio s.p.a.
Without prejudice to the disclosure requirements of IAS 24 (explained in the aforementioned Part H of the consolidated Notes, in relation to the scope of application of the international accounting standard), the following is a summary of transactions with related parties, for which information is provided under CONSOB Regulation 17221/2010.

a) most significant individual transactions concluded during the reporting period[66]

No.	Company that initiated the transaction	Name of the counterparty	Nature of the relationship with the counterparty	Object of the transaction	Consideration for each transaction completed (Euro/000)	Other information
1	BPER Banca s.p.a.	Unipol Assicurazioni s.p.a.(1)	Significant shareholder	BPER Banca s.p.a.'s share capital increase with the exclusion of the pre-emption right pursuant to art. 2441, paragraph 4, of the Italian Civil Code to service a voluntary public exchange offer launched by BPER Banca s.p.a. over all the shares of Banca Popolare di Sondrio s.p.a.	4,319,179	Information Document pursuant to art. 5 of Reg. Consob 17221/2010
2	BPER Banca s.p.a.	Bibanca s.p.a.	Direct subsidiary	Credit line	3,700,000	Transaction exempt from market disclosure pursuant to art. 14 para. 2 of Regulation 17221
3	BPER Banca s.p.a.	Finitalia s.p.a.	Direct subsidiary	Credit line	619,800	Transaction exempt from market disclosure pursuant to art. 14 para. 2 of Regulation 17221
4	BPER Banca s.p.a.	BPER Factor s.p.a.	Direct subsidiary	Credit line	2,250,000	Transaction exempt from market disclosure pursuant to art. 14 para. 2 of Regulation 17221
5	BPER Banca s.p.a.	Alba Leasing s.p.a.	Directly associated company	Credit line	645,000	Transaction exempt from market disclosure pursuant to art. 14 para. 2 of Regulation 17221
6	BPER Banca s.p.a.	BPER Bank Luxembourg s.a.	Direct subsidiary	Credit line	600,000	Transaction exempt from market disclosure pursuant to art. 14 para. 2 of Regulation 17221
7	BPER Banca s.p.a.	Unipol Assicurazioni s.p.a.(2)	Significant shareholder	Increase of the consideration of the voluntary public exchange offer launched by BPER Banca s.p.a. over all the shares of Banca Popolare di Sondrio s.p.a.	451,836	Information Document pursuant to art. 5 of Reg. Consob 17221/2010
8	BPER Banca s.p.a.	Banca Popolare di Sondrio s.p.a.	Direct subsidiary	Merger by absorption	-	Information Document pursuant to art. 5 of Reg. Consob 17221/2010
9	Banca Popolare di Sondrio s.p.a.	Banca Popolare di Sondrio (SUISSE) s.a.	Direct subsidiary	Credit line	896,500	Transaction exempt from market disclosure pursuant to art. 14 para. 2 of Regulation 17221
10	Banca Popolare di Sondrio s.p.a.	BPER Banca s.p.a.	Direct parent company	Merger by absorption	-	Information Document pursuant to art. 5 of Reg. Consob 17221/2010
11	Banca Popolare di Sondrio s.p.a.	Factorit s.p.a.	Direct subsidiary	Credit line terms and conditions	4,300,000	Transaction exempt from market disclosure pursuant to art. 14 para. 2 of Regulation 17221

(1) Considering that the Capital Increase to Service the Public Exchange Offer was reserved for subscription, under the same conditions, to all Banca Popolare Sondrio s.p.a.'s shareholders who have tendered in the Offer, Unipol Assicurazioni s.p.a. had no power to negotiate or otherwise unilaterally influence the economic terms of the Offer. However, being at the same time a shareholder of BPER and Banca Popolare di Sondrio s.p.a., Unipol Assicurazioni had the possibility of accepting the Offer, compensating for the dilutive effect deriving from the Capital Increase to service the Offer. For this reason, BPER Banca's management has chosen - as a prudential measure and in agreement with the Related Parties Committee - to voluntarily proceed with the adoption of the safeguards required by the Regulation on Transactions with Related Parties and the Policy

(2) Given that the increase in the Consideration for the Offer was extended, on the same terms, to all shareholders of Banca Popolare di Sondrio who accepted the Offer, the observations set out in the previous note remain valid with regard to (i) the position of Unipol Assicurazioni s.p.a. in the context of the Offer, taking into account its status as a shareholder of BPER Banca s.p.a. and of Banca Popolare di Sondrio s.p.a. and (ii) the decision of BPER Banca s.p.a. to apply, on a voluntary and conservative basis, the safeguards required by internal and external regulations governing related-party transactions in relation to the proposed Increase in the Consideration for the Offer.

66 With reference to Banca Popolare di Sondrio s.p.a., details are provided of the transactions with related parties carried out as of 18 July 2025, i.e. the date on which the company joined the BPER Banca Group.

The capital increase to service the voluntary public tender and exchange offer launched by BPER Banca s.p.a. on all ordinary shares of Banca Popolare di Sondrio s.p.a. has been classified by BPER Banca, on a voluntary and precautionary basis, in agreement with the Related Parties Committee, as a most significant related party transaction, due to the investment held by Unipol Assicurazioni s.p.a., in the share capital of both BPER Banca and Banca Popolare di Sondrio.

As further detailed in the Information Document drafted in accordance with the aforementioned CONSOB Regulation No. 17221/2010 and published on the Bank's website on 13 February 2025, the transaction was approved by BPER Banca's Board of Directors on 6 February 2025 subject to the prior favourable opinion of the Related Parties Committee on the existence of the company's interest in concluding said transaction and the convenience and substantive fairness of the relevant terms and conditions.
With regard to the Transaction value, it should be noted that it was calculated assuming full acceptance of the Offer, as consisting in the "monetary" valuation of its consideration based on the official price of BPER shares recorded at the close of trading on 5 February 2025, at Euro 6.570. Since the exchange ratio was set at 1.45 newly issued shares of BPER, assuming a full acceptance of the Offer, the Bank would have a share capital increase of Euro 4,319,179 thousand.

It should also be noted that, on 3 July 2025, BPER Banca's Board of Directors subject to the prior favourable opinion of the Related Parties Committee on the existence of the company's interest in concluding said transaction and the convenience and substantive fairness of the relevant terms and conditions, resolved upon increasing the consideration of the public exchange offer through a cash component of Euro 1.00 in addition to the previously- approved share component.
Also in this instance and for the same reasons, BPER Banca has chosen -as a prudential and voluntary measure and in agreement with the Related Parties Committee - to proceed with the adoption of the safeguards required by the RPT internal and external regulations.
This is further detailed in the updated Information Document drafted in accordance with the aforementioned CONSOB Regulation No. 17221/2010 and published on the Bank's website on 10 July 2025.

On 5 November 2025, the Boards of Directors of BPER and Banca Popolare di Sondrio approved the plan for the merger by absorption of Banca Popolare di Sondrio s.p.a. into BPER Banca s.p.a., subject to the prior favourable opinion of their respective Related-Party Transactions Committees.
Considering the transaction as a whole, BPER has voluntarily decided not to make use of the exemption for transactions with subsidiaries pursuant to Article 14, paragraph 2, of CONSOB Regulation No. 17221/2010, in line with the approach adopted in the context of the Offer, taking into account that the merger constitutes the final part of the overall transaction initiated with the Offer.
This is further detailed in the updated Information Document drafted in accordance with the aforementioned CONSOB Regulation no. 17221/2010 and published on the Bank's website on 12 November 2025.

For further details about the transaction, please refer to chapter "*Significant events and strategic transactions*" of this Report.

b) other individual transactions with related parties entered into in the reporting period, that have materially impacted the financial position and results of the company

As required by CONSOB Regulation 17221/2010 with regard to other transactions with related parties, it is confirmed that no transactions have had a significant effect on the balance sheet or results of the Bank.

c) any change or development in related-party transactions disclosed in the last Annual report that have had a material effect on the financial position or results of the companies during the period

During the financial year 2025, there have been no changes or developments in the related-party transactions described in the last annual Report that have had a material effect on the financial position or results of the Company and additional to the content that has already been commented on in this Group Interim Report on Operations or in the Consolidated Explanatory Notes.

7.11 Information on atypical, unusual or non-recurring transactions

During the first half of 2025 there were no atypical or unusual transactions, as defined by CONSOB Communication DEM 6064293 dated 28 July 2006.
It should also be noted that there were no transactions defined as non-recurring during the period.

7.12 Remuneration policies

As required by current legislation, remuneration policies have been prepared covering the entire BPER Banca Group. In particular, in an increasingly sophisticated regulatory environment, the Group adjusts its policies to the new rules on staff remuneration.
In confirming and consolidating the pillars of its policy, the Group has followed the evolution of the remuneration systems to ensure consistency with the Company's strategies and priorities in both the short and long term, also with reference to 2025.

Pursuant to art. 123-ter of Legislative Decree No. 58 of 24 February 1998 and art. 84-quater of CONSOB Issuers' Regulation, for detailed information, please refer to the document "2025 Report on remuneration policy and compensation paid", published on the Bank's website www.bper.it – Homepage > Governance > Documents.

8. OUTLOOK FOR OPERATIONS

8.1 Outlook for operations

With regard to the international macroeconomic context, the US economy continued to grow significantly in the third quarter of 2025, particularly through consumption, which remained solid even in the last part of the year. Furthermore, investments in AI-related technologies have played a significant role, at the same time boosting international trade. In China, domestic demand remains weak, affected as it has been by the prolonged property crisis and, more recently, by the contraction in investment, the first since 1996. According to the OECD Economic Outlook of December 2025[67], global GDP rose by 3.2% in 2025 (slowing slightly from 3.3% in 2024) and is projected to grow by 2.9% in 2026.

With regard to the euro area, GDP grew at a moderate pace in the third quarter, with very mixed trends among the major countries. In the fourth quarter, activity continued to moderately grow, driven especially by the positive contribution of services, laying the foundations for further expansion of the economic activity in 2026.

According to the ECB Eurosystem staff macroeconomic projections[68] published in December, after a 1.4% growth in 2025, GDP growth is projected to be 1.2% in 2026, 1.4% in 2027 and 1.4% in 2028. Compared with the September 2025 projections, GDP growth has been revised up over the whole projection horizon, reflecting better than expected data, reduced trade policy uncertainty, stronger foreign demand and lower energy commodity prices. In its October and December meetings, the ECB Governing Council decided to keep the key interest rates unchanged. Decisions were based on assessments that remained broadly unrevised compared to previous meetings, as against inflation projections in line with the medium-term target and overall balanced risks. The context remains highly uncertain, especially due to geopolitical tensions and global trade dynamics.

Italy's GDP increased slightly in the third quarter, owing to the sharp rise in exports and to the expansion in investment, which benefited from the tax incentives and from other measures under the NRRP. Household consumption grew modestly, reflecting still unfavourable expectations for the international economic outlook. The fourth quarter saw an improvement in the PMI (Purchasing Managers' Index) leading indicators and the business confidence index, pointing to a recovery in GDP, which is expected to continue in 2026. Growth is projected to be driven by expanding domestic demand, with consumption and investment increasing as a result of favourable financial conditions. However, concerns about the economic outlook persist, reflecting a greater propensity to save, which remains higher than before the pandemic. According to the Bank of Italy's projections[69], Italy's GDP grew by 0.6 per cent in 2025, and will grow at the same pace in 2026 and then strengthen slightly in the two years 2027-28.

Modena, 11 March 2026

The Board of Directors
The Chair
Fabio Cerchiai

67 OECD Economic Outlook, December 2025.

68 ECB – ECB Eurosystem staff macroeconomic projections for the euro area countries, December 2025.

69 Bank of Italy – Economic Bulletin, January 2026.

Part 2

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1. GENERAL INFORMATION

1.1 Methodological note

The disclosure requirements of the European Sustainability Reporting Standard (ESRS) are outlined within the document as follows:

Abbreviation	Description of the disclosure requirement
BP	Basis for Preparation: disclosures defining the general criteria for drafting the document.
GOV	Governance: disclosure requirements related to governance processes, controls and procedures used to monitor, manage and control material impacts, risks and opportunities.
SBM	Strategy and Business Model: disclosure requirements related to how the corporate strategy and business model interact with material impacts, risks and opportunities, including how the company addresses those impacts, risks and opportunities.
IRO	Impact, Risk and Opportunity: disclosure requirements related to the processes by which the company identifies impacts, risks and opportunities, assesses their materiality and manages material sustainability matters through policies and actions.
MDR	Minimum Disclosure Requirement: minimum disclosure requirements that must be included when a company discloses information regarding Policies (MDR-P), Actions (MDR-A), Metrics (MDR-M), Targets (MDR-T) aimed at preventing, mitigating and correcting actual and potential material impacts, addressing material risks and/or pursuing material opportunities.
ESRS 2	"General Disclosures" standard: establishes disclosure requirements for information to be provided by the company at a general level for all sustainability matters related to the governance of reporting areas, strategy, management of impacts, risks and opportunities, and metrics and targets.
E1, E2, E3, E4, E5	Standards addressing Environmental matters.
S1, S2, S3, S4	Standards addressing Social matters.
G1	Standard related to Governance matters.

BP-1: General basis for preparation of sustainability statements

This document constitutes the Consolidated Sustainability Statement (hereinafter also "Sustainability Statement" or "Statement") of the BPER Banca Group (hereinafter also "Group" or "BPER Group") for the year 2025, prepared pursuant to Italian Legislative Decree No. 125/2024, which implements the Corporate Sustainability Reporting Directive (hereinafter "CSRD").

The scope of the Sustainability Statement includes, in addition to the Parent Company BPER Banca s.p.a. (hereinafter and in the remainder of this document also "BPER", "Bank", "Parent Company") all its subsidiaries[70], regardless of the consolidation method used for the purposes of preparing IAS/IFRS financial reporting. Moreover, as of 1 August 2025, following the Public Tender and Exchange Offer (OPAS), BPER Banca reached a total shareholding of approximately 80.69% of the share capital of Banca Popolare di Sondrio, details of which are available in Part 1 Chapter 3 "Significant Events and Strategic Transactions" of the Directors' Report on Group Operations.

The Banca Popolare di Sondrio Group, therefore, is included in the scope of this Sustainability Statement with effect from 1 July 2025. Therefore, it should be noted that the comparison with the previous year is influenced by the increase in size of the Group. Regarding the adoption of the Parent Company's policies, it is worth noting that this integration commenced in the second half of 2025 and will be gradually implemented throughout 2026. The objectives and actions outlined in the thematic standards do not currently include the Banca Popolare di Sondrio Group, but they will be incorporated over the course of 2026, unless stated otherwise.

In accordance with Article 7 of Legislative Decree No. 125/2024, which regulates the conditions for exemption from the obligation to prepare a Sustainability Statement on a separate basis, it should be noted that the Banca Popolare di Sondrio Group, as an issuer of financial instruments listed on regulated markets, is obliged to prepare its own Sustainability Statement at sub-consolidated level. For details on objectives and actions, please refer to the specific Report.

With respect to the IAS/IFRS scope of consolidation, the entities excluded from the scope of Sustainability Statement and the relative reasons are listed below:

- Commerciale Piccapietra s.r.l., as the company is not operational;
- BPER Trust Company s.p.a., Carige Covered Bond s.r.l., Estense Covered Bond s.r.l., Estense CPT Covered Bond s.r.l., Lanterna Finance s.r.l., Lanterna Mortgage s.r.l., PopSo Covered Bond s.r.l. and Centro delle Alpi SME s.r.l., because: they have not issued financial liabilities nor do they hold financial assets; they do not have employees; they do not own real estate nor do they have leases on real estate; the supply relationships with parties other than BPER Banca s.p.a. set up for the performance

70 For the list of Group subsidiaries, please see the Explanatory Notes to the Consolidated Financial Report Part A - Section 3 - Scope of Consolidation and Methodology and the Directors' Report on Group Operations Part 1 - section 4.1 Composition of the Group as at 31 December 2025.

of their activities can be considered immaterial within the supply chain of the BPER Banca Group as a whole. Furthermore, with regard to the Securitisation Vehicles (Covered Bonds and SPVs Law 130/99) listed above, it should be noted that they relate to so-called self-securitisation transactions whose originator bank is the Parent Company BPER Banca s.p.a. or an entity controlled by the same (Banca Popolare di Sondrio s.p.a.) and that, in accordance with the provisions of IFRS 9, the relative assets sold have not been derecognised from the respective financial statements. Therefore, these self-securitisation vehicles can be excluded from the Scope, as the related managed loans are already included with the contribution of the originator banks.

Lastly, it should be noted that the company St. Anna Gestione Golf Società Sportiva Dilettantistica s.r.l., a subsidiary of BPER Real Estate s.p.a. through St. Anna Golf s.r.l., was excluded from the scope of consolidation of the Sustainability Statement, as its environmental and social impacts were assessed as not material.

With regard to joint ventures and associates[71], the concept of operational control has been aligned with the definition of accounting control for the purpose of defining the scope of reporting, and their inclusion in the value chain was analysed. The analysis conducted showed that the companies Gardant Bridge Servicing s.p.a. (upstream) and Resiban s.p.a. (upstream) are part of the value chain as EIF-list companies, i.e. relating to the outsourcing of Essential or Important Functions.

Accordingly, for these companies, BPER Banca s.p.a. has included the scope 3 greenhouse gas (GHG) emissions within category 1 - Purchased Goods and Services in its 2025 Sustainability Statement. The remaining entities, whether they are joint ventures or associates, fall under category 15 (Investments) of Scope 3 Greenhouse Gas (GHG) emissions.

The information provided in the 2025 Consolidated Sustainability Statement includes information on material impacts, risks and opportunities related to the BPER Group through its direct and indirect business relationships in the upstream and downstream value chain, based on the results of the double materiality analysis process, in accordance with specific value chain obligations. In particular, upstream information was included on suppliers (main, strategic), shareholders (material, based on communications made pursuant to Article 120 of the Consolidated Law on Finance), subscribers of bonds issued, subscribers of capital instruments issued and customers with direct and indirect funding instruments. The downstream information instead relates to customers for financing transactions and Product Companies.
Details on the extent to which policies, actions, targets and metrics cover or contain value chain data are clearly highlighted within the thematic chapters. Lastly, as far as quantitative metrics are concerned, with reference to the value chain, only Scope 3 emissions are reported.

The Group did not make use of the option to omit specific information corresponding to intellectual property, know-how or innovation results.

With reference to the information on OpEx and CapEx, it should be noted that they are not material in relation to the total investments made and total costs incurred in 2025 and are therefore not reported in this document.

The Group did not make use of the option not to disclose information concerning upcoming developments or matters subject to negotiation pursuant to Articles 19a, paragraph 3 and 29a, paragraph 3 of Directive 34/2013/EU.

BP-2: Disclosures in relation to specific circumstances

Time horizons
In relation to the time horizons used in the Double Materiality Analysis (DMA), the Bank adheres to the medium- and long-term time horizons as stipulated by ESRS 1.
Referring to the information presented in the Risk Map (see E1-IRO-1), the applied definitions of time horizons are as follows:

- short-term means a time horizon extending from zero to three years;
- medium-term means a time horizon extending, consistent with the first Net-Zero targets, to 2030: beyond three and up to six years for the Risk Map;
- long-term means a time horizon extending up to 2050, in line with the set decarbonisation targets: beyond six years and up to 2050 for the Risk Map.

For liquidity risk, time horizons are different due to the type of risk and related operations (short-term within 12 months; medium- and long-term beyond 12 months).

71 For the list of Group associates, see the Directors' Report on Group Operations Part 1 - section 4.1 Composition of the Group as at 31 December 2025.

Value chain estimation
To calculate the categories reported within Scope 3, the Group used estimates deriving from indirect sources; for more details, please see Disclosure Requirement "E1-6: Gross Scopes 1, 2, 3 and Total GHG emissions". In order to improve the accuracy of value chain metrics, the Group is committed to strengthening the collection process of information mainly from customers and suppliers, as well as to adjusting its approaches from time to time in line with evolving standards.

Sources of estimation and outcome uncertainty
With reference to the areas for which estimates were used, the main causes of uncertainty are predominantly related to two aspects, namely the number of relationships within the upstream and downstream value chain, also considering the significant size of the BPER Group, as well as the current limited availability of directly accessible timely and public information, with the consequent need to make use of data derived from sectoral studies and/or info providers.

In particular, the main cases of uncertainty concerned "E1-5: Energy consumption and mix" and "E1-6: Gross Scope 1, 2 and 3 emissions and total GHG emissions", the calculation methodology of which is explained in the respective paragraphs.

Changes in preparation or presentation of sustainability information
The metrics reported in 2025 followed the same calculation methods as the preceding year. The following exceptions are noted:
- "E1-6: Gross scopes 1, 2, 3 and total GHG emissions", with particular reference to the calculation of Scope 3 Category 1 emissions (Purchased goods and services - Water withdrawal and consumption);
- "S1-16: Compensation metrics (pay gap and total compensation)", with particular reference to the pay gap metric;
- "G1-6: Payment practices".

For more information, please refer to the specific sections provided in detail.

As reported in greater detail in paragraph "2.1 Disclosures pursuant to Article 8 of Regulation 2020/852 (EU Taxonomy Regulation)", the BPER Group has decided to adopt the provisions of Delegated Regulation (EU) 73/2026 amending Delegated Regulation (EU) 2178/2021 as regards the simplification of the contents and presentation of information to be disclosed concerning environmentally sustainable activities.

Disclosures stemming from other legislation or generally accepted Sustainability Reporting provisions
The Group provides this disclosure in accordance with the European Sustainability Reporting Standards (ESRS); within the Sustainability Statement, relevant information prescribed by Regulation (EU) 2020/852 - EU Taxonomy Regulation and its Delegated Acts is also disclosed.
On 10 November, the European Commission published in the Official Journal Delegated Regulation (EU) 1416/2025 of 11 July 2025 amending Delegated Regulation (EU) 2772/2023 as regards the postponement of the date of application of the disclosure requirements for certain undertakings. The phase-in provisions defined in this Regulation have been applied by the BPER Group. In particular, the expected financial effects of physical and transition risks as well as potential climate-related opportunities have been omitted (E1-9), the reporting of which, scheduled from year 2 is postponed in accordance with Delegated Regulation (EU) 1416/2025.

Incorporation by reference
The following information is incorporated by reference to other parts of the Directors' Report on Group Operations:
- ESRS 2 Strategy, business model and value chain (SBM-1), as described in the Directors' Report on Group Operations - Part 1, Chapter 2 "Highlights" and Chapter 3 "Significant events and strategic transactions".

1.2 Governance

GOV-1: The role of the administrative, management and supervisory bodies

Disclosure on the composition and diversity of the members of the Administrative, Management and Supervisory Bodies

Gender composition and diversity	31.12.2025			31.12.2024		
	Men	Women	Total	Men	Women	Total
Members of Administrative, Management and Supervisory Bodies	9	6	15	9	6	15
Executive members	1	-	1	1	-	1
Non-executive members	8	6	14	8	6	14
Independent Board members	5	6	11	5	6	11

The Board of Directors of BPER Banca (hereinafter also "BoD") consists of 60% men, 40% women, 73% independent directors within the meaning of the Consolidated Law on Finance, the Corporate Governance Code and the Consolidated Law on Banking, and 27% non-independent directors.

The representation of employees and other workers is not envisaged within the Articles of Association of BPER Banca.
In particular, the Bank does not implement employee share ownership plans that envisage special mechanisms for exercising voting rights, nor does it implement mechanisms for representing employees and other workers within Corporate Bodies.

Each of the BPER Group's areas of operations appears, on the whole, to be adequately covered with specific professional skills to ensure effective and knowledgeable management.
All members of the Corporate Bodies meet the requirements of professionalism and competence set out by the applicable legislation. In particular, the Board members and Statutory Auditors have, on the whole, acquired adequate experience in listed and unlisted companies operating in the credit, financial or insurance sector.
The Board of Directors and the Board of Statutory Auditors therefore possess a combination of knowledge, skills and experience that enables the members to understand the main business areas, the characteristics of the areas where the Bank and the Group operate and the risks to which the Bank and the Group are exposed, including those related to business management.

The members of the Group's BoD have expertise in sustainability, acquired through the experience they have gained during their professional careers and through participation in special training sessions.
In this regard, it should be noted that a training programme organised by the Bank with the support of a leading consulting firm took place in 2024 and 2025.
Lasting approximately one year, the programme consisted of three modules: (i) governance, supervision and controls and succession plans; (ii) risk management (identification, assessment, monitoring, control and mitigation of the BPER Group's main types of risks); (iii) Supervised Entity business models, strategic planning, accounting and financial statements, Risk Appetite Framework (RAF), ICAAP (Internal Capital Adequacy Assessment Process) and ILAAP (Internal Liquidity Adequacy Assessment Process). Participation in the training programme was open to all Directors and Statutory Auditors in order to improve their skills on the topics mentioned above, thus fostering an increasingly in-depth and direct discussion in the meetings of the Corporate Bodies.
As part of this plan, the topics of integrating ESG (Environmental, Social and Governance) factors, among others, into the credit risk assessment process and supervisory expectations on climate and environmental risks and the new ESRS were discussed in depth.
In addition, a further specific internal training session was devoted to the changes related to the introduction of the EBA Guidelines on the management of environmental, social and governance risks.

The BPER Group's Governance over sustainability-related matters is assigned to the following Corporate Bodies: the Board of Directors, the Chief Executive Officer, the Sustainability Committee and the Control and Risk Committee, both Internal Board Committees.
The Board of Directors establishes the Group's guidelines and strategies concerning sustainability matters and approves the Consolidated Sustainability Statement, the PRB Report (also known as the "Responsible Banking Progress Statement"), the Business Plan, the Risk Appetite Framework, the Risk Governance Policies, and the BPER Transition Plan in accordance with the EBA Guidelines (also referred to as the "Transition Plan"). Over time, these elements are integrated with ESG-related factors.
The Chief Executive Officer implements, within the scope of his powers, the strategic guidelines and the Business Plan by overseeing operational activities, actions to be implemented and monitored relating to sustainability with the support of the ESG Strategy Unit and the ESG Management Committee.

The Board of Directors and the Board of Statutory Auditors exercise, respectively, a role of strategic supervision and control also with respect to matters related to corporate conduct. In particular, the "Code of Ethics" is the general source governing the Group's conduct, and is periodically updated by the Board of Directors. To this end, as the highest body guaranteeing the ethical conduct and integrity of the Group, the BoD receives adequate training and information on business conduct. In particular, it receives specific training any time the 231 Model is revised. Furthermore, the Board is tasked with approving the policies detailed and described in the Disclosure Requirement "G1-1: Business conduct policies and corporate culture".

Pursuant to the Rules of Operation, meetings of the BoD are convened on an ordinary basis, as a rule, once a month.

Sustainability Committee
The Internal Board Sustainability Committee supports the BoD in the field of sustainability, with an impact on all the processes, structures and corporate controls through which the Bank guarantees the pursuit of sustainable development, with reference to environmental, social and governance issues, in compliance with Article 1, Principle I, of Borsa Italiana's Corporate Governance Code and the principles drawn up by the competent international bodies.
More specifically, the Committee reviews and assesses:

- the contents of the "Group's ESG Policy" as well as its ability to ensure, through constant dialogue with all stakeholders, the achievement of sustainable development objectives;
- regulatory documents related to ESG issues, final reports, reports and ESG reporting including the Consolidated Sustainability Statement;
- the Transition Plan, including its objectives, implementation strategies and targets for ESG risk management;
- any reports by the Chief Executive Officer on problems and critical issues concerning sustainability that may have arisen in the course of his work or of which he has otherwise become aware.

The Sustainability Committee also has a strategic role with regard to ESG issues, and is responsible for assessing the Bank's positioning within sustainability metrics, indices and market benchmarks, and initiatives and programmes aimed at spreading a culture of sustainability and awareness of the need to pursue sustainable development; it also evaluates technological, environmental, social, economic, political and geopolitical scenarios and macro-trends, as well as the initiatives aimed at analysing these scenarios. The Committee meets when convened by the Chairman, at least once every three months and, in any case, whenever it is necessary to deal with matters within its remit. Lastly, it reports at least once a year to the BoD on the overall activities carried out.

Control and Risks Committee
The Control and Risk Committee supports the Board of Directors in assessing the internal control and risk management system, in the ESG area, in identifying risks ("Group Risk Map"), in defining risk objectives ("Risk appetite") and tolerance thresholds ("Risk tolerance") and strategies for capital and liquidity management, as well as for all relevant risks of the Bank and the BPER Group. In addition, the Control and Risk Committee periodically assesses a number of possible scenarios, including stress scenarios, to determine how the ESG risk profile of the Bank and the BPER Group might react to external and internal events. Supports the BoD in examining and assessing the Transition Plan, including its objectives, implementation strategies and targets for ESG risk management. The Committee meets when convened by the Chairman, at least once every two months and, in any case, whenever it is necessary to deal with matters within its remit; among other things, it examines the individual risk management policies and quarterly risk reporting, which also includes a focus on ESG risks.

ESG Managerial Committee
The ESG Management Committee, established by the BoD, consists of the Chief Financial Officer (CFO), its Chair, and all the Chiefs of the Parent Company, as well as the Manager responsible for preparing the company's financial reports, the Head of the Planning & Control Department, the Head of the Organisation Department and the Head of the ESG Strategy Unit. The latter, together with the CFO, coordinates the activities and meetings of the Committee. The ESG Management Committee facilitates the coordination of Corporate and Group Departments with regard to sustainability issues and supports the Chief Executive Officer in the management of ESG and sustainability issues at both Parent Company and Group level. The Committee is a collective venue for analysis and evaluation, focusing on: the promotion, management, and monitoring of sustainability strategies, in accordance with the Business Plan and with the support of the ESG Strategy Unit; the monitoring of the BPER Group's stance on sustainability and the 17 UN goals (SDGs); the establishment, evaluation, and monitoring of the effectiveness of the Policy on Diversity, Equity, and Inclusion and the Strategic Plan for Gender Equality, as stipulated by the UNI/PdR 125:2022 reference practice and its associated Management System; the creation, assessment, and monitoring of the effectiveness of the Policy on environmental and energy management and the corresponding Integrated Environmental and Energy Management System (EMS), in line with ISO 14001 and 50001; the verification of the capacity of the so-called GSS Eligible Assets, i.e. balance sheet assets that can support Green, Social or Sustainable bond issuances as against the amount of securities outstanding, according to the guidelines of the GSS Bond Framework.
The Committee convenes when summoned by the Coordinator, typically on a quarterly basis, and whenever required.

It should also be noted that the Group has a Risk Committee (management) chaired by the Chief Executive Officer, of which the Chief Risk Officer is the secretary. The Committee has consultative powers and supports the Chief Executive Officer in the activities connected with the definition and implementation of the RAF, of the risk governance policies (including ESG risks) and of the capital adequacy process of the Group and of the Companies that are part of it.

ESG Strategy Unit

As at 31 December 2025, the ESG Strategy Unit has 17 resources selected for their specific expertise in sustainability and climate matters. The Unit supports the ESG Management Committee in the operational management of sustainability and climate matters in accordance with the provisions of the Business Plan and the Sustainability Plan. Furthermore, it acts across-the-board at Group level on sustainability and climate issues, directly managing strategic planning and supporting the relevant corporate structures in achieving sustainable development goals.

A summary of the activities carried out by the ESG Strategy Unit is provided below:

- ESG reporting, including the Consolidated Sustainability Statement;
- management of ESG ratings;
- strategic ESG planning;
- coordination and monitoring of ESG projects/activities;
- acquisition and management of ESG data;
- management of strategic environmental and social sustainability issues;
- Mobility & Energy Management;
- certification management and environmental due diligence;
- coordination of dialogue with supervisory bodies and stakeholders;
- preparation, periodic monitoring and updating of the Transition Plan;
- support Committees and other corporate functions.

ESG Manager

ESG Managers are key figures defined within the departments that handle ESG issues and within which they represent pivotal figures, as they are responsible for the following functions:

- analysing the impacts of ESG issues in his/her structure of operation, for the issues within his/her remit, identifying risks and opportunities;
- support in defining the organisational structure's ESG objectives;
- coordination and monitoring of the activities defined to achieve the objectives;
- coordinating relations with the stakeholders he/she comes into contact with on behalf of his/her structure of operation.

The ESG Managers are coordinated by the ESG Strategy Unit and meet at ESG round-table work groups, assisting the same Unit in implementing ESG projects. There were 34 ESG Managers - as at 31 December 2025 - also present in the Legal Entities of Sardaleasing, Bibanca, Banco di Sardegna, Finitalia and BPER Factor.

Specialised training is provided for ESG Managers, which in 2025, was delivered through three webinars. These webinars focused on pertinent legislation, good market practices, and upcoming ESG challenges. The objective was to promote the spread of knowledge and the incorporation of ESG factors into business procedures.

Furthermore, additional across-the-board support functions within the Bank have been identified with specific knowledge on ESG issues, such as, by way of example: the Risk and ESG Integration Office, the Regulation & ESG Credit Adequacy Office, the Financial & Sustainability Reporting Supervision Unit, the Protection and ESG Modelling Office, the Audit Risk Governance & ESG Office. In addition, in relation to the management of impacts, risks and opportunities, each organisational unit is competent for specific thematic areas and responsible for the proper management thereof, as well as for the relevant line controls within its own processes, also in relation to the double materiality analysis, approved by the BoD, as per Disclosure Requirement "IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities".

In addition to these controls, additional ones are carried out by the second- and third-level control functions, according to the methods and tools defined in the regulations and the internal control system.

In particular, the Financial & Sustainability Reporting Supervision Unit ensures the preparation of an adequate Sustainability Reporting process and the related assessment of its adequacy and effective application; it ensures the assessment of the drafting and disclosure rules applied to Sustainability Reporting, as well as its compliance with the new reporting standards (ESRS); and it ensures the consistency of Sustainability Reporting with the Transition Plan and the "Pillar 3" (ESG) Disclosure Document and Financial Reporting (Connectivity). For more details on controls over the Sustainability Statement, see the Disclosure Requirement "GOV-5: Risk management and internal controls over sustainability reporting".

Lastly, the Chief Financial Officer oversees and coordinates the ESG Strategy Unit, incorporating ESG elements into the corporate strategy where relevant and guiding its execution. The CFO also supervises the development and execution of the Transition Plan. As the person responsible for the preparation of the Sustainability Statement and the coordination of ESG activities, the CFO provides the various bodies involved (Board of Directors, Board Committees, ESG Management Committee, Board of Statutory Auditors) with analyses and assessments.

GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The BoD receives complete and direct information from management that is useful for making informed decisions, with particular attention to the most relevant impacts, risks and opportunities and the effectiveness of the measures taken to address them. If it deems it appropriate, the BoD may request further deep-dives into specific issues.
Meetings of the Board of Directors and of its committees are held on a regular basis, usually monthly; at these meetings, management presents updates on the main issues, including ESG issues, ensuring a complete and transparent flow of information that is consistent with the reporting requirements of current regulations.

As the outcome of the double materiality analysis aimed at identifying the issues on which to focus its efforts in terms of sustainability reporting and planning, the material Impacts, Risks and Opportunities ("IROs") were presented to the Control and Risk Committee for an opinion and to the Board of Statutory Auditors for information purposes on 14 October 2025, to the Sustainability Committee for an opinion on 15 October 2025, and then approved by the BoD on 16 October 2025.

During the year, topics related to material sustainability matters for the Group were presented to the bodies at:

- 15 out of 19 meetings of the BoD;
- 21 out of 23 meetings of the Board of Statutory Auditors;
- 15 out of 20 meetings of the Control and Risk Committee;
- 3 out of 10 meetings of the Nominations and Corporate Governance Committee;
- all 10 meetings of the Sustainability Committee;
- 10 out of 12 meetings of the Remuneration Committee.

The BoD approves the Business Plan, one of the purposes of which is to define and formalise the strategic guidelines, business model and medium-long term objectives of the Group, business areas, central structures and the Group's Banks/Companies, consistent with the long-term strategic guidelines (Strategic Manifesto), the risk profile (RAF) and ESG targets.

Following the Business Plan's approval by the BoD, the following is activated:

- monitoring the progress of transformation programmes/projects;
- possible escalation processes for critical issues/delays;
- reporting progress to the Management Committee, the Control and Risk Committee, the Sustainability Committee, the Board of Statutory Auditors and the Board of Directors.

In particular, the 2024-2027 Business Plan "B:Dynamic | Full Value 2027" identifies concrete targets and actions on the main drivers to maintain BPER's leading position in ESG ratings. In fact, the Business Plan monitoring includes a section dedicated to reporting on the progress of ESG targets, broken down into a set of KPIs (Key Performance Indicators).
Progress on ESG targets is reported to the ESG Management Committee on a quarterly basis.

For the actions of the Plan and the criteria for measuring the Group's impact, see the description that follows in Disclosure Requirement "SBM-1: Strategy, business model and value chain".

GOV-3: Integration of sustainability-related performance in incentive schemes

At the heart of the Group's Remuneration Policy is the emphasis on enhancing the value of people and fostering a sustainable ecosystem, in alignment with the established ESG goals. Performance and reward policies have been gradually harmonised with sustainability strategies through the incorporation of ESG objectives into short- and long-term incentive schemes.

More specifically:

- in the short-term incentive plan (so-called MBO - Management By Objectives), balancing the focus on economic-financial objectives with an emphasis on risk objectives, ESG components have been confirmed among the objectives (with a weight of 15% for 2025). In fact, in line with previous years, the "Strategic Scorecard" – which represents the basic element of the MBO system and the subsequent breakdown of the objectives for the various scopes of the company's population – envisages specific targets in the ESG area linked to the Business Plan (also known as ESG meta KPIs). This scorecard is assigned to the

CEO as the "2025 MBO scorecard". The ESG meta KPI is usually included in the 2025 MBO scorecards of C-Level Managers, in order to ensure an overall climate of sharing and make management accountable for the Company's priorities in this area;

- the Long-Term Incentive Plan "2025-2027 LTI Plan" (based on BPER shares) intended for the Chief Executive Officer and the persons considered key in achieving the Group Bank's results supports the alignment of the interests of the managerial figures with those of shareholders and all stakeholders, incorporating in its targets not only profitability, operational efficiency, credit quality and shareholder-return objectives, but also those related to sustainability (with a weight of 20%). These are set out in three fundamental guidelines:
  - Sustainable Finance;
  - ESG investments (Assets Under Management - AuM);
  - Diversity and Inclusion.

Going into more detail with reference to the annual incentive scheme (MBO), the ESG component is defined according to a compound metric comprising six targets deemed strategic in the short term as an enabling factor to achieve the ESG targets that can be traced back to business plan project areas:

- % weight increase of ESG products: growth in the percentage weight of sustainable AuM in relation to total AuM;
- Green Loan Amount: loans specifically dedicated to sustainability (ESG);
- Net-Zero Banking Alliance: definition of business strategies for the sectors of Aluminium, Iron and Steel, Commercial Real Estate;
- Energy Plan: direct emission reduction (calculated on the basis of the efficiency, assessed during the conceptual phase, of the Energy Plan activities implemented in the year of the analysis and starting from the achievements as at 31 December 2024);
- progress in diversity, equity and inclusion: percentage of women holding positions of responsibility in the organisation;
- ESG Ratings[72]: improving or preserving the S&P CSA (Corporate Sustainability Assessment), Sustainalytics (Morningstar) and Standard Ethics Rating, compared to the levels identified in the Business Plan.

The short term incentive system (MBO 2025) calls for the allocation of ESG incentives to essentially all Material Risk Takers[73] (MRTs) with different methods depending on whether they are C-Level Managers or less, with a weighting of between 10% and 15%, possibly in combination with specific ESG objectives attributable to their area of responsibility or with the objectives of the a.k.a. "managerial assessment".
A drip down effect was also foreseen for some of the Staff and Semi-central figures that are not part of the Material Risk Takers with a weighting generally speaking of between 10% and 20%. Among the ESG objectives, particular mention should be made of the KPIs linked to the products placed by the Bank (i.e. ESG loans, "green" residential mortgages, sustainable assets under management) for the commercial departments and objectives linked to the preparation of the Transition Plan. The assignment of ESG objectives also concerns the corporate structure, it ranges from the so called Top-Level Managers, and then feeds down to the Heads of Units, and occasionally even to the office heads when they are directly engaged in achieving a specific objective.

The logic and metrics described above are included in the Report on Remuneration Policy and Compensation Paid in accordance with the criteria and details required by applicable regulations as well as industry best practices.

The BPER Group has established a governance process to regulate the definition, implementation and management of its remuneration policies. This process will involve various Control Bodies and Corporate Functions at different levels, according to their sphere of competence. Specifically, at the level of Corporate Bodies, the Shareholders' Meeting:

- establishes the remuneration due to the Bodies appointed by it;
- approves the Remuneration and Incentive Policies;
- approves any remuneration plans based on financial instruments;
- resolves on any proposal by the BoD to set a limit on the ratio between the variable and fixed components of individual remuneration greater than 1:1;
- approves the criteria for determining any amounts to be granted in the event of early termination of office of all personnel.

With reference to remuneration, the BoD of BPER, in exercising its role as the Body with strategic supervisory functions, submits the Group's Remuneration Policy to the Shareholders' Meeting of the Parent Company and reviews it at least once a year, and is responsible for its actual implementation. In carrying out these activities, the Board relies in particular on the support of the Remuneration Committee and the relevant Corporate Functions, which are involved as appropriate in order to effectively contribute to defining the Policies.

72 With data available at any given time and with the same evaluation methodology. The Moody's Analytics rating is no longer reported for 2025.

73 MRTs are resources that can have a substantial impact on the risk profile of the entity on the basis of the criteria foreseen by current legislation.

The Internal Board Committees involved in the process include, in particular:

- the Remuneration Committee which, in accordance with the principles set out in the Supervisory Provisions and the Corporate Governance Code, performs advisory, preliminary and propositional functions in support of the BoD's activities;
- the Control and Risk Committee, which, on the subject of remuneration, performs certain tasks outlined at any given time by the relevant Operating Rules approved by the Board of Directors, without prejudice to the responsibilities of the Remuneration Committee and ensuring adequate coordination with the latter, ensures that the incentives underlying the Bank's and the Group's remuneration and incentive system are consistent with the RAF and verifies the consistency of the remuneration of the heads of the corporate control functions with the Remuneration Policy.

The Sustainability Committee may also be involved, which performs support functions in favour of the Board's activities with reference to environmental, social and governance issues and with an impact on all the processes through which BPER guarantees the pursuit of sustainable development, including those related to remuneration and incentive schemes, and the Nomination and Corporate Governance Committee, which supports the BoD, also by formulating opinions and proposals in the adoption, updating, implementation and monitoring of diversity policies (also considering possible reflections of the latter in the remuneration and incentive schemes).

GOV-4: Statement on due diligence

The due diligence process, although not currently an autonomous and formalised procedure, is integrated into the BPER Group's strategic framework and business model. With reference to the ESG thematic areas with respect to which actual or potential negative impacts could occur, the following table highlights the application of the main aspects and steps of the due diligence process, indicating how and where they are addressed within the Consolidated Sustainability Statement.

Information on due diligence

Core elements of due diligence	Paragraphs in the Consolidated Sustainability Statement
a) Embedding due diligence in governance, strategy and business model	• ESRS 2 GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies; • ESRS 2 GOV-3: Integration of sustainability-related performance in incentive schemes; • ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model.
b) Engaging with affected stakeholders in all key steps of the due diligence	• ESRS 2 SBM-2: Interests and views of stakeholders; • ESRS 2 IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities; • ESRS S1-1: Policies related to own workforce; • ESRS S1-2: Processes for engaging with own workforce and workers' representatives about impacts; • ESRS S2-1: Policies related to value chain workers; • ESRS E1-2: Policies related to climate change mitigation and adaptation; • ESRS S4-1: Policies related to consumers and end-users.
c) Identifying and assessing adverse impacts	• ESRS 2 IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities; • ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model.
d) Taking actions to address those adverse impacts	• ESRS S1-3: Processes to remediate negative impacts and channels for own workforce to raise concerns; • ESRS S1-4: Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions; • ESRS S2-4: Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions; • ESRS E1-3: Actions and resources in relation to climate change policies; • ESRS 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.
e) Tracking the effectiveness of these efforts and communicating	• ESRS S1-4: Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions; • ESRS S1-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities; • ESRS E1-4: Targets related to climate change mitigation and adaptation; • ESRS E1-5: Energy consumption and mix; • ESRS 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.

GOV-5: Risk management and internal controls over sustainability reporting

The Group Internal Control System (hereinafter also "System" or "ICS") consists of rules, functions, structures, resources, processes and procedures aimed at ensuring that the activities carried out by the Banks and the Legal Entities of the BPER Group and by the Group as a whole are in line with the defined internal practices, sector standards and external regulations. The BoD defines the criteria for the design, execution and assessment of the System, as well as the roles of the Bodies and Organisational Structures involved. The implementation of the System complies with the criteria of: (i) proportionality; (ii) gradual transition to progressively more advanced methodologies and processes for measuring risks; (iii) consistency in the definition of the approaches used by the Group's Organisational Structures; (iv) effectiveness and efficiency in risk management.

Control functions

In line with the regulatory provisions, the Group's Internal Control System is structured into three lines of defence:

- First-level controls: line controls embedded in processes and procedures and carried out by operating and business units;
- second-level controls (risk and compliance controls) assigned to the following Functions:
  - Compliance (which includes the Data Protection Officer – DPO);
  - Risk Management;
  - Validation;
  - Anti-money laundering;
- third-level controls: Internal Audit Function.

The System also includes the Manager responsible for preparing the Company's financial reports pursuant to Italian Law 262/2005 and the Financial & Sustainability Reporting Supervision Unit (FSRS Unit), which the former uses to carry out its tasks, as well as the Supervisory Body (SB) pursuant to Legislative Decree No. 231/2001, where established.

With reference to the above-mentioned control functions, those involved in the Sustainability Statement control process are explained below.

Manager responsible for preparing the Company's financial reports
As defined in the "BPER Group Governance Policy", the Manager responsible for preparing the Company's financial reports oversees the rules of preparation and disclosure of the financial statements, of compliance with the international accounting standards (IAS/IFRS) for all Group Legal Entities and for the other Companies included in the scope of consolidation as regards the production of the periodic consolidated and separate financial report. With the entry into force of Legislative Decree 125 of 6 September 2024, which transposes the Directive (EU) 2464/2022 (CSRD) into Italian law, the range of certification tasks of the delegated Administrative Bodies and the Manager responsible for preparing the Company's financial reports has been significantly expanded, amending paragraph 5 of Article 154-bis of the Consolidated Law on Finance with the extension of the certification requirement to the Sustainability Statement. The BPER Group has deemed it appropriate to also assign the certification of the Sustainability Statement to the Manager responsible for preparing the Company's financial reports, in line with the highest standards of transparency and compliance and consistent with the ESRS.

In order to perform his/her mission and assigned responsibilities, the Parent Company's Manager responsible for preparing the Company's financial reports makes use of the following:

- the FSRS Unit, which hierarchically depends on the same Manager responsible for preparing the Company's financial reports, a structure that is correctly sized in relation to the complexity of the Bank and the Group and independent of the functions responsible for preparing economic, financial and sustainability reporting;
- a Contact Person for the Manager responsible for preparing the Company's financial reports, identified in the Legal Entities within scope, who functionally reports to the same Manager.

Financial & Sustainability Reporting Supervision Unit
The FSRS Unit has been included among the Control Functions and is responsible for defining, reinforcing and updating the "Financial and Sustainability Reporting Control Model" to be applied to the Parent Company and, with reference to the procedures for preparing the Consolidated Financial and Sustainability Statement, to the Banks and Companies in both scopes.
In order to perform its duties related to Sustainability Reporting, the FSRS Unit works with the ESG Contact. This figure is identified annually by the competent structure of the Parent Company on the basis of the list of companies included in the scope; in this regard, each ESG Contact Person supports the Parent Company and coordinates the collection of information and data useful for drafting the Sustainability Statement, verifying its completeness.
The FSRS Unit is responsible for managing the risk of unintentional errors and fraud in financial disclosures. With the introduction of the new legislation, its tasks have been expanded to also include monitoring the Sustainability Statement. In particular, the Unit verifies the compliance of the Sustainability Statement with the ESRS standards pursuant to Directive 34/2013/EU of the European Parliament and of the Council of 26 June 2013 and Legislative Decree No. 125/2024, as well as the specifications adopted pursuant to Article 8(4) of (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.
Specifically, the Unit has adopted a gradual approach to extending the Sustainability Reporting Control Model based on three important pillars:

- before disclosure to the market: the verifications concern the completeness of the methodological assumptions adopted to define the reporting scope, double materiality and the material impacts, risks and opportunities detected, as well as compliance with current regulations (ESRS and Taxonomy Regulation) and the consistency of certain information in the Report, which was selected on the basis of materiality criteria;
- after publication to the market: verifications in this area concern the adequacy and effective implementation of the Sustainability Statement process, including sample checks on the main contributing Group companies;
- running: constantly adjusting the process for producing the Sustainability Statement.

Furthermore, it ensures the consistency of the Sustainability Statement with the provisions of the Transition Plan, the "Public Disclosure - Pillar 3" (ESG part) and the financial reporting (Connectivity).

Internal Audit Function
With reference to the third-level controls, Internal Audit carries out an independent and objective assurance and consulting activity aimed at increasing and protecting the value of BPER Group Banks and Companies by providing objective services through a systematic and structured professional approach.
With regard to ESG matters, Internal Audit also takes into account projects and ESG risk factors in general in its risk assessment, inspired by risk-based principles. In line with the Audit Plan approved by the Board of Directors, Internal Audit also carries out audits on ESG issues, further examining the bank's ongoing adaptation to the ever-changing regulatory requirements. These include the CSRD, the EBA Guidelines, and the Transition Plan.
The outcomes of the audit activities are communicated to the Corporate Bodies in line with internal regulations. Any findings are dealt with and monitored in line with the bank's facilities management process of remedial plans, via the BNow - Internal Findings procedure.

Coordination between Control Functions
BPER has established the Control Functions Coordination Committee, which promotes the interaction and proper functioning of the Internal Control System and the continuous dissemination of the culture of risks and controls.

The Group Banks and Companies structure their Internal Control Systems in accordance with the Group's strategies and policies on risks and controls determined by the Parent Company and in compliance with the rules applicable to each on a separate basis. Each one ensures the correct performance of typical operations also through the execution of line controls and sending of information flows to its own Corporate Bodies and those of the Parent Company.

The Risk Map constitutes one of the cornerstones of the Internal Control System. In order to regulate the risks associated with financial and sustainability reporting, the Parent Company has defined a "Financial and Sustainability Reporting Control Model", which is based on the adoption of the main reference frameworks recognised at national and international level (Internal Control Integrated Framework or "CoSo Report") in terms of the development of adequate Internal Control Systems.
The Manager responsible for preparing the Company's financial reports is responsible for the governance of the model, which aims to prevent and manage the risk of unintentional errors and fraud in both financial reporting and sustainability reporting. With specific reference to the risk of unintentional errors and fraud in financial and sustainability reporting, two factors are to be assessed:

- the "Risk appetite" - the risk of unintentional errors and fraud in financial reporting, which is nil, as it is pure risk and difficult to measure. The Group adopts specific governance arrangements that require this risk to be identified, assessed, monitored on an ongoing basis, mitigated and reported at the appropriate company levels;
- "Risk Tolerance" - consistent with the Risk Appetite Statement, the overall risk tolerance related to the risk of unintentional errors and fraud in the Group's financial and sustainability reporting is not nil and is categorised within the first two levels of the grading scale of the model (graded as positive or partially positive).

These risks are primarily prioritised based on the importance of the disclosure and the use of estimate-based elements. The model thus defined will be subject to gradual refinement over time, also in the light of future regulatory developments. The risk of unintentional errors and fraud in financial reports - which also includes ESG risk factors - is not deliberately taken on by the Bank, but is a consequence of decisions made in relation thereto, to which it is intrinsically linked.

The mitigation strategy is strongly linked to the management of the risk itself, which is set out in a specific Operating Model. This Model is divided into a cycle of activities aimed at:

- achieving a complete design of the administrative-accounting processes, including the Sustainability Statement process prepared according to the requirements of Italian Legislative Decree No. 125/2024;
- assessing the adequacy and functionality of the related controls, through tests of controls;
- certifying/declaring the company accounting and sustainability disclosure in accordance with legislative and regulatory provisions with awareness of the existence/adequacy of the processes and the actual execution of controls.

The main risk associated with reporting is the risk of unintentional errors and fraud in financial and sustainability reporting, as well as, but not limited to, non-compliance of reporting with regulatory requirements and incomplete, inaccurate and inappropriate data in individual data points.

Every six months, the FSRS Unit conducts a comprehensive evaluation of the appropriateness and effective implementation of administrative and accounting procedures, including the process of Sustainability Reporting. The combination of the outcomes of the two activities leads to the identification of the following areas:

- positive area;
- partially positive area;
- partially negative area;
- negative area.

Consistent with the Risk Appetite Statement, the overall risk tolerance threshold for this risk is therefore not nil, being positioned within the first two levels on the rating scale of the overall model of the adequacy and effective application of the administrative-accounting procedures (within the area defined as positive or partially positive).

In the ESG sector, the FSRS Unit has undergone an expansion of its duties, which now include quality assurance tasks related to data and information. This is due to the growing interconnection between various reporting frameworks such as the Financial Report, Pillar 3, Remuneration Policies, and the Transition Plan.

The BoD:

- approves annually – after consulting with the Board of Statutory Auditors, the Control and Risk Committee and the Chief Executive Officer – the Audit Plan on Sustainability Statement of the FSRS Unit;
- receives, either directly or through the CEO, the information flows required to gain full awareness of the various risk factors and the ability to govern them, so as to plan and implement interventions to ensure the compliance and adequacy of the Internal Control System;

- is the recipient, together with the Board of Statutory Auditors, the Control and Risks Committee and the Chief Executive Officer, of reports drawn up by the Control Functions in relation to Sustainability Statement, envisaged by the applicable regulations or requested by the Supervisory Authority on specific issues.

The processes relating to the control of Sustainability Statement are integrated within this ordinary flow of information to the BoD.

The BoD, with the support of the Control and Risk Committee, verifies annually, through the analysis of the activities carried out by the FSRS Unit in the area of Sustainability Reporting, that the Manager responsible for preparing the Company's financial reports has:

- adequate powers and means for the exercise of the tasks assigned;
- unrestricted access to all Corporate Functions;
- financial autonomy;
- adequate personnel in terms of number and technical-professional skills.

Furthermore, the Parent Company's Board of Directors periodically assesses the adequacy and effectiveness of the Group's Internal Control System, with the support of the Control and Risk Committee, identifying possible areas for improvement and defining any necessary corrective actions.
If the tolerance threshold set out in the "Financial and Sustainability Reporting Control Model" is exceeded, the Chief Executive Officer: (i) promptly notifies the Control and Risk Committee, the Board of Directors and the Board of Statutory Auditors; (ii) also with the support of the Control and Risk Committee and in cooperation with the Organisation Department, undertakes the necessary actions, to an increasing extent if the situation deteriorates, to quickly restore the risk level to the established tolerance level.

1.3 Strategy

SBM-1: Strategy, business model and value chain

The BPER Group has 21,882 employees in Italy, as well as 40 employees in Luxembourg, 359 in Switzerland and 19 in the Principality of Monaco. The BPER Group has been integrating ESG principles into its strategy for some time now, consequently developing products and services in line with sustainable development goals, aimed at both corporate and retail customers. In the last Business Plans, the lines of development in the ESG area were outlined with a view to creating shared value, with concrete actions and objectives for all the Plan's lines of action. In assessing the current or expected benefits for customers, investors and local communities in the areas where the BPER Group operates, particular importance is given to products with environmental purposes, designed to support climate change mitigation and adaptation.
At the same time, the Group is committed to offering products and services with a social purpose, distinguishing between products dedicated to retail customers, such as loans aimed at the most fragile or vulnerable groups, and products aimed at companies and Third Sector Organisations (ETS). Lastly, the integration of sustainability criteria within the customer advisory service provision processes continued during the year, to manage customer sustainability preferences. With reference to the significant groups of products and/or services offered and the significant groups of customers and/or markets, please see the Directors' Report on Group Operations, Chapter 3 "Significant events and strategic transactions" and Chapter 2 "Highlights", as well as the specific discussion contained within the thematic chapters Climate Change (E1) and Consumers and End-users (S4).

The 2024-2027 Business Plan "B:Dynamic | Full Value 2027" guides Group activities based on three main pillars: unlocking full customer value; capturing latent economies of scale; and leveraging the strength of the Group's Balance Sheet. The effective and smooth execution of implemented projects is ensured through three main enabling factors, namely:

- technology, security and artificial intelligence;
- ESG and sustainability commitment;
- organisation and people.

The objectives within the 2024-2027 Business Plan "B:Dynamic | Full Value 2027" were defined without the involvement of external stakeholders. With specific reference to the commitment to sustainability issues, in parallel with the modernisation of the Group, the integration of ESG factors into business processes will enable BPER to continue its role as a leader in the sector. The Plan identifies concrete actions and objectives to be achieved on all the lines of action described below:

Environmental

- full integration of ESG criteria into the Bank's credit assessment process;
- support for the "Just Transition" of companies and families by improving the offer to customers also through the definition of a ceiling of over Euro 7 billion for ESG Corporate and Retail products; the increase in the proposition of ESG investments (45% of AuM) and the issue of Green Bonds for at least Euro 1 billion;

- direct emissions reduction target of 50.2% by 2030 through the energy efficiency activities contained in the Energy Plan and the reduction of financed emissions in line with the commitments made following endorsement of the NZBA.

Social

- strong community orientation with the allocation of around Euro 20 million for community and territorial support and financial inclusion projects;
- attracting and developing talent and valuing diversity (e.g. through gender equality projects and targets, including increasing the number of women in senior positions to at least 30%);
- actions to foster ESG skills enhancement through employee engagement and training activities (at least 60% of employees trained on ESG issues per year) and work-life rebalance;
- ~30% of FTEs covered by the up-skilling programme (dedicated to people and enhancing top talent).

Governance

- full integration of ESG criteria into management and strategic processes (e.g. Risk Management; Strategic Planning and Supplier Relationship Management) supported by the evolution of the ESG Data Model;
- strengthening of ESG governance and promotion of ESG culture;
- integration of ESG targets into management's short, medium and long-term incentive system;
- maintaining leadership position in the main ESG ratings.

It should be noted that the targets outlined in the Business Plan do not consider the Banca Popolare di Sondrio Group; these targets will be revised in the second half of 2026, in order to realign the strategic priorities to the evolution of the Group's scope.

The BPER Group features a multi-specialist and capital-light business model capable of enhancing the Group's national scale, its product Companies and specialised distribution channels, also thanks to a profound technological and digital transformation.

The Group's value chain encompasses all the activities, resources and relationships related to the business model and the external context in which it operates. In order to identify its business relations, the BPER Group considers not only its direct contractual relations, but also its indirect business relations beyond the first level, and its participation in joint ventures or investments. Starting from the activities of the value chain and referring to the Group's most important processes, its main actors are:

- shareholders, relevant on the basis of the disclosures made pursuant to Article 120 of the Consolidated Law on Finance;
- subscribers of issued capital instruments;
- subscribers of issued bonds;
- customers (with both direct and indirect funding instruments);
- suppliers (main, strategic);
- product companies;
- customers for financing transactions;
- workforce.

In order to determine its value chain, the Group analysed, in particular, data on its direct and indirect funding, as well as on its suppliers. The Group collected value chain data useful for analysing the reference context for the preparation of the double materiality analysis, as well as for collecting quantitative data related to Scope 3 emissions, detailed in Disclosure Requirement "E1-6: Gross Scopes 1, 2, 3 and Total GHG emissions".

SBM-2: Interests and views of stakeholders

The BPER Group has mapped its stakeholders, periodically monitoring and updating the map, also with a view to defining the most appropriate modes of interaction. The map of stakeholders includes the following categories: customers, employees, financial market, shareholders, suppliers, footprint areas and community, environment and Public Administration.

The Group defines its strategies around the needs and expectations of the various stakeholders; to this end, it implements a structured stakeholder engagement process with the aim of intercepting their needs, understanding their expectations with regard to the Group's operations and anticipating any risks so as to transform them into opportunities. This process is based on a stakeholder analysis and segmentation activity that makes it possible to group multiple and differentiated interests (economic, social, environmental). Therefore, various listening paths have been set up over the years which, thanks to a variety of tools and channels of dialogue with the various stakeholders, have been able to summarise different demands. The information gathered through these listening channels is used to improve management strategies, refine processes and strengthen relations with all stakeholders.

At the same time, the BPER Group analyses the interests and opinions of the main internal and external stakeholders, including through the engagement process aimed at identifying material sustainability matters, as part of the double materiality analysis. The engagement of stakeholders such as shareholders, customers and financial market participants takes place in accordance with the priorities resulting from the stakeholder prioritisation exercise carried out periodically. The evidence of the stakeholder engagement activity and the consequent results are presented, in the context of illustrating the results of the double materiality analysis, to the BoD for approval, to the Board of Statutory Auditors for information, and to the Sustainability Committee and Control and Risk Committee for an opinion; and, finally, to the employees' representatives.

Own workers

The BPER Group considers people to be at the heart of its business project; even in the context of organisational changes linked to the Group's growth and integration path, including the process of acquiring the Banca Popolare di Sondrio Group, the attention paid to human resources has remained constantly high. Listening to employees is based on standards that include the definition and management of structured models and tools for engaging the company's population, as well as feeding the management strategies and gathering evidence to improve processes.

Among the significant engagement initiatives, the People Survey carried out in 2024 was a central internal listening tool, measuring engagement and organisational well-being and generating action plans both top-down and bottom-up, activated in 2025 and integrated into the Business Plan. On the health and safety front, the Listening Desk and structured psychological and social risk prevention initiatives have strengthened support for the individual, integrating mental well-being and prevention into business processes. This approach is implemented through various processes of involvement of its own workforce and employee representatives, described in the Disclosure Requirement "S1-2: Processes for engaging with own workers and workers' representatives about impacts", to which reference may be made for more details.

Customers

The Group has developed a comprehensive system to consistently engage consumers and end-users, with the aim of understanding their genuine needs and informing strategic decisions. A key component is La Piazza, a community that has been operational since 2017. With over 5,700 users, it facilitates both qualitative and quantitative feedback on products, services, communication, and business initiatives. This is complemented by a sophisticated customer satisfaction tracking system, which utilises established metrics such as Net Promoter Score (NPS), Net Satisfaction Score (NSC) and Customer Satisfaction (CSAT). These are gathered through regular surveys and immediate feedback from ATMs, branches, digital banking and contact centres. Additionally, dedicated surveys are conducted for the Private Banking, Corporate and Large Corporate segments. The specific initiatives, carried out across various customer segments and through multiple channels, are detailed within the Disclosure Requirement "S4-2: Processes for engaging with consumers and end-users about impacts", to which reference is made for further details.

Lastly, aware that the main challenges of the next few years will be played out in the field of ESG data and information of customers, the BPER Group has restructured its ESG data architecture by working on the ESG Data Model project; the aim of the project is the complete census and modelling of all ESG data in use or required for regulatory and management purposes, as well as the definition of a process outlining the roles and responsibilities of the actors involved throughout the data governance and management phases. Throughout 2025, the ESG information database was continually enhanced, providing an increasingly expansive ecosystem of ESG information to the bank's structures.

From 2022, the Group has also initiated a pilot project to distribute ESG questionnaires, aiming to gather single-name data. The campaign persisted into 2024, involving a select group of larger corporations. In 2025, the scope of activities was further broadened by increasing the number of companies surveyed and by launching a structured engagement process that directly involved the sales network.

Workers in the value chain

Over the years, the BPER Group has provided robust and increasing support to the Italian industrial sector, particularly emphasising small and medium-sized businesses. The growth of the business sector is intrinsically tied to the wellbeing of employees, a factor significantly bolstered by bank loans provided to financially stable companies. This activity fosters enhanced job stability and continuity, producing positive social impacts on the quality of life for employees of client companies.

While the BPER Group has not yet established any direct employee participation processes within the value chain, plans to gather information on such involvement processes are envisaged. For further details on this, please refer to Disclosure Requirement "S2-2: Processes for engaging with value chain workers about impacts".

Affected communities

To foster community and local engagement, the Group has implemented the Sponsorship Management (SPM) portal. This ensures a well-organised, transparent, and accountable process for managing sponsorship and donation requests from organisations and associations. The system guarantees that each initiative is evaluated uniformly and aligns with the bank's objectives, "Code of Ethics", and potential positive influence on the community. Requests are processed via a digital workflow that encompasses registration, document upload, application submission, and preliminary review by the dedicated department, all while continuously tracking progress. The effectiveness of the initiatives is gauged over time using indicators such as visibility returns, media and social media coverage, and a self-certification model of the impact generated. This is designed to ensure accountability and facilitate the evaluation of results. The process encourages a closer and more mindful connection with

the areas of coverage, whilst guaranteeing responsible management of resources designated to support social, cultural, and community-based initiatives. For more details, please see the contents of Disclosure Requirement "S3-2: Processes for engaging with affected communities about impacts".
In addition, community involvement was carried out both through Financial Education and Fight Against Gambling projects and through BPER Bene Comune initiatives, in line with the needs that emerged from the affected communities.

The willingness to work alongside socially committed organisations is also evident from the numerous memberships of or involvements with organisations and associations. These include: Global Compact, ABI (Italian Banking Association) working groups, Association for CSR (Corporate Social Responsibility), FEduF (Foundation for Financial and Savings Education), Sodalitas Foundation, Italian Sustainable Investment Forum, Impronta Etica, O.I.B.R. (Organismo Italiano di Business Reporting), Sustainability Makers, Valore D, D.i.Re (Donne in Rete Contro la Violenza).

In addition to the engagement activities previously mentioned, the BPER Group has introduced additional initiatives to enhance its stakeholder engagement. This includes being a member of Borsa Italiana's Sustainable Network, an initiative designed to establish an integrated ecosystem for the growth of sustainable finance within the Italian capital market. The Network encourages dialogue and cooperation among financial institutions, issuers, and advisors, promoting the exchange of expertise, best practices, and innovative solutions in the ESG sector. Its goal is to support the sustainable growth of the real economy using advanced tools and strategies.
In addition to these activities, training and information meetings on Sustainability Reporting were organised in cooperation with various trade associations to support Small and Medium Enterprises (SMEs) in the areas where the Bank operates.

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

Through the double materiality process, which is described in the following Disclosure Requirement "IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities", the following material impacts, risks and opportunities (IRO) emerged for the BPER Group's own operations and along the value chain. The double materiality analysis produced results in line with last year's results. The primary distinctions regarding the relevant sub-topics pertain to topics S2 (where the sub-topic "Other work-related rights - Privacy" was deemed relevant) and S4 (where the sub-topic "Personal safety of consumers and/or end-users" was considered not relevant).

In particular, the following emerged from the impact materiality.

Material impacts for the BPER Group

Topic	Sub-topic	Sub-sub-topic	ID	Impacts	Trend	Type	Time horizon
E1 - Climate Change	Climate change adaptation	-	I-1	Contribution to climate change adaptation of corporate customers through the provision of adequate financing.	Positive	Potential	Long-term
E1 - Climate Change	Climate change adaptation	-	I-2	Financial support related to the effects of extreme weather events by offering loans to support customers (retail and corporate) or granting moratoria on existing loans to customers who have suffered damage.	Positive	Actual	Short-term
E1 - Climate Change	Climate change adaptation	-	I-3	Assisting customers by providing insurance products to cover damage resulting from severe weather conditions.	Positive	Actual	Short-term
E1 - Climate Change	Climate change mitigation	-	I-4	Indirect GHG emissions (Scope 3) related to the securities and loans portfolio, corporate travel, purchases of goods and services and customer asset management.	Negative	Actual	Short-term
E1 - Climate Change	Climate change mitigation	-	I-5	Generation of direct and indirect GHG emissions (Scope 1 and 2).	Negative	Actual	Short-term
E1 - Climate Change	Climate change mitigation	-	I-6	Supporting the transition of companies through funding aimed at reducing the carbon footprint of counterparties.	Positive	Actual	Short-term
E1 - Climate Change	Climate change mitigation	-	I-7	Supporting sustainable development through Green Bond investment in the financial market.	Positive	Actual	Short-term

Topic	Sub-topic	Sub-sub-topic	ID	Impacts	Trend	Type	Time horizon
E1 - Climate Change	• Climate change mitigation • Energy	-	I-8	Reduced emissions financed through the provision of loans for the purchase and renovation of buildings with high performance energy classes.	Positive	Actual	Short-term
E1 - Climate Change	Energy	-	I-9	Consumption of energy from renewable and non-renewable sources, resulting in negative impacts on the environment and reduction of the energy stock.	Negative	Actual	Short-term
ESRS S1 – Own workforce	Working conditions	Secure employment	I-10	Employment security for employees thanks to almost exclusively permanent contracts.	Positive	Actual	Short-term
ESRS S1 – Own workforce	Working conditions	Working time	I-11	Improvement of employees' quality of life through the introduction of flexibility in the management of working time.	Positive	Actual	Short-term
ESRS S1 – Own workforce	Working conditions	Adequate wages	I-12	Economic security for employees by guaranteeing adequate wages.	Positive	Actual	Short-term
ESRS S1 – Own workforce	Working conditions	Freedom of association, the existence of works councils and the information, consultation and participation rights of workers	I-13	Protection of the right to free association of the organisation's employees.	Positive	Potential	Short-term
ESRS S1 – Own workforce	Working conditions	Collective bargaining, including rate of workers covered by collective agreements	I-14	Security and stability of employees through guaranteed coverage by collective agreements.	Positive	Actual	Short-term
ESRS S1 – Own workforce	Working conditions	Work-life balance	I-15	Improvement of the work-life balance and the mental and physical wellbeing of employees by the provision of amenities and ideal working conditions.	Positive	Potential	Medium-term
ESRS S1 – Own workforce	Working conditions	Health and Safety	I-16	Occupational accidents and illnesses resulting from ineffective application of procedures and preventive actions.	Negative	Actual	Short-term
ESRS S1 – Own workforce	Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	I-17	Contribution to a better quality of life for employees through higher levels of inclusiveness and merit in the work place.	Positive	Potential	Medium-term
ESRS S1 – Own workforce	Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	I-18	Discrimination in remuneration due to differential treatment conditioned by factors such as gender, sexual orientation, religion, ethnicity, language.	Negative	Potential	Medium-term
ESRS S1 – Own workforce	Equal treatment and opportunities for all	Training and skills development	I-19	Staff capacity building through successful development programmes.	Positive	Potential	Medium-term
ESRS S1 – Own workforce	Equal treatment and opportunities for all	Employment and inclusion of people with disabilities	I-20	Social inclusion of workers with disabilities.	Positive	Actual	Short-term
ESRS S1 – Own workforce	Equal treatment and opportunities for all	• Diversity • Measures against violence and harassment in the workplace	I-21	Incidents of discrimination within the Group.	Negative	Actual	Short-term
ESRS S1 – Own workforce	Other work-related rights	Privacy	I-22	Incidents of employee data loss due to non-compliance with the highest security requirements.	Negative	Actual	Short-term

Topic	Sub-topic	Sub-sub-topic	ID	Impacts	Trend	Type	Time horizon
ESRS S2 – Workers in the value chain	Working conditions	• Secure employment • Working time • Adequate wages • Social dialogue • Freedom of association, including the existence of work councils • Collective bargaining • Work-life balance	I-23	Financing for companies that ensure suitable working conditions for their employees.	Positive	Potential	Short-term
ESRS S2 – Workers in the value chain	Working conditions	Health and Safety	I-24	Occupational accidents and illnesses in value chain workers.	Negative	Potential	Short-term
ESRS S2 – Workers in the value chain	Other work-related rights	Privacy	I-25	Incidents of loss of data of employees in the value chain (customers and suppliers) due to non-compliance with the highest security requirements.	Negative	Potential	Short-term
ESRS S3 – Affected communities	Communities' economic, social and cultural rights	Adequate housing	I-26	Improving housing in the footprint areas by granting loans for the purchase of real estate, structured finance transactions and financial support to housing entities.	Positive	Actual	Short-term
ESRS S3 – Affected communities	Communities' economic, social and cultural rights	Water and sanitation	I-27	Protecting the health of communities through project financing for the healthcare/hospital sector.	Positive	Actual	Short-term
ESRS S3 – Affected communities	Communities' economic, social and cultural rights	Land-related impacts	I-28	Contributing to the socio-economic development of the territory.	Positive	Actual	Short-term
ESRS S3 – Affected communities	Communities' economic, social and cultural rights	Land-related impacts	I-29	Contributing to financial education through community-based initiatives.	Positive	Actual	Short-term
ESRS S4 – Consumers and end-users	Information-related impacts for consumers and/or end-users	Privacy	I-30	Loss of customer data due to inefficient data protection systems and non-compliance with privacy rules and protocols.	Negative	Actual	Short-term
ESRS S4 – Consumers and end-users	Information-related impacts for consumers and/or end-users	Freedom of expression	I-31	Ensuring customers' freedom of expression by setting up systems for reporting inefficiencies or problems with products/services offered.	Positive	Actual	Short-term
ESRS S4 – Consumers and end-users	Information-related impacts for consumers and/or end-users	Access to (quality) information	I-32	Customer satisfaction in terms of needs, expectations, benefits, adequate service and timely responses and introduction of alternative solutions.	Positive	Actual	Short-term
ESRS S4 – Consumers and end-users	Social Inclusion of consumers and/or end-users	Non-discrimination	I-33	Provision of products and services for all customer categories, including the most vulnerable ones.	Positive	Actual	Short-term
ESRS S4 – Consumers and end-users	Social Inclusion of consumers and/or end-users	Access to products and services	I-34	Reducing inequalities in access to credit through successful financial inclusion and financial education initiatives.	Positive	Potential	Medium-term
ESRS S4 – Consumers and end-users	Social Inclusion of consumers and/or end-users	Access to products and services	I-35	Increased financing for specific target customers through microcredit, social credit and other products for vulnerable groups.	Positive	Actual	Short-term
ESRS S4 – Consumers and end-users	Social Inclusion of consumers and/or end-users	Access to products and services	I-36	Development of the country's entrepreneurship, with a focus on SMEs and female entrepreneurship, also through the development of credit policies that are attentive to the needs of value chains at national level.	Positive	Actual	Short-term

Topic	Sub-topic	Sub-sub-topic	ID	Impacts	Trend	Type	Time horizon
ESRS S4 – Consumers and end-users	Social Inclusion of consumers and/or end-users	Access to products and services	I-37	Safeguarding customers through the provision of insurance and pension solutions, with the aim of protecting individuals, families, health, assets, and the future, by strengthening resilience in the face of unexpected events.	Positive	Actual	Short-term
ESRS S4 – Consumers and end-users	Social Inclusion of consumers and/or end-users	Responsible marketing practices	I-38	Customer satisfaction through responsible, fair and transparent marketing practices.	Positive	Actual	Short-term
ESRS S4 – Consumers and end-users	Social Inclusion of consumers and/or end-users	Responsible marketing practices	I-39	Improving offer quality and usability thanks to the increasing availability of products, services and information on digital channels and the implementation of omnichannel strategies.	Positive	Actual	Short-term
ESRS G1 – Business conduct	Corporate culture	-	I-40	Promoting a culture of fairness and ethics, rooted in adherence to both internal and external regulations, to ensure the integrity of the company and safeguard relationships with all stakeholders.	Positive	Actual	Short-term
ESRS G1 – Business conduct	Protection of whistleblowers	-	I-41	Protecting stakeholders by setting up safe and effective whistleblowing channels.	Positive	Actual	Short-term
ESRS G1 – Business conduct	Management of relationships with suppliers, including payment practices	-	I-42	Failure to comply with payment schedules and contractual terms with suppliers with consequences on their economic stability.	Negative	Actual	Short-term
ESRS G1 – Business conduct	Corruption and bribery	Prevention and detection including training	I-43	Prevention of any corruption involving staff or partners through the establishment of effective policies and procedures.	Positive	Actual	Short-term

The following financial materiality risks and opportunities emerged instead.

Material Risks for the BPER Group

Topic	Sub-topic	Sub-sub-topic	ID	Risk	Time horizon
E1 - Climate Change	Climate change adaptation	-	R-1	In the presence of an increase in the frequency and intensity of acute and chronic physical events in certain geographical areas, a failure to promptly react and adjust to contextual changes could jeopardize the viability and sustainability of the business model.	Long-term
E1 - Climate Change	Climate change adaptation	-	R-2	Risk of operational losses due to damage to the Group's infrastructure caused by natural events (for example earthquakes, floods, etc.).	Long-term
E1 - Climate Change	Climate change adaptation	-	R-3	Risk of operational losses due to the disruption of services provided by third parties, caused by the occurrence of natural events (geological, hydrogeological and meteorological).	Long-term
E1 - Climate Change	• Climate change adaptation • Climate change mitigation	-	R-4	Possible impact on the liquidity and funding profile if, following adverse environmental or climate events or to cover costs resulting from the climate transition, the Group's customers ended up needing liquidity by accessing the credit lines granted.	Short-/ Medium-/ Long-term

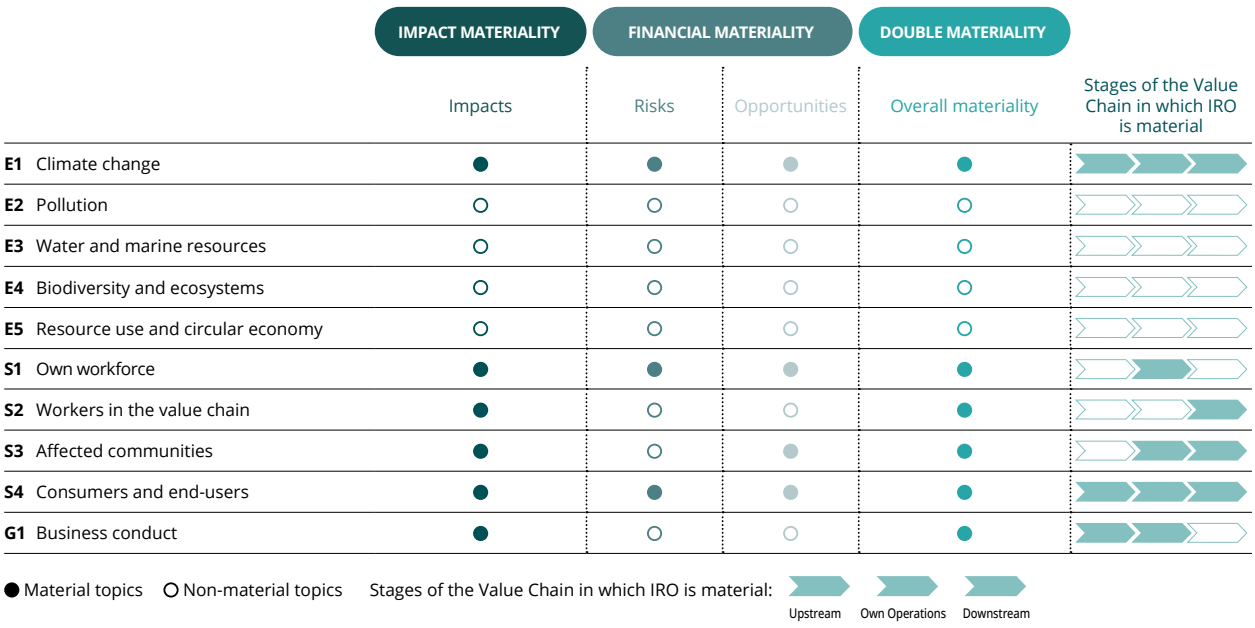
Topic	Sub-topic	Sub-sub-topic	ID	Risk	Time horizon
E1 - Climate Change	• Climate change adaptation • Climate change mitigation	-	R-5	The risk arises from a potential increase in the likelihood of occurrence and severity of extreme weather events (e.g. floods, heat waves, droughts, landslides, fires, etc.), especially in the medium and long term, with a higher magnitude if transitional policies are not undertaken. These phenomena may affect both companies and individuals by generating: • in the first case, damage to assets, increased costs and/or interruption of operations, resulting in loss of margins; • in the second case, damage to property resulting in a reduction in the value of collateral or unexpected costs for counterparties. These phenomena may lead to increases in the probability of default for both types of counterparties and/or reductions in recovery rates on commercial and residential collateral, with a consequent impact on Loss Given Default (LGD).	Long-term
E1 - Climate Change	Climate change mitigation	-	R-6	In the presence of strong transition policies, a failure to promptly react and adjust to contextual changes could jeopardise the viability and sustainability of the business model.	Medium-/ long-term
E1 - Climate Change	Climate change mitigation	-	R-7	Risk of operational losses due to transition-related costs incurred by the Group.	Long-term
E1 - Climate Change	• Climate change mitigation • Energy	-	R-8	National and European policies, which provide incentives and rules to build a low-carbon industrial system, thus characterised by greater energy efficiency in production processes and supply chains, could cause great damage to companies: • direct effects such as taxes based on the level of greenhouse gas emissions (payment of a Carbon Tax) or energy input cost shocks; • indirect effects due to consumer behaviour, the competitive environment to which the supply chain is exposed and the effects of the macroeconomic contest on the capital market. Such policies would also lead companies in high-emission sectors to bear higher investments and consequent financial burdens. The impact on companies' margins and leverage may therefore lead to a possible worsening of the counterparties' risk profile in terms of increased probability of default or recovery capabilities (especially for unsecured exposures). The transition could also define a re-composition of sectoral lending with indirect effects on the Group's risk profile.	Short-/ Medium-term
S1 – Own workforce	Working conditions	• Adequate wages • Social dialogue • Health and Safety	R-9	High number of legal claims/disputes initiated by employees and/or detection of particular relevant cases (e.g., published in the media, etc.).	Short-/ Medium-/ Long-term
S1 – Own workforce	Other work-related rights	Privacy	R-10	Detection of a serious cybersecurity incident (e.g. cyber crime).	Short-/ Medium-/ Long-term
S4 – Consumers and end-users	Information-related impacts for consumers and/or end-users	Privacy	R-11	Detection of a serious cybersecurity incident (e.g. cyber crime).	Short-/ Medium-/ Long-term

Material opportunities for the BPER Group

Topic	Sub-topic	Sub-sub-topic	ID	Opportunities	Time horizon
E1 - Climate Change	Climate change adaptation	-	O-1	Improvement of economic and financial performance through the marketing of insurance policies that cover damage caused by weather events.	Medium-term
E1 - Climate Change	- Climate change adaptation - Climate change mitigation	-	O-2	Improved financial performance through effective pursuit of climate strategy and support of customers' green transition	Medium-term
E1 - Climate Change	Energy	-	0-3	Reducing operating costs by adopting more efficient technologies that reduce emissions and promote the energy transition to a more sustainable model.	Medium-term
S1 – Own workforce	Equal treatment and opportunities for all	Training and skills development	O-4	Increased productivity and optimised talent management, on the back of significant improvement of the skills and capabilities of employees in new strategic areas, proactive management of employee redeployment and opportunities for professional development.	Medium-term
S3 – Affected communities	Communities' economic, social and cultural rights	Land-related impacts	O-5	Strengthening relations and positioning in the footprint areas through donations and sponsorships within the communities.	Long-term
S4 – Consumers and end-users	Social Inclusion of consumers and/or end-users	Access to products and services	O-6	Enhancing the distribution of insurance products, including via a digital platform, to boost commercial efficiency and attract new customers.	Medium-term
S4 – Consumers and end-users	Social Inclusion of consumers and/or end-users	Access to products and services	O-7	Improved attraction of existing customers and prospects through significant investments in digitalisation and automation aimed at developing a new, more usable omnichannel service model.	Medium-term

The summary representation of the double materiality analysis highlights the material issues for the BPER Group and illustrates the stages of the value chain where IROs are generated.

BPER Group Double Materiality: Summary Results



Material impacts, risks and opportunities, position within the value chain and interaction with strategy and business model

Material impacts, risks and opportunities are related to the strategic choices and policies implemented by the Group, and the issues with which they are associated are part of strategic planning, precisely due to the effects and consequences they generate. This is confirmed by the 2024-2027 Business Plan "B:Dynamic | Full Value 2027", which gives ecological transition, social support and the promotion of ESG culture a central role. For example, the financial strategy and credit granting give rise to GHG emissions. Working conditions and inclusiveness depend directly on strategic choices and internal policies for human resources management. Similarly, impacts on communities and customers arise from strategic decisions concerning the products offered, the management of the territorial network and the implementation of the Business Plan, aimed at ensuring sustainability and economic and social development. For more details on the nature of the business relationships considered, see Disclosure Requirement "SBM-1: Strategy, business model and value chain".

The BPER Group's material IROs influence both short-term and medium to long-term business decisions. As previously mentioned, these factors are linked to the strategy and business model and therefore already consider elements to ensure and strengthen its resilience in dealing with IROs.

As part of this process, the Group Banks conduct an annual resilience analysis with reference to the physical and transition risks to which the business may be exposed, described in Disclosure Requirement "IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities". For further details on the analysis for 2025, please refer to this Disclosure Requirement.

Changes in the impacts, risks, and opportunities compared to the previous reporting period are primarily due to the revision of the double materiality analysis during the 2025 financial year. This was approved by the Bank's Board of Directors on 16 October 2025. Additionally, the integration of the Banca Popolare di Sondrio Group and the continuous monitoring of the operational and regulatory environment also contributed to these changes. Also for 2025, the Group has not identified IROs related to entity-specific issues, and the time horizons within which the effects of the material impacts are expected to occur are divided into short, medium and long term, in line with the time horizons defined by ESRS 1 and indicated above.
With regard to risks and in keeping with the different methodologies applied for each type of risk, it should be noted that an impact analysis (capital/liquidity) is inherent in the assessments of those of a financial nature; whereas, with regard to risks of a non-financial nature, such as reputational risks, no financial impact analysis is carried out.
As far as opportunities are concerned, no current financial effects are foreseen, since they were identified and assessed from the organisation's strategic planning, with particular reference to the 2024-2027 Business Plan.

1.4 Impact, risk and opportunity management

IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities

The methodologies and assumptions used in identifying impacts, risks and opportunities are grounded in a double materiality analysis. This analysis is conducted in accordance with the guidance provided by EFRAG in the Implementation Guidance (IGMA 1). The analysis has been updated for the year 2025 to reflect shifts in the operating environment and market practices, whilst retaining the three-stage structure:

- phase A) understanding the context;
- phase B) identification of actual and potential impacts, risks and opportunities;
- phase C) assessment and determination of material IROs related to sustainability matters.

First, an analysis was conducted to understand the internal and external context of the Group, using both a qualitative and quantitative approach: the BPER Group examined its value chain and the actors involved, using documentary sources and conducting an analysis of the main related data. In particular, the economic actors involved were analysed with reference to: size, sectors or nature of their activities, geographical location and processes, with a view to the subsequent identification of IROs (impacts, risks and opportunities). In addition, following the acquisition of Banca Popolare di Sondrio s.p.a. that was completed on 1 August, an analysis was also conducted on the 2024 Sustainability Statement of Banca Popolare di Sondrio.

A prioritisation of stakeholder categories was later carried out, using a judgemental approach based on the valuation of the parameters provided by the standard AA1000SES. Following this analysis, a list of positive and negative impacts was drawn up, associating the phases and actors in the value chain with each of these. Each impact was linked to the ESRS topics (topic, sub-topic and sub-sub-topic) presented by ESRS 1 in Appendix A, RA 16. The impact assessment was carried out by engaging the most material stakeholders, both internal and external, in line with the prioritisation carried out previously. The stakeholder categories involved were: shareholders, employees, customers, financial market, territory and community, suppliers and public administration. The following engagement opportunities were therefore carried out:

- interviews with shareholders;
- multistakeholder forum with the involvement of representatives of customers, financial market, footprint area and community, suppliers, public administration;
- employee surveys.

After the assessment, in keeping with its commitment to stakeholder dialogue, BPER also shared the results of the double materiality analysis with representatives of the employees.
With regard to employees, one-to-one interviews were conducted with representatives of the relevant Departments, Services and Offices using an impact assessment roadmap, which were evaluated according to the parameters of likelihood and severity (scale, scope and irremediable character), as indicated in the ESRS standards. With regard to the interviews with the shareholders, each interviewee was given a list of the impacts reported to the specific area of responsibility, which were thus assessed according to the parameters provided by the ESRS standards. For the multistakeholder forum, instead, a list of impacts, deemed to be of relevance/interest to the participants, was selected for their evaluation. In particular, the questionnaire was delivered through the support of a dedicated application, and an assessment of the impacts was requested in the same way as for employee engagement. The results were then weighted taking into account the materiality and number of stakeholders engaged and the depth of the listening process.

The materiality of impacts on people or the environment in the short, medium or long term was assessed according to the parameters described below, depending on whether they were negative or positive, actual or potential. Specifically, with regard to actual negative impacts, materiality was assessed according to the severity of the impact, while for potential negative impacts, severity and likelihood of the impact were taken into account. Severity is based on the following factors: a) scale; b) scope; c) irremediable character of the impact. For positive impacts, materiality was assessed according to the following factors: a) the scale and scope of the impact with regard to actual impacts; b) the scale, scope and likelihood of the impact with regard to potential impacts.
For each negative impact, it was also assessed whether human rights violations could be involved: if so, severity took precedence over the likelihood of occurrence.

Then, in order to determine the materiality of the impacts subjected to assessment, a quantitative threshold of materiality was defined, taking into account the following elements:

- the distribution of the values obtained from the assessment, with particular reference to the average of the impact materiality scores from the internal and external engagement activity;
- the alignment with the provisions of ESRS 1 and IGMA 1 Guidance, which give companies the possibility to set appropriate qualitative or quantitative materiality thresholds, without, however, prescribing specific elements to be taken into account in determining value. The IGMA 1 Guidance also states that the company may apply the logic used in Enterprise Risk Management (ERM) as reference; in this regard, the threshold adopted for this exercise is intended to ensure approximation and consistency with the methodology adopted by the Risk Management Function for determining the materiality threshold applied to risks.

Impacts with a materiality score of 2.8 or more (on a scale of one to five) were considered relevant. This led to the identification of 43 material impacts.

As with the identification of impacts, the list in Appendix A RA 16 of ESRS 1 was taken as a reference for risks and opportunities:

- with regard to risks, starting from this list and in coordination with the Risk Management Function, existing mappings and assessments within the professional risk family were enhanced where possible;
- with reference to opportunities, elements in the list such as targets, lines of action, activities and projects were examined in order to identify opportunities related to ESRS topics using the greatest possible degree of granularity.

Sustainability risks and opportunities were assessed according to their likelihood of occurrence and the potential scale of their financial effects in the short, medium and long term.

As far as risks are concerned, the evaluations are separated according to the type of risk (operational, reputational, strategic, market, liquidity, credit), which are then placed on a single scale. Furthermore, it should be noted that the risks covered by the BPER Group's ERM refer to the prudential supervisory scope. Consequently, the risks associated with entities not included in this scope are considered as not material from a financial point of view. Each risk was analysed in relation to different aspects:

- its source;
- the reference scope;
- classification by risk type;
- methodology used for risk assessment, i.e. qualitative, quantitative or qualitative/quantitative;
- risk assessment according to ERM over the 3 reference time horizons;
- materiality or immateriality of the risk under consideration.

This analysis led to the determination of 11 material risks, linked to specific ESRS topics. In order to ensure consistency between various assessment processes related to heterogeneous types of risk events, a transcoding activity was carried out which served to create homogeneous and common scales for all the risk types examined. It was thereby possible to bring the various risk assessments under a single scale for each of the two parameters of the ESRS, namely potential scale and likelihood (both on a ranking of 1 to 4). For each of the four levels, the table groups the relevant classifications and considerations pertaining to each of the risk categories.
The materiality threshold was identified as "Medium-High" based on a transcoding matrix valid for all types of risk considered.
The analysis of opportunities was instead carried out by examining internal sources such as the 2024-2027 Business Plan of the BPER Banca Group. Meetings were organised with the relevant Functions to gather input on the opportunities and then carry out the assessment to determine their materiality, based on the parameters set forth in ESRS 1, such as the potential scale of the possible financial effects and the likelihood of their occurrence. It should be noted that the evaluations related to potential scale were carried out according to qualitative criteria and that, in order to report the results obtained on a homogeneous scale with that used for financial materiality, the scores were ranked from 1 to 4.
A materiality threshold corresponding to the "Medium-High" range was also set for opportunities in order to enhance the elements interconnected with the Group's strategic planning and ensure consistency with the risk assessment. Seven opportunities emerged as material from this analysis.

The analysis of risks and opportunities also considered the impacts generated and the possible detection of the organisation's dependencies on elements such as ecosystem services, human and intellectual capital or the stability of relations with target communities.
The Group determined the material risks and opportunities to be reported. This was based on a combination of i) likelihood of occurrence and ii) potential magnitude of financial effects determined on the basis of appropriate thresholds, as described above. It should be noted that in order to ensure maximum consistency between what is already present in relation to ERM and what has been produced in relation to the materiality assessment, the assessments associated with each risk were borrowed from the methodological frameworks already present in ERM, with evidence of the assessment according to the parameters required by the ESRS. Even for risks that are not covered by existing ERM taxonomies, but have been identified to cover subject areas not covered by ERM assets, the same methodology was applied, in accordance with ESRS 1.
It should also be noted that this process envisaged the continuous engagement of the internal structures responsible for risk detection and management. The materiality threshold was determined taking into account the specific types of risks addressed, in order to ensure the highest degree of consistency with what was produced in ERM.

The integration and management of ESG risks into the regulatory and prudential supervisory framework is a relevant issue for European Supervisory Authorities: as also indicated in the ECB "Guide on climate-related and environmental risks" (C&E risk), the ECB considers the process leading towards ecological transition as involving both risks and opportunities for the entire economic system and financial institutions, while the physical damage induced by climate change and environmental degradation can have a very significant impact on the real economy and the financial sector. This is confirmed by both the 2024-2026 and the 2025-2027 supervisory priorities.
Against this backdrop, the BPER Banca Group has structured its own sustainability process through the adoption of an integrated strategy, capable of combining business growth and financial strength with social and environmental sustainability, thereby creating long-term shared value, the management of which translates into real commitments both at governance level and in the daily activities of all corporate functions. Regarding the integration of climate and environmental factors into risk management processes, please refer to the Disclosure Requirement "E1 IRO-1: Description of the processes to identify and assess material climate-related impacts, risks and opportunities". In order to make the BoD and the Governing Bodies aware of the exposure to C&E risks and to allow them to make fully-informed decisions regarding sustainability issues, the BPER Banca Group, in line with the RAF, has strengthened quarterly reporting on risks with some indicators and analyses relating to climate and environmental risk factors, which is submitted to the BoD's Control and Risk Committee. Specifically, the Group regularly assesses ESG risk factors in the fields of credit, market, operational, reputational, strategic, and liquidity risk. It also reports on trends in RAF metrics, in order to control on a timely basis any breaches of the tolerance thresholds and/or risk limit set in the individual risk governance Policies and, if appropriate, direct the necessary communications to the Corporate Bodies and subsequent remedies, in line with the Group escalation policy.

The risk materiality analysis was conducted so as to ensure maximum integration with the Group's overall risk management system, and therefore carried out based on the methodologies and findings established within the ERM framework, which already consider ESG factors as components of the system itself.
The process of identifying, assessing and managing opportunities was carried out in coherence with the multi-year planning process, as the BPER Group has integrated ESG objectives into its Business Plan and budget process.

Description of the processes to identify and assess material climate-related impacts, risks and opportunities

The process of identifying and assessing climate change impacts is part of the broader double materiality process carried out by the BPER Group. In particular, through discussions with the main Corporate Functions involved, corporate activities were reviewed and, given the peculiar nature of the Group's business, climate impacts were traced back to direct and indirect greenhouse gas emissions generated by corporate operations (Scope 1 and Scope 2) and by the entire value chain (Scope 3), including the areas of lending and asset management.
In addition, some positive impacts on both climate change mitigation and adaptation activities have been identified and assessed in the context of lending. These impacts were assessed (and reported below) through the calculation of its Carbon Footprint.

With regard to the identification and assessment of climate change-related risks, the mapping and assessment campaigns carried out within the ERM framework with reference to physical and transition climate risks were used, which were subsequently reconciled with the list in Appendix RA 16 of ESRS 1, in order to ensure consistency between the double materiality analysis and the Group's ERM framework. For further details on methodologies pertaining to the identification and management of climate-related risks, please refer to the description provided in the Disclosure Requirement "E1 - IRO-1: Description of the processes to identify and assess material climate-related impacts, risks and opportunities".

With regard to the identification and assessment of climate change opportunities, please see the financial materiality process described above and the assessment integrated into Disclosure Requirement "SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model" discussed in the chapter "E1 - Climate Change".

Description of the processes to identify and assess environment-related impacts, risks and opportunities

Specifically, for the identification of impacts, risks and opportunities related to the topics Pollution (E2), Water and marine resources (E3), Biodiversity and ecosystems (E4), Resource use and circular economy (E5), the Group considered its own activities as well as those related to upstream and downstream activities, i.e. those indirectly financed and invested in. In order to make the analysis as comprehensive as possible, analysis tools were used to reflect the composition of the supplier base, the investment and securities portfolio, internal data and monitoring systems, as well as public databases and authoritative sources to estimate possible direct and indirect effects related to the issues at hand. For the purpose of identifying material risks, as described above, the risk catalogue defined in the Group's ERM was adopted.
In particular, the assessment of potential impacts was carried out by engaging internal experts deemed competent with respect to the assessment of impacts related to funded activities. For further details, please refer to what is described above in this Disclosure Requirement.

With reference to the topic "Biodiversity and ecosystems", it should be noted that the Group's offices and branches are not located within or near biodiversity-sensitive areas. Consequently, the activities carried out in these locations are not likely to have any negative effects, nor cause the deterioration of natural habitats and habitats of species, nor disturb the species for which protected areas have been designated. Therefore, the Group did not consider it necessary to take any biodiversity mitigation measures.

Description of the processes to identify and assess material business conduct-related impacts, risks, opportunities

With regard to topic "G1 - Business Conduct", it should be noted that the topic's materiality refers to the dimension of impact materiality. In particular, the following elements were considered for the most comprehensive assessment possible:

- geographical and socio-economic context;
- activities and direct operations of the companies included in the scope, as well as those subject to financing and investment.

IRO-2: Disclosure requirements in ESRS covered by the undertaking's sustainability statement

Following a thorough double materiality analysis, the Group identified the significant impacts, risks, and opportunities. This subsequently contributed to the determination of the relevant Disclosure Requirements and associated elements for each thematic ESRS. The following table shows the Disclosure Requirement relevant for the Group; each Disclosure Requirement is dealt with in a dedicated paragraph with the exact name of the requirement.
For non-material topics (E2, E3, E4, E5), the information required by ESRS 2 IRO-1 are included in "IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities".

IRO-2 - Table of Contents

AREA	DISCLOSURE REQUIREMENT
ESRS 2 – General Disclosures	BP-1 – General basis for preparation of sustainability statements
	BP-2 – Disclosures in relation to specific circumstances
	GOV-1 – The role of the administrative, management and supervisory bodies
	GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies
	GOV-3 – Integration of sustainability-related performance in incentive schemes
	GOV-4 – Statement on due diligence
	GOV-5 – Risk management and internal controls over sustainability reporting
	SBM-1 – Strategy, business model and value chain
	SBM-2 – Interests and views of stakeholders
	SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model
	IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities
	IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statement
ESRS E1 - Climate Change	ESRS 2 GOV-3 – Integration of sustainability-related performance in incentive schemes
	E1-1 – Transition plan for climate change mitigation
	ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model
	ESRS 2 IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities
	E1-2 – Policies related to climate change mitigation and adaptation
	E1-3 – Actions and resources in relation to climate change policies
	E1-4 – Targets related to climate change mitigation and adaptation
	E1-5 – Energy consumption and mix
	E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions
	E1-7 – GHG removals and GHG mitigation projects financed through carbon credits
ESRS E2 – Pollution	ESRS 2 IRO-1 – Description of the processes to identify and assess material pollution-related impacts, risks and opportunities
ESRS 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
ESRS E4 – Biodiversity and Ecosystems	ESRS 2 IRO-1 – Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities
ESRS E5 – 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

AREA	DISCLOSURE REQUIREMENT
ESRS S1 – Own workforce	ESRS 2 SBM-2 – Interests and views of stakeholders
	ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model
	S1-1– Policies related to own workforce
	S1-2 – Processes for engaging with own workforce and workers' representatives about impacts
	S1-3 – Processes to remediate negative impacts and channels for own workforce to raise concerns
	S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions
	S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities
	S1-6 – Characteristics of the undertaking's employees
	S1-7 – Characteristics of non-employee workers in the undertaking's own workforce
	S1-8 – Collective bargaining coverage and social dialogue
	S1-9 - Diversity metrics
	S1-10 - Adequate wages
	S1-11 - Social protection
	S1-12 - Persons with disabilities
	S1-13 – Training and skills development metrics
	S1-14 – Health and safety metrics
	S1-15 – Work-life balance metrics
	S1-16 – Remuneration metrics (pay gap and total remuneration)
	S1-17 – Incidents, complaints and severe human rights impacts
ESRS S2 – Workers in the value chain	SBM-2 – Interests and views of stakeholders
	ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model
	S2-1 – Policies related to value chain workers
	S2-2 – Processes for engaging with value chain workers about impacts
	S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns
	S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions
	S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities
ESRS S3 – Affected communities	ESRS 2 SBM-2 – Interests and views of stakeholders
	ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model
	S3-1 – Policies related to affected communities
	S3-2 – Processes for engaging with affected communities about impacts
	S3-3 – Processes to remediate negative impacts and channels for affected communities to raise concerns
	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
	S3-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities
ESRS S4 – Consumers and end-users	ESRS 2 SBM-2 – Interests and views of stakeholders
	ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model
	S4-1 – Policies related to consumers and end-users
	S4-2 – Processes for engaging with consumers and end-users about impacts
	S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns
	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
	S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities
ESRS G1 – Business conduct	ESRS 2 GOV-1 – The role of the administrative, management and supervisory bodies
	ESRS 2 IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities
	G1-1 – Business conduct policies and corporate culture
	G1-2 – Management of relationships with suppliers
	G1-3 – Prevention and detection of corruption and bribery
	G1-4 – Confirmed incidents of corruption or bribery
	G1-6 – Payment practices

Datapoints derived from other EU legislation listed in Appendix B of ESRS 2.

Disclosure requirement and related datapoint	Materiality	Section
ESRS 2 GOV-1 Board's gender diversity, paragraph 21 (d)		GOV-1: Role of administrative, management and supervisory bodies
ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21 (e)		GOV-1: Role of administrative, management and supervisory bodies
ESRS 2 GOV-4 Statement on due diligence, paragraph 30		GOV-4: Statement on due diligence
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities, paragraph 40 (d) i	Not material	
ESRS 2 SBM-1 Involvement in activities related to chemical production, paragraph 40 (d) ii	Not material	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, paragraph 40 (d) iii	Not material	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco, paragraph 40 (d) iv	Not material	
ESRS E1-1 Transition plan to reach climate neutrality by 2050, paragraph 14		E1-1: Transition plan for climate change mitigation
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks, paragraph 16 (g)		E1-1: Transition plan for climate change mitigation
ESRS E1-4 GHG emission reduction targets, paragraph 34		E1-4: Targets related to climate change mitigation and adaptation
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38		E1-5: Energy consumption and mix
ESRS E1-5 Energy consumption and mix, paragraph 37		E1-5: Energy consumption and mix
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43		E1-5: Energy consumption and mix
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions, paragraph 44		E1-6: Gross Scopes 1, 2, 3 and Total GHG emissions
ESRS E1-6 Gross GHG emissions intensity, paragraphs 53 to 55		E1-6: Gross Scopes 1, 2, 3 and Total GHG emissions
ESRS E1-7 GHG removals and carbon credits, paragraph 56		E1-7: GHG removals and GHG mitigation projects financed through carbon credits
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66		Subject to phase-in
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66(a)		Subject to phase-in
ESRS E1-9 Location of significant assets at material physical risk, paragraph 66 (c)		Subject to phase-in
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes, paragraph 67 (c)		Subject to phase-in
ESRS E1-9 | Degree of exposure of the portfolio to climate-related opportunities, paragraph 69		Subject to phase-in
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	Not material	
ESRS E3-1 Water and marine resources, paragraph 9	Not material	
ESRS E3-1 Dedicated policy, paragraph 13	Not material	
ESRS E3-1 Sustainable oceans and seas, paragraph 14	Not material	
ESRS E3-4 Total water recycled and reused, paragraph 28 (c)	Not material	
ESRS E3-4 Total water consumption in m3 per net revenue on own operations, paragraph 29	Not material	
ESRS 2- IRO-1 – E4 paragraph 16 (a) i		IRO-1: Description of the processes to identify and assess material impacts, risks, dependencies and opportunities
ESRS 2 IRO-1 – E4 paragraph 16 (b)		IRO-1: Description of the processes to identify and assess material impacts, risks, dependencies and opportunities
ESRS 2 IRO-1 – E4 paragraph 16 (c)		IRO-1: Description of the processes to identify and assess material impacts, risks, dependencies and opportunities
ESRS E4-2 Sustainable land/agriculture practices or policies, paragraph 24 (b)	Not material	
ESRS E4-2 Sustainable oceans/seas practices or policies, paragraph 24 (c)	Not material	
ESRS E4-2 Policies to address deforestation, paragraph 24 (d)	Not material	
ESRS E5-5 Non-recycled waste, paragraph 37 (d)	Not material	
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	Not material	

Disclosure requirement and related datapoint	Materiality	Section
ESRS 2 – SBM3 – S1 Risk of incidents of forced labour, paragraph 14 (f)		SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model
ESRS 2 – SBM3 – S1 Risk of incidents of child labour, paragraph 14 (g)		SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model
ESRS S1-1 Human rights policy commitments, paragraph 20		S1-1: Own workforce
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8, paragraph 21		S1-1: Own workforce policies
ESRS S1-1 Processes and measures for preventing trafficking in human beings, paragraph 22		S1-1: Own workforce policies
ESRS S1-1 Workplace accident prevention policy or management system, paragraph 23		S1-1: Policies related to own workforce
ESRS S1-3 Grievance/complaints handling mechanisms, paragraph 32 (c)		S1-3: Processes to remediate negative impacts and channels for own workforce to raise concerns
ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88 (b) and (c)		S1-14: Health and safety metrics
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness, paragraph 88 (e)		S1-14: Health and safety metrics
ESRS S1-16 Unadjusted gender pay gap, paragraph 97 (a)		S1-16: Remuneration metrics (pay gap and total remuneration)
ESRS S1-16 Excessive CEO pay ratio, paragraph 97 (b)		S1-16: Remuneration metrics (pay gap and total remuneration)
ESRS S1-17 Incidents of discrimination, paragraph 103 (a)		S1-17: Incidents, complaints and severe human rights impacts
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD, paragraph 104 (a)		S1-17: Incidents, complaints and severe human rights impacts
ESRS 2 SBM-3 – S2 Significant risk of child labour or forced labour in the value chain, paragraph 11 (b)		SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model
ESRS S2-1 Human rights policy commitments, paragraph 17		S2-1: Policies related to value chain workers
ESRS S2-1 Policies related to value chain workers, paragraph 18		S2-1: Policies related to value chain workers
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 19		S2-1: Policies related to value chain workers
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8, paragraph 19		S2-1: Policies related to value chain workers
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, paragraph 36		S2-4: Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions
ESRS S3-1 Human rights policy commitments, paragraph 16		S3-1: 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		S3-1: Policies related to affected communities
ESRS S3-4 Human rights issues and incidents, paragraph 36		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
ESRS S4-1 Policies related to consumers and end-users, paragraph 16		S4-1: Policies related to consumers and end-users
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 17		S4-1: Policies related to consumers and end-users
ESRS S4-4 Human rights issues and incidents, paragraph 35		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
ESRS G1-1 United Nations Convention against Corruption, paragraph 10 (b)		G1-1: Business conduct policies and corporate culture
ESRS G1-1 Protection of whistleblowers, paragraph 10 (d)		G1-1: Business conduct policies and corporate culture
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws, paragraph 24 (a)		G1-4: Confirmed incidents of corruption or bribery
ESRS G1-4 Standards of anti-corruption and anti-bribery, paragraph 24 (b)		G1-4: Confirmed incidents of corruption or bribery

2. ENVIRONMENTAL INFORMATION

2.1 Disclosure pursuant to Article 8 of Regulation 2020/852 (EU Taxonomy Regulation)

Update to the regulatory framework

The European Taxonomy or EU Taxonomy, as defined by Regulation (EU) 2020/852 (EU Taxonomy Regulation) and related Delegated Acts, establishes a classification system of economic activities to be considered environmentally sustainable from a climate and environmental point of view, setting specific technical screening criteria that define the conditions under which a given activity substantially contributes to the achievement of sustainability objectives. The classification tool is intended to create a common language for companies and investors with the aim of mobilising the flow of capital towards sustainable investments, thus supporting the orientation of public and private strategies towards the achievement of community environmental objectives, namely:

- Climate Change Mitigation (CCM);
- Climate Change Adaptation (CCA);
- sustainable use and protection of water and marine resources (WTR);
- transition to a circular economy (CE);
- pollution prevention and control (PPC);
- protection and restoration of biodiversity and ecosystems (BIO).

The EU Taxonomy establishes that economic activities can be considered:

- eligible or non eligible for the Taxonomy, based on the presence or otherwise of the description of such activities within the Delegated Regulations that integrate the EU Taxonomy Regulation;
- environmentally sustainable, i.e. aligned with the EU Taxonomy, if they are able to generate a substantial contribution to at least one of the six environmental objectives while also meeting the criteria of "Do Not Significantly Harm" (DNSH) and minimum safeguards as described in Delegated Regulation (EU) 2021/2139 and Delegated Regulation (EU) 2023/2485[74].

Article 8 of the EU Taxonomy Regulation introduced, as of 1 January 2022, a disclosure obligation for companies and financial market participants that are subject to the sustainability reporting obligation, as established in the CSRD Directive, indicating how and to what extent the company's activities are associated with economic activities considered environmentally sustainable. Details of the methodology and indicators to be used for the reporting required under the Taxonomy Regulation are set out in Delegated Regulation (EU) 2021/2178. More specifically, Article 4 of Delegated Regulation (EU) 2021/2178 establishes that credit institutions must report on the basis of what is specified in Annex V and that the information must be presented in tabular format using the templates referred to in Annex VI of the aforementioned Regulation. The KPIs whose publication is required by regulation are:

- the Green Asset Ratio (GAR): this is the ratio between the entity's assets that finance economic activities aligned with the Taxonomy or that are invested in such activities and the total assets covered;
- KPIs for off-balance sheet exposures[75]: this is the share of economic activities aligned with the Taxonomy in relation to off-balance sheet exposures that institutions manage and which direct or contribute to directing towards environmentally sustainable economic activities. The information relating to off-balance sheet exposures is divided based on:
  - financial guarantees to support loans and advances and other debt instruments towards businesses (Financial Guarantee KPI - FinGuar KPI);
  - financial assets under management (AuM KPI).

As provided for in Annex V of Delegated Regulation 2178/2021, the BPER Group has carried out an analysis of its assets based on the conservative consolidation scope, in line with the relevant legislation[76], considering:

- for the purposes of calculating the GAR and the KPI for off-balance sheet exposures relating to financial guarantees: the total gross carrying amount of the assets on the balance sheet as of 31 December 2025;

74 This Regulation introduces the criteria for the remaining four environmental objectives (sustainable use and protection of water and marine resources; transition to a circular economy; pollution prevention and control; protection and restoration of biodiversity and ecosystems) in addition to the first two objectives (climate change mitigation and climate change adaptation) whose criteria have been defined through the Delegated Regulation (EU) 2139/2021.

75 As of 1 January 2026, credit institutions will be required to report two additional indicators related to off-balance sheet exposures: the Fees and Commissions KPI and the GAR for the trading portfolio. However, the introduction of the new Delegated Regulation (EU) 73/2026 postpones the mandatory reporting of these indicators to 1 January 2028.

76 In accordance with Title II, Chapter 2, Section 2 of Regulation (EU) No. 575/2013.

- for the purposes of calculating the KPI for off-balance sheet exposures referring to the Asset under Management: management data referring to the assets subject to collective and individual management by the BPER Legal Entities as of 31 December 2025.

A new development in the regulatory landscape is the publication of Delegated Regulation (EU) 73/2026 in the Official Journal on 5 January 2026. This introduction modifies Delegated Regulation (EU) 2178/2021, simplifying the content and presentation of information to be reported on environmentally friendly activities. These changes form part of the Omnibus Package proposals from 26 February 2025, which are designed to simplify, streamline, and lessen the regulatory burden of the existing ESG rules. It is also worth noting that the new Delegated Regulation (EU) 73/2026, although it comes into effect fifteen days after its publication in the Official Journal, provides entities with CSRD reporting obligations a transitional year. During this period, they can decide whether to report according to the European Taxonomy, following the amendments made by the new Delegated Regulation, or to utilise the previous reporting model.

The BPER Group has opted to conduct their reporting exercise in accordance with the newly introduced Delegated Regulation (EU) 73/2026. This decision brings about the following main changes for the Group:

- postponement by two years of the reporting obligation for banks of the templates and KPIs associated with the "Trading Portfolio" and "Fees and Commissions";
- amendment and simplification of the templates of the EU Taxonomy Annex VI - Template for KPIs of credit institutions:
  - general reduction in the number of datapoints;
  - obligation to replicate template 1 also for Flow;
  - delimitation of template 2 to the 10 largest exposures with different NACE codes to which the Bank is exposed with publication of the duplicate template for Turnover and CapEx values;
- ad hoc templates on Gas & Nuclear are no longer required to be reported: exposures to gas and nuclear activities are included in the new template 2;
- update of the GAR calculation formula that excludes certain asset categories from the KPI denominator, including derivatives, cash and cash equivalents, on-demand interbank loans, other asset categories (e.g. goodwill and commodity investments) and exposures to companies outside the CSRD scope. Exposures to Special Purpose Vehicles ("SPVs") that invest in companies within the scope of the CSRD may also be incorporated into the calculation of the KPI;
- templates for the previous reporting period are no longer required for "Template 1. Assets for the calculation of GAR" and "Template 3. KPI GAR (stock)".

Main outcome

As anticipated, the decision to carry out the European Taxonomy reporting exercise in line with the new Delegated Regulation resulted in an amendment and simplification of the key performance indicators in tabular format, using the templates in Annex VI of Delegated Regulation (EU) 73/2026, i.e:

- Template 0 Summary of KPIs: containing evidence of the KPIs reported by financial undertakings pursuant to article 8 of the Taxonomy Regulation;
- Template 1 Assets for the calculation of GAR: containing evidence of the equivalent values in Euro of total, eligible and aligned on-balance sheet exposures as at 31 December 2025. This template needs to be replicated to convey information about stock levels for the computation of GAR (Stock), and details on new assets for the calculation of GAR (Flow);
- Template 2 GAR - Sector information: containing evidence of exposures to the top ten sectors covered by the Taxonomy to non-financial corporations subject to CSRD based on the prevailing NACE code thereof;
- Template 3 GAR KPI stock: containing evidence of the values relating to the GAR regarding the stock of eligible and aligned on-balance sheet exposures, calculated starting from the information referred to in Template 1:
- Template 4 GAR KPI flow: containing evidence of the values relating to the GAR on the flow of on-balance sheet exposures which are eligible and aligned with the Taxonomy;
- Template 5 KPI off-balance sheet exposures: containing evidence of Taxonomy-eligible and Taxonomy-aligned values for the FinGuar KPI and the AuM KPI calculated in terms of Stock and Flow of off-balance sheet exposures[77].

77 In line with the previous reporting period, the value of AuM flows for the year 2025 was identified as the sum of the gross values of the Group's assets under management during the year.

Template 0. Summary of KPIs

		Total exposure to Taxonomy-aligned activities (EUR million)		KPI (1)(%)	KPI (2)(%)	% coverage (over total assets) (3) (%)	Non-assessed exposures (% of covered assets) (4)(%)	Non-assessed exposures (% of covered assets) (4)(%)
		Turnover-based	Capex-based	Turnover-based	Capex-based		Turnover-based	Capex-based
Main KPI	Green asset ratio (GAR) stock	5,175.41	5,851.10	7.07%	7.99%	35.31%	-	-

		Total exposure to Taxonomy-aligned activities (EUR million)		KPI (1)(%)	KPI (2)(%)	% coverage (over total assets) (3) (%)	Non-assessed exposures (% of covered assets) (4)(%)	Non-assessed exposures (% of covered assets) (4)(%)
		Turnover-based	Capex-based	Turnover-based	Capex-based		Turnover-based	Capex-based
Additional KPIs	GAR (flow)	1,804.12	2,135.95	12.23%	14.48%	26.39%	-	-
	Trading book							
	Financial guarantees	36.81	61.14	33.22%	55.18%			
	Assets under management	1,387.98	2,118.82	6.25%	9.54%			
	Fees and commissions income (5)							

(1) Based on the Turnover KPI of the counterparty.

(2) Based on the CapEx KPI of the counterparty.

(3) % of assets covered by the KPI over banks' total assets.

(4) In accordance with Article 7(8) of Delegated Regulation (EU) 73/2026.

(5) Fee and commission income from services other than lending and from AuM.

The KPIs reported in Template 0 "Summary of KPIs" provided for in Annex VI of Delegated Regulation (EU) 73/2026, and detailed in the related in-depth models, were calculated using the Turnover and CapEx ratios published by them as weighting factors for corporate exposures. Some considerations are provided below:

- the additional KPIs relating to the trading book and Fees and commissions income will be published, in accordance with the regulatory update, starting from 2028.
- GAR is calculated as the ratio of Total taxonomy-aligned assets (see Template 1, Line 2 "Loans and advances, debt securities and equity instruments not held for trading purposes eligible in the GAR calculation") to Total GAR Assets (see Template 1, Line 20 "Total GAR Assets");
- the percentage coverage figure is calculated as the ratio of the assets included in the numerator of the GAR (see Template 1, Line 20 "Total GAR Assets") to the Total Assets on the balance sheet (see Template 1, Line 40 "Total Assets");
- the figure for unrated exposures is equivalent to 0% because the BPER Group did not report such cases in this reporting period.

The Green Asset Ratio (GAR) in terms of stock for the 2025 financial year corresponds[78]:

- to 7.07% (about Euro 5,175 million taxonomy-aligned) considering the respective Turnover KPIs as the weighting factor for exposures to companies subject to CSRD;
- to 7.99% (about Euro 5,851 million taxonomy-aligned) considering the respective CapEx KPIs as the weighting factor for exposures to companies subject to CSRD.
- As far as GAR Flow is concerned, for the year 2025, the value is 12.23% based on Turnover KPIs and 14.48% based on CapEx KPIs.

78 Below are the values for the financial year 2024:

- GAR Stock was 2.82% based on Turnover KPIs and 3.01% based on CapEx KPIs;
- GAR Flow stood at 1.04% for Turnover KPIs and 1.09% for CapEx KPIs;
- assets under management were 3.55% (Turnover) and 5.74% (CapEx);
- collateral was 0.27% (Turnover) and 3.14% (CapEx) respectively.

However, with reference to off-balance sheet assets, the KPIs in terms of stock for FY 2025 are:

- for the KPI relating to assets under management (AuM KPI):
  - 6.25% (about Euro 1,388 million taxonomy-aligned) considering the respective Turnover KPIs as the weighting factor for exposures to companies subject to CSRD;
  - 9.54% (about Euro 2,119 million taxonomy-aligned) considering the respective CapEx KPIs as the weighting factor for exposures to companies subject to CSRD.
- for the KPI relating to Financial Guarantees (FinGuar KPI):
  - 33.22% (about Euro 37 million taxonomy-aligned) considering the respective Turnover KPIs as the weighting factor for exposures to companies subject to CSRD;
  - 55.18% (about Euro 61 million taxonomy-aligned) considering the respective CapEx KPIs as the weighting factor for exposures to companies subject to CSRD.

The rise in the percentage values of the alignment KPIs compared to the previous year indicates three primary factors influencing the calculation methods and scope used in the current year.

Firstly, the implementation of Delegated Regulation (EU) 73/2026 brings about a substantial update to the rules concerning key performance indicators. The main changes common to financial undertakings include:

- the exclusion from the denominator of, among others, derivatives, cash and cash equivalents, and interbank loans on demand;
- the exclusion from the denominator of all exposures to companies not subject to sustainability reporting requirements under Directive (EU) 2464/2022.

Secondly, the GAR Flow value for the year 2025 represents a methodological update from the previous year. The indicator is in fact calculated as the ratio between the gross book value of new taxonomy-aligned exposures (new loans, advances, debt securities and equity instruments) and the total value of new relevant covered assets in the 2025 financial year. In the prior period, however, the flow was determined on the basis the total stock of exposures.

Finally, the BPER Group's scope expanded with the inclusion of exposures related to the Banca Popolare di Sondrio Group. This integration alters the overall composition of the relevant portfolio, impacting the dynamics of the KPIs in comparison to the previous year.
Considering these methodological and boundary updates, the values for the current year possess characteristics that hinder complete comparability with those published on 31 December 2024.

Description of the strategy and business activities related to the Green Asset Ratio
The reference regulation also requires credit institutions to provide, as part of the accompanying information supporting quantitative KPIs, a description of compliance with the Taxonomy Regulation in relation to the company's business strategy, product design processes and engagement with clients and counterparties[79]. In order to ensure that its business strategy and processes are consistent with the provisions of the EU Taxonomy, the BPER Group has undertaken a series of actions to support its customers in aligning with the sustainability criteria identified by the EU.

In this context, the Bank continued to strengthen its processes with the aim of acquiring increasingly robust information in particular on the energy performance of collateral and other elements useful for assessing the alignment requirements of the EU Taxonomy. Within the Bank's catalogue, there are specific products aimed at facilitating the transition path of customers, including the financing product, called "Immobiliare Green Corporate", aimed at companies operating in the Real Estate sector with characteristics aligned with the European Taxonomy. The commitment to the transition is regularly reinforced through business initiatives, specifically aimed at assisting households in purchasing properties with superior energy efficiency.

The BPER Banca Group's commitment to ensuring consistency between its strategy and the objectives set out in the Taxonomy Regulation is also formalised in the targets of the Group's Business Plan "B:Dynamic | Full Value 2027", under which the Bank has committed to new ESG loan disbursements of over Euro 7 billion, part of which will come from products eligible for and/or aligned with the objectives set out in the EU Taxonomy.

79 See Delegated Regulation (EU) 2178/2021, Annex XI, sub-point 3. Additional information required under Annex XI (e.g. contextual information in support of the quantitative indicators, information on data sources) is provided within the chapter with reference to the specific asset classes/types analysed.

Scope of the activities analysed and information on data sources
For the purposes of preparing the disclosure required by the EU Taxonomy, the BPER Group used timely data from its internal accounting and management systems. The expansion of the scope of exposure, following the incorporation of the Banca Popolare di Sondrio Group, did not result in any changes to the methodologies used to calculate eligibility and alignment values.

In line with previous reporting years, detailed information on the eligibility and alignment quotas of companies required to publish sustainability reports, as stated by the companies themselves in their 2024 reports, was gathered using leading market information providers utilised by the Group.
The methodology used by the BPER Group to check the eligibility and alignment of exposures included in the calculation of taxonomy-related KPIs is detailed below.

Exposures to CSRD counterparties
With particular reference to exposures to companies with no known purpose (so called General Purpose), the values of the exposures included in the numerator of the key performance indicators were weighted by the eligible and aligned Turnover and capital expenditure (CapEx) ratios declared by the counterparties with reference to climate change mitigation (CCM), climate change adaptation (CCA), sustainable use and protection of water and marine resources (WTR), transition to a circular economy (CE), pollution prevention and control (PPC) and protection and restoration of biodiversity and ecosystems (BIO), respectively.

Exposures to undertakings that are not obliged to publish non-financial information have been identified as the sum of exposures to counterparties which, based on what is indicated by the relevant info-provider, have not published a Sustainability Statement as at 31 December 2025 or do not fall within financial/non-financial conglomerates subject to reporting obligations.

Exposures to households
Here, we analyse loans granted to individual household customers, which are secured by real estate and are either eligible for or aligned with the EU taxonomy. This category of exposures includes loans collateralised by residential immovable property, aimed at the purchase and/or renovation of residential immovable properties. The BPER Group has categorised these loans as admissible under the EU Taxonomy for the Objective of Climate Change Mitigation. Furthermore, the bank gathered the required information to check the taxonomic alignment of the properties through the use of reference info providers.

Loans to households for home renovations and vehicle purchases were deemed entirely admissible in terms of the EU Taxonomy's objective of mitigating climate change.[80] However, for these exposures, the Group currently lacks the necessary data to conduct the alignment assessment mandated by existing regulations. In light of the upcoming reporting tasks, we will consider obtaining the necessary information for these types of loans as well. This will facilitate a comprehensive verification of the relevant taxonomic alignment.

Disclosure pursuant to Annex VI of Delegated Regulation (EU) 73/2026

The following disclosure has been prepared in accordance with the templates provided in Annex VI of the Delegated Regulation (EU) 73/2026. This regulation amends the Delegated Regulation (EU) 2178/2021, with a focus on simplifying the content and presentation of information to be disclosed about environmentally friendly activities. This information pertains to both on-balance sheet and off-balance sheet assets that are aligned with the Taxonomy. For all the disclosure templates below, the values (in millions of euros and as a percentage) referring to the 2025 reporting year are indicated.

80 See the provisions of Delegated Regulation (EU) 2139/2021, Annex I, Activity 7.2: "Renovation of existing buildings" and activity 6.5: "Transport by motorbikes, passenger cars and light commercial vehicles".

Template 1. Assets for the calculation of GAR - Turnover Stock

	EUR million	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non assessed exposures	Of which financing nonmaterial activities of counterparties (1)	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution (2)
					Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)							
1	**GAR – Covered assets in both numerator and denominator**																
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**73,200.59**	**49,299.65**	**5,175.41**	**5,159.16**	**1.17**	**7.09**	**4.72**	**3.28**	**-**	**-**	**54.47**	**777.59**	**-**	**-**	**-**	**-**
3	**Financial undertakings**	**8,433.42**	**2,082.71**	**286.77**	**282.63**	**0.93**	**1.70**	**1.51**	**0.00**	**-**	**-**	**9.74**	**77.53**	**-**	**-**	**-**	**-**
4	Loans and advances	1,123.59	166.33	45.40	45.31	0.09	0.00	0.00	0.00	-	-	1.73	34.71	-	-	-	-
5	Debt securities, including UoP	7,162.22	1,877.04	233.23	229.67	0.35	1.70	1.51	-	-	-	7.08	39.62	-	-	-	-
6	Equity instruments	147.61	39.34	8.14	7.65	0.49	-	-	-	-		0.94	3.20	-	-	-	-
7	**Non-financial undertaking**	**6,553.02**	**2,175.73**	**1,391.06**	**1,378.95**	**0.24**	**5.39**	**3.20**	**3.28**	**-**	**-**	**44.72**	**700.06**	**-**	**-**		**-**
8	Loans and advances	5,648.49	1,718.99	1,097.67	1,091.40	0.09	3.39	1.80	0.98	-	-	36.20	551.20	-	-		-
9	Debt securities, including UoP	898.80	453.16	291.09	285.25	0.15	2.00	1.40	2.29	-	-	8.52	147.49	-	-		-
10	Equity instruments	5.73	3.58	2.30	2.29	0.00	-	-	-	-		-	1.37	-	-		-
11	**Households**	**58,051.21**	**45,036.88**	**3,497.58**	**3,497.58**	**-**		**-**			**-**	**-**	**-**	**-**	**-**		**-**
12	of which loans collateralised by residential immovable property	44,534.29	43,539.05	3,497.58	3,497.58	-		-			-	-	-	-	-		-
13	of which building renovation loans	1,416.03	1,416.03	-	-	-		-			-	-	-	-	-		-
14	of which motor vehicle loans	81.81	81.81	-	-						-	-	-	-	-		-
15	**Local government financing**	**4.33**	**4.33**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**
16	Housing financing	2.17	2.17	-	-	-		-			-	-	-	-	-		-
17	Other local government financing	2.16	2.16	-	-	-	-	-	-	-	-	-	-	-	-		-
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	**158.61**	**-**	**-**	**-**	**-**		**-**						**-**	**-**		**-**
19	**Exposures included on a voluntary basis (3)**	**-**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**		
20	**Total GAR assets**	**73,200.59**												**-**	**-**	**-**	**-**
21	**Assets not covered for GAR calculation**	**134,121.09**															
22	**Central governments and Supranational issuers**	**37,185.26**															
23	**Central banks exposure**	**11,802.58**															
24	**Trading book**	**1,020.17**															
25	**Undertakings and entities not subject to CSRD**	**68,478.98**															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	64,446.69															
27	Loans and advances	62,858.63															
28	of which loans collateralised by commercial immovable property	8,455.96															
29	of which building renovation loans	531.86															
30	Debt securities	1,372.94															
31	Equity instruments	215.12															
32	Non-EU country counterparties not subject to CSRD disclosure obligations	4,032.29															
33	Loans and advances	1,230.45															
34	Debt securities	1,645.14															
35	Equity instruments	1,156.69															
36	**Derivatives**	**695.76**															
37	**On demand interbank loans**	**521.24**															
38	**Cash and cash-related assets**	**1,010.45**															
39	**Other categories of assets (e.g. Goodwill, commodities etc.)**	**13,406.65**															
40	**Total assets**	**207,321.68**															
	Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																
41	**Financial guarantees**	**110.81**	**58.00**	**36.81**	**36.76**	**0.05**	**-**	**0.00**	**-**	**-**	**-**	**0.01**	**21.96**	**-**	**-**	**-**	**-**
42	**Assets under management**	**22,215.73**	**5,098.57**	**1,387.98**	**1,280.25**	**43.38**	**28.69**	**25.63**	**10.02**	**-**	**-**	**118.23**	**591.73**	**-**	**-**	**-**	**-**
43	Of which debt securities	15,715.07	3,472.63	945.77	864.37	37.47	24.15	13.45	6.34	-	-	88.67	327.97	-	-	-	-
44	Of which equity instrument	6,020.80	1,579.12	442.21	415.89	5.92	4.55	12.18	3.68	-	-	29.56	263.75	-	-	-	-

1 In accordance with Article 7(8)(a) and (b) of Delegated Regulation (EU) 73/2026.
2 In accordance with Article 4(1a) of Delegated Regulation (EU) 73/2026.
3 In accordance with Article 7(3) of Delegated Regulation (EU) 73/2026.

Template 1. Assets for the calculation of GAR - CapEx Stock

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	EUR million	Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non assessed exposures	Of which financing nonmaterial activities of counterparties (1)	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution (2)
					Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)							
1	**GAR - Covered assets in both numerator and denominator**																
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**73,200.59**	**50,287.28**	**5,851.10**	**5,752.24**	**74.93**	**15.82**	**5.16**	**2.95**	**0.00**	**-**	**51.24**	**1,418.72**	**-**	**-**	**-**	**-**
3	**Financial undertakings**	**8,433.42**	**2,306.83**	**347.47**	**334.04**	**12.55**	**0.17**	**0.72**	**0.00**	**0.00**	**-**	**14.60**	**106.36**	**-**	**-**	**-**	**-**
4	Loans and advances	1,123.59	291.31	34.09	33.95	0.13	0.00	0.00	0.00	0.00	-	2.22	21.71	-	-	-	-
5	Debt securities, including UoP	7,162.22	1,968.35	300.38	288.67	10.82	0.17	0.72	-	0.00	-	11.00	79.59	-	-	-	-
6	Equity instruments	147.61	47.17	13.00	11.41	1.59	-	-	-	-		1.39	5.06	-	-	-	-
7	**Non-financial undertaking**	**6,553.02**	**2,939.23**	**2,006.05**	**1,920.63**	**62.38**	**15.65**	**4.44**	**2.95**	**-**	**-**	**36.64**	**1,312.36**	**-**	**-**		**-**
8	Loans and advances	5,648.49	2,359.85	1,609.67	1,541.36	53.44	12.51	2.05	0.32	-	-	25.64	1,065.65	-	-		-
9	Debt securities, including UoP	898.80	574.59	392.56	375.63	8.77	3.14	2.39	2.64	-	-	11.00	243.52	-	-		-
10	Equity instruments	5.73	4.79	3.82	3.64	0.18	-	-	-	-		-	3.20	-	-		-
11	**Households**	**58,051.21**	**45,036.88**	**3,497.58**	**3,497.58**												
12	of which loans collateralised by residential immovable property	44,534.29	43,539.05	3,497.58	3,497.58												
13	of which building renovation loans	1,416.03	1,416.03	-	-												
14	of which motor vehicle loans	81.81	81.81	-	-						-	-	-				
15	**Local government financing**	**4.33**	**4.33**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**				
16	Housing financing	2.17	2.17	-	-	-		-			-	-	-				
17	Other local government financing	2.16	2.16	-	-	-	-	-	-	-	-	-	-				
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	**158.61**	**-**	**-**	**-**	**-**		**-**									
19	**Exposures included on a voluntary basis (3)**	**-**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**		
20	**Total GAR assets**	**73,200.59**												**-**	**-**	**-**	**-**
21	**Assets not covered for GAR calculation**	**134,121.09**															
22	**Central governments and Supranational issuers**	**37,185.26**															
23	**Central banks exposure**	**11,802.58**															
24	**Trading book**	**1,020.17**															
25	**Undertakings and entities not subject to CSRD**	**68,478.98**															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	64,446.69															
27	Loans and advances	62,858.63															
28	of which loans collateralised by commercial immovable property	8,455.96															
29	of which building renovation loans	531.86															
30	Debt securities	1,372.94															
31	Equity instruments	215.12															
32	Non-EU country counterparties not subject to CSRD disclosure obligations	4,032.29															
33	Loans and advances	1,230.45															
34	Debt securities	1,645.14															
35	Equity instruments	1,156.69															
36	**Derivatives**	**695.76**															
37	**On demand interbank loans**	**521.24**															
38	**Cash and cash-related assets**	**1,010.45**															
39	**Other categories of assets (e.g. Goodwill, commodities etc.)**	**13,406.65**															
40	**Total assets**	**207,321.68**															
	Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																
41	**Financial guarantees**	**110.81**	**77.14**	**61.14**	**58.29**	**2.84**	**-**	**0.00**	**-**	**-**	**-**	**0.01**	**50.90**	**-**	**-**	**-**	**-**
42	**Assets under management**	**22,215.73**	**6,036.18**	**2,118.82**	**1,842.74**	**190.10**	**53.80**	**21.48**	**10.70**	**-**	**-**	**168.03**	**900.49**	**-**	**-**	**-**	**-**
43	Of which debt securities	15,715.07	4,203.37	1,508.89	1,259.90	181.98	45.85	13.90	7.27	-	-	126.68	534.46	-	-	-	-
44	Of which equity instrument	6,020.80	1,785.99	609.92	582.85	8.13	7.95	7.57	3.43	-	-	41.35	366.03	-	-	-	-

1 In accordance with Article 7(8)(a) and (b) of Delegated Regulation (EU) 73/2026.
2 In accordance with Article 4(1a) of Delegated Regulation (EU) 73/2026.
3 In accordance with Article 7(3) of Delegated Regulation (EU) 73/2026.

Template 1. Assets for the calculation of GAR - Turnover Flow

	EUR million	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non assessed exposures	Of which financing nonmaterial activities of counterparties (1)	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution (2)
					Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)							
1	**GAR – Covered assets in both numerator and denominator**																
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**14,749.78**	**8,512.73**	**1,804.12**	**1,800.33**	**0.01**	**2.20**	**1.01**	**0.59**	**-**	**-**	**16.57**	**282.63**	**-**	**-**	**-**	**-**
3	**Financial undertakings**	**366.28**	**68.24**	**5.53**	**5.52**	**0.01**	**0.00**	**0.00**	**0.00**	**-**	**-**	**0.16**	**0.77**	**-**	**-**	**-**	**-**
4	Loans and advances	362.87	67.94	5.24	5.23	0.01	0.00	0.00	0.00	-	-	0.16	0.77	-	-	-	-
5	Debt securities, including UoP	3.00	0.29	0.29	0.29	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	0.41	0.01	0.01	0.01	0.00	-	-	-	-		0.00	0.00	-	-	-	-
7	**Non-financial undertaking**	**2,691.47**	**783.05**	**562.31**	**558.52**	**0.00**	**2.20**	**1.01**	**0.59**	**-**	**-**	**16.42**	**281.85**	**-**	**-**		**-**
8	Loans and advances	2,690.94	782.72	562.09	558.31	0.00	2.20	1.01	0.59	-	-	16.42	281.73	-	-		-
9	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
10	Equity instruments	0.53	0.33	0.21	0.21	0.00	-	-	-	-		-	0.13	-	-		-
11	**Households**	**11,691.28**	**7,660.69**	**1,236.28**	**1,236.28**	**-**		**-**			**-**	**-**	**-**	**-**	**-**		**-**
12	of which loans collateralised by residential immovable property	7,489.95	7,334.95	1,236.28	1,236.28	-		-			-	-	-	-	-		-
13	of which building renovation loans	269.85	269.85	-	-	-		-			-	-	-	-	-		-
14	of which motor vehicle loans	30.41	30.41	-	-						-	-	-	-	-		-
15	**Local government financing**	**0.75**	**0.75**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**
16	Housing financing	0.75	0.75	-	-	-		-			-	-	-	-	-		-
17	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**		**-**
19	**Exposures included on a voluntary basis (3)**	**-**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**		
20	**Total GAR assets**	**14,749.78**												**-**	**-**	**-**	**-**
21	**Assets not covered for GAR calculation**	**41,151.17**															
22	**Central governments and Supranational issuers**	**6,771.29**															
23	**Central banks exposure**	**9,081.71**															
24	**Trading book**	**323.91**															
25	**Undertakings and entities not subject to CSRD**	**22,499.74**															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	21,925.85															
27	Loans and advances	21,904.33															
28	of which loans collateralised by commercial immovable property	1,068.89															
29	of which building renovation loans	164.61															
30	Debt securities	19.00															
31	Equity instruments	2.52															
32	Non-EU country counterparties not subject to CSRD disclosure obligations	573.89															
33	Loans and advances	555.09															
34	Debt securities	-															
35	Equity instruments	18.80															
36	**Derivatives**	**174.81**															
37	**On demand interbank loans**	**177.67**															
38	**Cash and cash-related assets**	**1,010.45**															
39	**Other categories of assets (e.g. Goodwill, commodities etc.)**	**1,111.58**															
40	**Total assets**	**55,900.95**															
	Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																
41	**Financial guarantees**	**0.01**	**0.00**	**0.00**	**0.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0.00**	**-**	**-**	**-**	**-**
42	**Assets under management**	**4,038.76**	**1,023.33**	**267.36**	**250.72**	**7.28**	**3.29**	**4.03**	**2.05**	**-**	**-**	**23.22**	**108.94**	**-**	**-**	**-**	**-**
43	Of which debt securities	2,801.07	696.31	183.54	170.62	6.73	2.88	1.84	1.47	-	-	18.64	59.18	-	-	-	-
44	Of which equity instrument	1,175.47	323.64	83.82	80.09	0.55	0.41	2.19	0.58	-	-	4.58	49.76	-	-	-	-

1 In accordance with Article 7(8)(a) and (b) of Delegated Regulation (EU) 73/2026.
2 In accordance with Article 4(1a) of Delegated Regulation (EU) 73/2026.
3 In accordance with Article 7(3) of Delegated Regulation (EU) 73/2026.

Template 1. Assets for the calculation of GAR - CapEx Flow

	EUR million	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
		Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Esposizioni non valutate	Of which financing nonmaterial activities of counterparties (1)	Of which exposures financing counterparties reporting in accordance with Article 7(9)	Of which not assessed considered non-material by the credit institution (2)
					Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)							
1	**GAR – Covered assets in both numerator and denominator**																
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**14,749.78**	**9,044.00**	**2,135.95**	**2,101.91**	**23.67**	**9.23**	**0.83**	**0.32**	**0.00**	**-**	**12.21**	**586.76**	**-**	**-**	**-**	**-**
3	**Financial undertakings**	**366.28**	**137.06**	**6.74**	**6.68**	**0.06**	**0.00**	**0.00**	**0.00**	**0.00**	**-**	**0.43**	**1.46**	**-**	**-**	**-**	**-**
4	Loans and advances	362.87	136.34	6.49	6.43	0.06	0.00	0.00	0.00	0.00	-	0.43	1.46	-	-	-	-
5	Debt securities, including UoP	3.00	0.71	0.24	0.24	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	0.41	0.02	0.01	0.01	0.00	-	-	-	-		0.00	0.00	-	-	-	-
7	**Non-financial undertaking**	**2,691.47**	**1,245.50**	**892.93**	**858.95**	**23.61**	**9.23**	**0.83**	**0.32**	**-**	**-**	**11.78**	**585.30**	**-**	**-**		**-**
8	Loans and advances	2,690.94	1,245.06	892.58	858.61	23.59	9.23	0.83	0.32	-	-	11.78	585.01	-	-		-
9	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
10	Equity instruments	0.53	0.44	0.35	0.34	0.02	-	-	-	-		-	0.29	-	-		-
11	**Households**	**11,691.28**	**7,660.69**	**1,236.28**	**1,236.28**	**-**		**-**			**-**	**-**	**-**	**-**	**-**		**-**
12	of which loans collateralised by residential immovable property	7,489.95	7,334.95	1,236.28	1,236.28	-		-			-	-	-	-	-		-
13	of which building renovation loans	269.85	269.85	-	-	-		-			-	-	-	-	-		-
14	of which motor vehicle loans	30.41	30.41	-	-						-	-	-	-	-		-
15	**Local government financing**	**0.75**	**0.75**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**
16	Housing financing	0.75	0.75	-	-	-		-			-	-	-	-	-		-
17	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**		**-**
19	**Exposures included on a voluntary basis (3)**	**-**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**		
20	**Total GAR assets**	**14,749.78**												**-**	**-**	**-**	**-**
21	**Assets not covered for GAR calculation**	**41,151.17**															
22	**Central governments and Supranational issuers**	**6,771.29**															
23	**Central banks exposure**	**9,081.71**															
24	**Trading book**	**323.91**															
25	**Undertakings and entities not subject to CSRD**	**22,499.74**															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	21,925.85															
27	Loans and advances	21,904.33															
28	of which loans collateralised by commercial immovable property	1,068.89															
29	of which building renovation loans	164.61															
30	Debt securities	19.00															
31	Equity instruments	2.52															
32	Non-EU country counterparties not subject to CSRD disclosure obligations	573.89															
33	Loans and advances	555.09															
34	Debt securities	-															
35	Equity instruments	18.80															
36	**Derivatives**	**174.81**															
37	**On demand interbank loans**	**177.67**															
38	**Cash and cash-related assets**	**1,010.45**															
39	**Other categories of assets (e.g. Goodwill, commodities etc.)**	**1,111.58**															
40	**Total assets**	**55,900.95**															
	Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																
41	**Financial guarantees**	**0.01**	**0.00**	**0.00**	**0.00**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
42	**Assets under management**	**4,038.76**	**1,213.94**	**432.82**	**383.33**	**39.05**	**5.83**	**2.42**	**2.19**	**-**	**-**	**35.28**	**167.48**	**-**	**-**	**-**	**-**
43	Of which debt securities	2,801.07	841.16	312.03	266.17	37.67	5.16	1.39	1.64	-	-	28.68	98.44	-	-	-	-
44	Of which equity instrument	1,175.47	368.50	120.79	117.16	1.38	0.67	1.03	0.55	-	-	6.60	69.05	-	-	-	-

1 In accordance with Article 7(8)(a) and (b) of Delegated Regulation (EU) 73/2026.
2 In accordance with Article 4(1a) of Delegated Regulation (EU) 73/2026.
3 In accordance with Article 7(3) of Delegated Regulation (EU) 73/2026.

Template 2. GAR - Sector Information - Turnover

a		b	c	d	e	f	g	h	i	j
	Breakdown by sector – NACE 4 digits level (code and label) (EUR million)	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	49.10 - Passenger rail transport, interurban	611.24	437.05	370.61	370.61	-	-	-	-	-
2	35.23 - Trade of gas through mains	553.50	117.60	63.90	61.82	-	1.25	0.42	0.42	-
3	35.12 - Transmission of electricity	538.29	532.91	462.93	462.93	-	-	-	-	-
4	49.50 - Transport via pipeline	381.40	33.11	25.55	25.30	-	0.25	-	-	-
5	61.10 - Wired telecommunications activities	341.36	2.97	2.10	2.10	-	-	-	-	-
6	29.32 - Manufacture of other parts and accessories for motor vehicles	288.09	11.65	-	-	-	-	-	-	-
7	35.11 - Production of electricity	281.40	199.28	187.43	186.15	-	0.28	0.36	0.63	-
8	52.21 - Service activities incidental to land transportation	254.13	173.76	133.21	132.82	-	-	0.39	-	-
9	42.11 - Construction of roads and motorways	229.19	136.02	75.04	74.87	0.12	-	0.05	-	-
10	30.11 - Building of ships and floating structures	214.78	136.42	22.68	22.68	-	-	-	-	-
11	Nuclear activities (1)	1,170.27	4.24	3.39						
12	Fossil gas activities (2)	1,995.37	183.10	5.53						
13	Of which non-assessed exposures (3)	-								

1 Referred to in Sections 4.26, 4.27 and 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139.
2 Referred to in Sections 4.29, 4.30 and 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139.
3 In accordance with Article 7(8) of Delegated Regulation (EU) 73/2026.

Template 2. GAR - Sector Information - CapEx

a		b	c	d	e	f	g	h	i	j
	Breakdown by sector – NACE 4 digits level (code and label) (EUR million)	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	49.10 - Passenger rail transport, interurban	611.24	587.40	540.33	498.77	41.56	-	-	-	-
2	35.23 - Trade of gas through mains	553.50	173.50	150.42	146.54	-	3.44	0.43	0.00	-
3	35.12 - Transmission of electricity	538.29	538.29	532.91	532.91	-	-	-	-	-
4	49.50 - Transport via pipeline	381.40	278.97	123.83	120.05	3.78	-	-	-	-
5	61.10 - Wired telecommunications activities	341.36	7.75	5.36	5.36	-	-	-	-	-
6	29.32 - Manufacture of other parts and accessories for motor vehicles	288.09	23.51	-	-	-	-	-	-	-
7	35.11 - Production of electricity	281.40	249.52	230.87	228.24	0.22	0.86	0.73	0.81	-
8	52.21 - Service activities incidental to land transportation	254.13	208.23	164.01	151.13	12.88	-	-	-	-
9	42.11 - Construction of roads and motorways	229.19	153.79	118.82	111.82	5.46	-	1.53	-	-
10	30.11 - Building of ships and floating structures	214.78	93.33	16.11	15.66	-	-	0.45	-	-
11	Nuclear activities (1)	1,170.27	3.14	3.05						
12	Fossil gas activities (2)	1,995.37	30.44	6.73						
13	Of which non-assessed exposures (3)	-								

1 Referred to in Sections 4.26, 4.27 and 4.28 of Annexes I and II to Delegated Regulation (EU) 2021/2139.
2 Referred to in Sections 4.29, 4.30 and 4.31 of Annexes I and II to Delegated Regulation (EU) 2021/2139.
3 In accordance with Article 7(8) of Delegated Regulation (EU) 73/2026.

Template 3. KPI GAR (stock) - Turnover

	% (compared to corresponding total covered assets in the denominator)	a	b	c	d	e	f	g	h	i	j	k	l	m
		Taxonomy-eligible	Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures (1)
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
1	GAR – Covered assets in both numerator and denominator													
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**67.35%**	**7.07%**	**7.05%**	**0.00%**	**0.01%**	**0.01%**	**0.00%**	**-**	**-**	**0.07%**	**1.06%**	**-**	**-**
3	**Financial undertakings**	**2.85%**	**0.39%**	**0.39%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**-**	**-**	**0.01%**	**0.11%**	**-**	**-**
4	Loans and advances	0.23%	0.06%	0.06%	0.00%	0.00%	0.00%	0.00%	-	-	0.00%	0.05%	-	-
5	Debt securities, including UoP	2.56%	0.32%	0.31%	0.00%	0.00%	0.00%	-	-	-	0.01%	0.05%	-	-
6	Equity instruments	0.05%	0.01%	0.01%	0.00%	-	-	-	-		0.00%	0.00%	-	-
7	**Non-financial undertaking**	**2.97%**	**1.90%**	**1.88%**	**0.00%**	**0.01%**	**0.00%**	**0.00%**	**-**	**-**	**0.06%**	**0.96%**	**-**	**-**
8	Loans and advances	2.35%	1.50%	1.49%	0.00%	0.00%	0.00%	0.00%	-	-	0.05%	0.75%	-	-
9	Debt securities, including UoP	0.62%	0.40%	0.39%	0.00%	0.00%	0.00%	0.00%	-	-	0.01%	0.20%	-	-
10	Equity instruments	0.00%	0.00%	0.00%	0.00%	-	-	-	-		-	0.00%	-	-
11	**Households**	**61.53%**	**4.78%**	**4.78%**	**-**		**-**			**-**	**-**	**-**	**-**	**-**
12	of which loans collateralised by residential immovable property	59.48%	4.78%	4.78%	-		-			-	-	-	-	-
13	of which building renovation loans	1.93%	-	-	-		-			-	-	-	-	-
14	of which motor vehicle loans	0.11%	-	-						-	-	-	-	-
15	**Local government financing**	**0.01%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
16	Housing financing	0.00%	-	-	-		-			-	-	-	-	-
17	Other local government financing	0.00%	-	-	-	-	-	-	-	-	-	-	-	-
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**
19	**Exposures included on a voluntary basis (2)**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	
20	**Total GAR assets**	**67.35%**	**7.07%**	**7.05%**	**0.00%**	**0.01%**	**0.01%**	**0.00%**	**-**	**-**	**0.07%**	**1.06%**	**-**	**-**

1 In accordance with Article 7(8) of Delegated Regulation (EU) 73/2026.
2 In accordance with Article 7(3) of Delegated Regulation (EU) 73/2026.

Template 3. KPI GAR (stock) - CapEx

	% (compared to corresponding total covered assets in the denominator)	a	b	c	d	e	f	g	h	i	j	k	l	m
		Taxonomy-eligible	Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures (1)
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
1	GAR – Covered assets in both numerator and denominator													
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**68.70%**	7.99%	**7.86%**	**0.10%**	**0.02%**	**0.01%**	**0.00%**	**0.00%**	**-**	**0.07%**	**1.94%**	**-**	**-**
3	**Financial undertakings**	3.15%	0.47%	**0.46%**	**0.02%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**-**	**0.02%**	**0.15%**	**-**	**-**
4	Loans and advances	0.40%	0.05%	0.05%	0.00%	0.00%	0.00%	0.00%	0.00%	-	0.00%	0.03%	-	-
5	Debt securities, including UoP	2.69%	0.41%	0.39%	0.01%	0.00%	0.00%	-	0.00%	-	0.02%	0.11%	-	-
6	Equity instruments	0.06%	0.02%	0.02%	0.00%	-	-	-	-		0.00%	0.01%	-	-
7	**Non-financial undertaking**	4.02%	2.74%	**2.62%**	**0.09%**	**0.02%**	**0.01%**	**0.00%**	**-**	**-**	**0.05%**	**1.79%**	**-**	**-**
8	Loans and advances	3.22%	2.20%	2.11%	0.07%	0.02%	0.00%	0.00%	-	-	0.04%	1.46%	-	-
9	Debt securities, including UoP	0.78%	0.54%	0.51%	0.01%	0.00%	0.00%	0.00%	-	-	0.02%	0.33%	-	-
10	Equity instruments	0.01%	0.01%	0.00%	0.00%	-	-	-	-		-	0.00%	-	-
11	**Households**	61.53%	4.78%	**4.78%**	**-**		**-**			**-**	**-**	**-**	**-**	**-**
12	of which loans collateralised by residential immovable property	59.48%	4.78%	4.78%	-		-			-	-	-	-	-
13	of which building renovation loans	1.93%	-	-	-		-			-	-	-	-	-
14	of which motor vehicle loans	0.11%	-	-						-	-	-	-	-
15	**Local government financing**	0.01%	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
16	Housing financing	0.00%	-	-	-		-			-	-	-	-	-
17	Other local government financing	0.00%	-	-	-	-	-	-	-	-	-	-	-	-
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**
19	**Exposures included on a voluntary basis (2)**	-	-	**-**	**-**		**-**			**-**	**-**	**-**	**-**	
20	**Total GAR assets**	**68.70%**	**7.99%**	**7.86%**	**0.10%**	**0.02%**	**0.01%**	**0.00%**	**0.00%**	**-**	**0.07%**	**1.94%**	**-**	**-**

1 In accordance with Article 7(8) of Delegated Regulation (EU) 73/2026.
2 In accordance with Article 7(3) of Delegated Regulation (EU) 73/2026.

Template 4. KPI GAR (flow) - Turnover

	% (compared to corresponding total covered assets in the denominator)	a	b	c	d	e	f	g	h	i	j	k	l	m
		Taxonomy-eligible	Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures (1)
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
1	GAR – Covered assets in both numerator and denominator													
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**57.71%**	**12.23%**	**12.21%**	**0.00%**	**0.01%**	**0.01%**	**0.00%**	**-**	**-**	**0.11%**	**1.92%**	**-**	**-**
3	**Financial undertakings**	**0.46%**	**0.04%**	**0.04%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**-**	**-**	**0.00%**	**0.01%**	**-**	**-**
4	Loans and advances	0.46%	0.04%	0.04%	0.00%	0.00%	0.00%	0.00%	-	-	0.00%	0.01%	-	-
5	Debt securities, including UoP	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	0.00%	0.00%	0.00%	0.00%	-	-	-	-		0.00%	0.00%	-	-
7	**Non-financial undertaking**	**5.31%**	**3.81%**	**3.79%**	**0.00%**	**0.01%**	**0.01%**	**0.00%**	**-**	**-**	**0.11%**	**1.91%**	**-**	**-**
8	Loans and advances	5.31%	3.81%	3.79%	0.00%	0.01%	0.01%	0.00%	-	-	0.11%	1.91%	-	-
9	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Equity instruments	0.00%	0.00%	0.00%	0.00%	-	-	-	-		-	0.00%	-	-
11	**Households**	**51.94%**	**8.38%**	**8.38%**	**-**		**-**			**-**	**-**	**-**	**-**	**-**
12	of which loans collateralised by residential immovable property	49.73%	8.38%	8.38%	-		-			-	-	-	-	-
13	of which building renovation loans	1.83%	-	-	-		-			-	-	-	-	-
14	of which motor vehicle loans	0.21%	-	-						-	-	-	-	-
15	**Local government financing**	**0.01%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
16	Housing financing	0.01%	-	-	-		-			-	-	-	-	-
17	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**
19	**Exposures included on a voluntary basis (2)**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	
20	**Total GAR assets**	**57.71%**	**12.23%**	**12.21%**	**0.00%**	**0.01%**	**0.01%**	**0.00%**	**-**	**-**	**0.11%**	**1.92%**	**-**	**-**

1 In accordance with Article 7(8) of Delegated Regulation (EU) 73/2026.
2 In accordance with Article 7(3) of Delegated Regulation (EU) 73/2026.

Template 4. GAR KPI flow – CapEx

	% (compared to corresponding total covered assets in the denominator)	a	b	c	d	e	f	g	h	i	j	k	l	m
		Taxonomy-eligible	Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non-assessed exposures (1)
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)					
1	GAR – Covered assets in both numerator and denominator													
2	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	**61.32%**	**14.48%**	**14.25%**	**0.16%**	**0.06%**	**0.01%**	**0.00%**	**0.00%**	**-**	**0.08%**	**3.98%**	**-**	**-**
3	**Financial undertakings**	**0.93%**	**0.05%**	**0.05%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**-**	**0.00%**	**0.01%**	**-**	**-**
4	Loans and advances	0.92%	0.04%	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%	-	0.00%	0.01%	-	-
5	Debt securities, including UoP	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	0.00%	0.00%	0.00%	0.00%	-	-	-	-		0.00%	0.00%	-	-
7	**Non-financial undertaking**	**8.44%**	**6.05%**	**5.82%**	**0.16%**	**0.06%**	**0.01%**	**0.00%**	**-**	**-**	**0.08%**	**3.97%**	**-**	**-**
8	Loans and advances	8.44%	6.05%	5.82%	0.16%	0.06%	0.01%	0.00%	-	-	0.08%	3.97%	-	-
9	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Equity instruments	0.00%	0.00%	0.00%	0.00%	-	-	-	-		-	0.00%	-	-
11	**Households**	**51.94%**	**8.38%**	**8.38%**	**-**		**-**			**-**	**-**	**-**	**-**	**-**
12	of which loans collateralised by residential immovable property	49.73%	8.38%	8.38%	-		-			-	-	-	-	-
13	of which building renovation loans	1.83%	-	-	-		-			-	-	-	-	-
14	of which motor vehicle loans	0.21%	-	-						-	-	-	-	-
15	**Local government financing**	**0.01%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
16	Housing financing	0.01%	-	-	-		-			-	-	-	-	-
17	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-
18	**Collateral obtained by taking possession: residential and commercial immovable properties**	**-**	**-**	**-**	**-**		**-**			**-**	**-**	**-**	**-**	**-**
19	**Exposures included on a voluntary basis (2)**	**-**	**-**	**-**	**-**		**-**			**-**	**0.00%**	**0.00%**	**0.00%**	
20	**Total GAR assets**	**61.32%**	**14.48%**	**14.25%**	**0.16%**	**0.06%**	**0.01%**	**0.00%**	**0.00%**	**-**	**0.08%**	**3.98%**	**-**	**-**

1 In accordance with Article 7(8) of Delegated Regulation (EU) 73/2026.
2 In accordance with Article 7(3) of Delegated Regulation (EU) 73/2026.

Template 5. KPI off-balance sheet exposures (stock) - Turnover

% (compared to corresponding total off-balance sheet assets)	a	b	c	d	e	f	g	h	i	j	k	l
	Taxonomy-eligible	Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures (1)
			Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)				
1 Financial guarantees (FinGuar KPI)	52.34%	33.22%	33.18%	0.04%	-	0.00%	-	-	-	0.01%	19.81%	-
2 Assets under management (AuM KPI)	22.95%	6.25%	5.76%	0.20%	0.13%	0.12%	0.05%	-	-	0.53%	2.66%	-

1 In accordance with Article 7(8) of Delegated Regulation (EU) 73/2026.

Template 5. KPI off-balance sheet exposures (stock) – CapEx

% (compared to corresponding total off-balance sheet assets)	a	b	c	d	e	f	g	h	i	j	k	l
	Taxonomy-eligible	Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures (1)
			Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)				
1 Financial guarantees (FinGuar KPI)	69.62%	55.18%	52.61%	2.57%	-	0.00%	-	-	-	0.01%	45.94%	-
2 Assets under management (AuM KPI)	27.17%	9.54%	8.29%	0.86%	0.24%	0.10%	0.05%	-	-	0.76%	4.05%	-

1 In accordance with Article 7(8) of Delegated Regulation (EU) 73/2026.

Template 5. KPI off-balance sheet exposures (flow) - Turnover

% (compared to corresponding total off-balance sheet assets)	a	b	c	d	e	f	g	h	i	j	k	l
	Taxonomy-eligible	Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures (1)
			Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)				
1 Financial guarantees (FinGuar KPI)	9.95%	4.69%	4.69%	-	-	-	-	-	-	-	3.06%	-
2 Assets under management (AuM KPI)	25.34%	6.62%	6.21%	0.18%	0.08%	0.10%	0.05%	-	-	0.57%	2.70%	-

1 In accordance with Article 7(8) of Delegated Regulation (EU) 73/2026.

Template 5. KPI off-balance sheet exposures (flow) – CapEx

% (compared to corresponding total off-balance sheet assets)	a	b	c	d	e	f	g	h	i	j	k	l
	Taxonomy-eligible	Taxonomy-aligned	Breakdown per environmental objective						Of which Use of Proceeds	Of which transitional	Of which enabling	Non-assessed exposures (1)
			Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)				
1 Financial guarantees (FinGuar KPI)	5.96%	4.86%	4.86%	-	-	-	-	-	-	-	-	-
2 Assets under management (AuM KPI)	30.06%	10.72%	9.49%	0.97%	0.14%	0.06%	0.05%	-	-	0.87%	4.15%	-

1 In accordance with Article 7(8) of Delegated Regulation (EU) 73/2026.

2.2 Climate change (E1)

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model (E1)

IROs-PAT table

Sub-topic	PATs and related IROs
Climate change adaptation	**Policies:** • ESG Policy **(I-1, I-2, R-4, R-5, O-2)** • Policy for the governance of credit risk **(I-1, I-2, R-1, R-4, R-5, O-2)** • ESG Loan Origination Policy **(I-1, I-2, R-1, R-4, R-5, O-2)** • Policy governing the management of environmental and energy issues **(I-1, I-2, R-2, R-3, R-4, R-5, O-2)** **Actions:** • Actions in credit policies and disbursement **(I-1, I-2, R-1, R-4, R-5, O-2)** • Products and services with environmental purposes **(I-1, I-2, R-1, R-4, R-5, O-2)** • Insurance related to climate events **(I-3, R-1, R-5, O-1)** • Owned properties - The Business Continuity Plan **(R-2, R-3)**
Climate change mitigation	**Policies:** • ESG Policy **(I-4, I-5, I-6, R-4, R-5, R-6, R-7, O-2)** • Policy for the governance of credit risk **(I-4, I-6, I-8, R-4, R-5, R-6, R-8, O-1, O-2)** • ESG Loan Origination Policy **(I-4, I-6, I-8, R-4, R-5, R-6, R-8, O-1, O-2)** • ESG Investment Policy for the Management of the Group's Banking Book **(I-4, I-7)** • Policy for governing the risk of non-compliance in relation to sustainability in the provision of investment services **(I-4, I-7)** • ESG Policy – Arca Fondi SGR **(I-4)** • Policy governing the management of environmental and energy issues **(I-4, I-5, I-6, I-8, R-4, R-5, R-6, R-7, R-8, O-1, O-2)** **Actions:** • Transition Plan for Climate Change Mitigation **(I-4, I-6, I-8, R-4, R-5, R-6, R-8, O-2)** • Net-Zero Banking Alliance **(I-4, I-6, I-7, I-8, O-2)** • Actions in credit policies and disbursement **(I-4, I-6, I-8, R-4, R-5, R-6, R-8, O-2)** • Products and services with environmental purposes **(I-4, I-6, I-7, I-8, R-4, R-5, R-6, R-8, O-2)** • ESG Investment Actions for the Management of the Group's Banking Book **(I-4, I-7)** • Green, Social and Sustainability Bond Framework and the issuance of Green Bonds **(I-4, I-7)** • The green investment proposition for customers **(I-4, I-7)** • The proposition of ESG investments - Arca **(I-4, I-7)** • Car fleet/mobility/home-work commute **(I-4, I-5)** • Owned properties - The Business Continuity Plan **(R-7)** • Reducing paper consumption **(I-4)** • Energy Plan (I-5, R-7) **Targets:** • NZBA targets **(I-4, I-6, I-8, O-2)** • Euro 1 billion in Green Bond issues **(I-4, I-6, I-7, I-8, O-2)** • 45% ESG AuM **(I-4, I-7)** • Targets related to the provision of financing with ESG characteristics **(I-4, I-6, R-4, O-2)** • Targets related to the Energy Plan **(I-5, R-7)**
Energy	**Policies:** • ESG Loan Origination Policy **(I-8, R-8)** • Policy governing the management of environmental and energy issues **(I-8, I-9, R-8, O-3)** **Actions:** • Actions in credit policies and disbursement **(I-8, R-8)** • Car fleet/mobility/home-work commute **(I-9, O-3)** • Energy Plan **(I-9, O-3)** • ISO 14001 and 50001 Certifications **(I-9, O-3)** **Targets:** • NZBA Targets **(I-8)** • Euro 1 billion in Green Bond issues **(I-8)** • Emission reduction targets - Energy Plan **(I-9, O-3)**

Significant impacts, risks and opportunities related to Climate Change are detailed in the Disclosure Requirement "SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model" in Chapter 1. General Information. For each material risk factor referred to above, information is provided below indicating whether it relates to:

- both physical and transitional risk factors:
  - the PD ("Probability of Default") and LGD risk parameters are directly impacted by the probability of extreme weather events occurring and/or the effectiveness of energy transition policies implemented by portfolio counterparties. As a complement, collateral valuations could also be revised in light of physical risk exposure based on geographical location;
  - in the presence of still relevant transition policies and the increase in the frequency and intensity of acute and chronic physical events in certain geographical areas, a failure to promptly react and adjust to contextual changes could jeopardize the viability and sustainability of the business model;

  - possible impact on the liquidity and funding profile if, following adverse climate events or to cover costs resulting from the climate transition, the Group's customers ended up needing liquidity by accessing their current and deposit accounts and/or the credit lines granted;
- physical risk factors:
  - operational losses due to damage to the bank's infrastructure/paper documentation caused by natural events (for example earthquakes, floods, etc.) and resulting interruption of operations;
  - risk of operational losses due to damage to the bank's infrastructure caused by natural events (e.g. earthquakes, floods, etc.);
- transition risk factors:
  - the national and European policies that tend towards a low carbon emission economy, featuring greater energy efficiency, could cause major adaptation costs and less profitability, especially for economic sectors/areas with high direct and indirect GHG emissions. Therefore, depending on the level of exposure of the Group in these sectors, there is a possibility that the risk profile of the counterparties could worsen, in terms of increased default and migration risk with a direct impact on impairment policies.

The transmission channels reported here refer to the outcomes of the double materiality analysis, which is different from the analysis conducted as part of the Group Risk Map, described in "E1 IRO-1: Description of the processes to identify and assess material climate-related impacts, risks and opportunities".

Business model resilience to climate-related risks

From March 2023, the BPER Group has initiated a structured approach to gradually incorporate the assessment and management of risks and opportunities associated with climate and environmental matters into its planning processes. The analysis under discussion is centred on the measurement of risk-adjusted profitability metrics, which are dependent on specific scenarios. This analysis has been enhanced by subsequent methodological improvements, enabling the identification and examination of potential strategic measures to reduce the carbon footprint of the loan portfolio. After the EBA Guidelines on managing environmental, social, and governance risks were published, the Group conducted an additional analysis to assist in developing the Transition Plan. This analysis aimed to evaluate the extent of alignment with decarbonisation targets, identify strategic areas for intervention to reduce misalignment, and quantify the economic and financial impacts on key risk-adjusted profitability indicators.

The strategic analysis conducted also encompassed evaluations of the mechanisms to be implemented across a wider range of counterparties and exposures than those considered for the target setting of decarbonisation objectives. This included considerations related to mitigating physical risks. The impact analysis was conducted, considering the attainment of the NZBA targets by 2030 and also forecasting over a long-term time horizon until 2050. The analysis was executed in three stages:

- in the first phase, an inertial simulation was carried out to assess the Group's ability to meet decarbonisation targets and contain physical risk exposure levels, estimating economic impacts and the risk-return profile. In the inertial simulation, it was assumed that corporate clients follow decarbonisation routes in line with the reference scenario. Meanwhile, the Group simply caters to the financial requirements stemming from these routes, without implementing any additional management or strategic measures. "Scenario-based" decarbonisation pathways could potentially cause the Group to miss its targets or fail to contain exposure to physical risks;
- subsequently, having identified the portfolio segments on which to intervene both for the achievement of sectoral decarbonisation objectives and for the containment of physical risk, potential strategic levers were hypothesised to be activated to involve counterparties, in order to favour disbursements oriented towards climate change mitigation ("green disbursements") and the containment of physical risks ("adaptation finance", "insurance mitigation"), preliminarily assessing their feasibility and quantifying their impact;
- the third phase involved a simulation to assess the Group's capacity in terms of achieving decarbonisation targets and physical risk containment assumptions, considering the potential strategic levers identified.

The outcomes of the resilience analysis are presented in "E1 IRO-1: Description of the processes to identify and assess material climate-related impacts, risks and opportunities". For further details on this, please refer to the Transition Plan detailed in the Disclosure Requirement "E1-1: Transition plan for climate change mitigation".

Cornerstones of the climate/environmental strategy

In order to implement an effective climate/environment strategy capable on the one hand of managing risks and on the other of multiplying opportunities, the BPER Group has identified a number of cornerstones in its approach, all aimed at redirecting capital flows towards sustainable investments. For more details on the objectives, please refer to the Disclosure Requirement "SBM-1: Strategy, business model and value chain".

The evolution of strategic planning from an ESG perspective

The project named "P&C Climate Risk", that ended in mid-September 2023, has enabled the Group to plan the enhancement of its processes linked to strategic planning to identify a number of potential climate-related KPIs to be included in the main processes of the Planning and Control Department (e.g. the Budget process, the Business Plan process and the Funding Plan).

Within the first project workshop, a short list of KPIs was selected, that can be classified under three main categories:

- risk management (i.e. Exposure to physical risk - counterparties/collateral; Exposure to transition risk - company);
- portfolio (e.g. ESG Portfolio with high/low ESG rating; Collateral with a certified high/low rating of its Energy Performance Certificate (EPC));
- product and services (e.g. Volumes of "green" bond issuances, Volumes of "green" loans).

The rules for the annual budget, Business Plan, and Funding Plan have also been updated to fully incorporate the ESG perspective into the company's strategy.

The project also included two portfolio alignment exercises:

- the first exercise, which took place in March 2023, based on the Network for Greening the Financial System (NGFS) scenarios, identified 3 sectors among those expected to have a greater greenhouse gas emission reduction rate on their path to Net-Zero by 2050: the Oil & Gas Sector, the Iron and Steel Sector and the Real Estate Sector;
- in July 2023, an additional analysis was performed that integrated the goals defined by the NZBA projects on the two sectors that are required to define their Net-Zero goals stated on 2 August 2023: Power Generation and Oil & Gas. Taking into account an intermediate macro-climate scenario, which presumes a less "severe" transition than that envisaged by the NZBA scenario but which, nevertheless, calls for an acceleration of the activities compared to the Current Policy scenario, the evolution of greenhouse gases by the counterparties within the context of the "target setting" appears to be aligned with the declared NZBA goals.

Finally, after integrating the functional data for KPI calculation into the Management Control database under the Evoco Project, we began implementing climate-related KPIs into management reports. This also includes the breakdown of the Group's performance data by business lines, as part of the BPER Segment Reporting. KPIs have been consistently incorporated into internal reporting since 31 March 2025 and refer to metrics such as:

- Financed emissions (FE) - for Corporate customers;
- Carbon Intensity (CI) - for Corporate customers;
- Exposure concentrations secured by properties with EPCs considered high and low energy efficiency;
- Green Financing - separately for Corporate and Retail customers, i.e. the amount of "green" financing in the loan portfolio (% of portfolio or absolute levels) used to finance investments for technological adaptations/energy saving or other "green" initiatives (climate change mitigation) with different degrees of openness (e.g. target sector NZBA).

E1 IRO-1: Description of the processes to identify and assess material climate-related impacts, risks and opportunities

The analysis of climate-related impacts, risks and opportunities is included in the process of the double materiality analysis to determine IROs, for which reference is made to the Disclosure Requirement "IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities".
With specific reference to climate risks, a further in-depth study was developed, with the processes involved in their management described below.

ESG risk factor management for the BPER Group
The integration and management of ESG risk factors into the regulatory and prudential supervisory framework is a relevant issue for the European Supervisory Authorities. The supervisory priorities for both 2025-2027 and 2026-2028 emphasise the necessity for banks to competently manage climate and environmental risk factors, in light of escalating physical and transition events. Despite significant progress over time, including the implementation of new requirements from the new banking package introduced in 2025, banks still have areas that need improvement to meet supervisory expectations.
In fact, the BPER Group considers ESG risk factors as cross-cutting drivers to banking risks. Therefore, the BPER Group has defined a risk-taking and management strategy with the aim of ensuring, under business-as-usual and stress conditions, a risk profile that is sustainable and consistent with its business model and the market context. Therefore, the strategy also considers activities aimed at achieving sustainability goals, with the understanding that the implications of ESG-related risks on individuals and corporate performance require careful and responsible corporate management. These factors are integrated while taking into account market requirements, regulatory changes, the expectations of the Supervisor and the various stakeholders in order to identify those short- and medium- to long-term management actions that can mitigate the risks arising from the pursuit of the defined sustainability objectives.

Integrated ESG Risk Management and Prudential Supervision
The European Central Bank (ECB) identified climate and environmental risks among the main risk factors to be proactively managed under the supervisory priorities of the Single Supervisory Mechanism (SSM) for the banking sector, and starting in 2021, undertook activities aimed at verifying banks' positioning with respect to the provisions of the guidelines that the ECB issued on the subject (ECB Guide on climate-related and environmental risk).

Against this backdrop, the BPER Banca Group has structured its own sustainability process through the adoption of an integrated strategy, capable of combining business growth and financial strength with social and environmental sustainability, thereby creating long-term shared value. The focus on sustainability and commitment to ESG and sustainability issues are reiterated in the Business Plan "B:Dynamic | Full Value 2027".
In particular, the BPER Banca Group, through cross-cutting work groups, identified action lines in the climate-related and environmental areas to strengthen strategy, business, risk governance and regulatory compliance, approved by the Board of Directors of the Parent Company, and informing the ECB of progress.

With a view to continuously adapting to the Supervisory Authorities' requirements, in the second half of 2025 activities took place to assess possible areas for improvement in line with the latest regulatory provisions issued by the EBA on the management of ESG factors and scenario analyses.

Risk management processes impacted by the integration of ESG risk factors
The actions undertaken by the BPER Group in recent years, with the aim of incorporating ESG risk factors, have broadly impacted various key processes within the Risk Management Framework, including:

- risk identification process;
- Risk Appetite Framework;
- individual risk management processes (including second-level controls on credit counterparties) and related reporting;
- Internal Capital Adequacy Assessment Process (ICAAP);
- Internal Liquidity Adequacy Assessment Process (ILAAP);
- the Risk Forecasting and Stress Testing Programme.

An overall overview that makes it possible to define the various goals, frequencies and time horizons that characterise the main processes is provided below.

Risk management processes

Process	Objective	Frequency	Time horizon
Identification of risks	Definition and updating of the Group's Risk Map, a document designed to identify the risks that the Group is or could be exposed to, currently and in the future, which may have significant impacts on the Group's economic, financial and equity balance, hindering the achievement of its strategic objectives. The Group Risk Map is relevant for the entire Risk Management Framework, as it sets the stage for the implementation and pursuit of all the main risk governance processes such as the RAF, the ICAAP, the ILAAP and the single risk governance Policies.	At least on a yearly basis	1 year. The ESG risk factor impact analysis on existing risks is carried out over three time horizons (short, medium and long)
Risk Appetite Framework	Definition of the Group's risk appetite in line with the risks identified within the Group's Risk Map	At least on a yearly basis	1 year 3 years (for some indicators)
Single risk management process	Measuring, monitoring and reporting on the individual risks that the Group is exposed to in line with the Group's Risk Map. The single risk processes are formalised within specific governance policies and are approved by the Board of Directors.	Ongoing	Not applicable
ICAAP	Assessment of the Group's capital adequacy	Ongoing	3 years for the application of the short-term scenarios 30 years for the application of the long-term scenarios
ILAAP	Assessment of the adequacy of the governance system and the Group's liquidity risk management	Ongoing	3 years
Risk Forecasting and Stress Testing	Supporting decision-making and business processes and evaluating specific areas of vulnerability in the exposure to individual risks	Variable depending on the purpose of the exercise	Variable depending on the purpose of the exercise (daily, monthly, half-yearly, annually or every three years)

Risk Appetite Framework
The management of ESG risk factors has been progressively integrated into the BPER Group's Risk Appetite Framework through the policies and processes for governing the main corporate risks, approved by the BoD.

The RAF is a coordinated set of methodologies, processes, Policies, controls and systems that make it possible to establish, communicate and monitor the Group's risk appetite. The Group adopts mechanisms aimed at allowing effective integration of the risk appetite with management activities. In particular, the Group consistently reconciles its RAF, business model, strategic plan, Capital Funding, ICAAP, ILAAP and budget, identifying suitable coordination mechanisms.
With reference to ESG issues within the RAF, the presence of specific indicators progressively introduced in the governance policies of individual risks is confirmed; in addition, the presence of an indicator relating to the downgrading of the ESG Rating is highlighted in the Risk Appetite Statement.

Risk Governance Policies and Processes
In 2025, the Group continued to strengthen its procedures for managing risks influenced by ESG risk factors.
With particular reference to credit risk, the three indicators included in the RAF to assess the incidence of exposures to companies with high transition risk, to companies with high physical risk, and the share of mortgages with real estate as collateral with high physical risk have been confirmed.
To strengthen the monitoring framework, in 2025 a new monitoring indicator has been introduced, with the aim of assessing the incidence of the exposure of counterparties with "Very High" NRR risk as against all the counterparties in scope (businesses).

The ESG factors are also integrated into the second level credit control analysis methods both in terms of analyses regarding the Single File Review and the Collateral File Review. The results of the analyses carried out are included in the regular reporting on control activities of management reporting.
The climate components are also considered within the scope of the IFRS 9 models.

In the market risk area, the ESG risk factor management system of the banking book was strengthened through a primary set of indicators that can help manage the above-mentioned portfolio on which specific operational limits were set. Specific ESG rating operating limits are also included in the "Policy for the governance of market risk".

As far as operational risk is concerned, specific Key Risk Indicators (KRIs) relating to climate and environmental risk factors have been defined, including forward-looking indicators that will supplement the already existing indicator of monitoring the number of ESG events reported in the period, collected in the Loss Data Collection process. Certain critical situations were also investigated - not present to date - in relation to the NRR (nature related risk) scores.

As far as reputational risk is concerned, strengthening of the overall risk management framework continued in order to oversee ESG risk factors in relation to the direct or indirect exposure of the Group or its counterparties; this activity took the form of updating the "Catalogue of Reputational Scenarios and KRIs".

In terms of strategic risk, the framework for its evaluation, encompassing both indicators and qualitative queries, was revised in 2025. The revision of the assessment scopes was carried out on the basis of the Group's stated objectives within the framework of the "B:Dynamic | Full Value 2027" Business Plan and consistent with the expectations of the supervisory regulations.

It should be noted that the BPER Group, over the course of the coming years, will continue to assess additional areas where actions can be undertaken to develop the risk governance framework further, with a view to pinpointing with greater accuracy the specific aspects connected to this kind of risk as well as any regulatory developments.

ESG risk factors are addressed consistently with the relevant corporate risk management framework through the processes of:

- identification of ESG risk factors and assessment of their materiality (Risk Map);
- measurement, assessment and mitigation;
- monitoring and reporting.

Identification of ESG risk factors and assessment of their materiality (Risk Map)

The BPER Group, in line with the prudential supervisory regulations, carries out an accurate identification process of the risks to which it is or could be exposed on an at least annual basis, taking into account its operations and reference markets. This process results in the periodic updating of the "Group Risk Map", which illustrates the relative position of the individual Group companies with respect to Pillar I and Pillar II risks, both current and prospective.

In this context, the process of updating the long list of all the potential risks affected, starts out by identifying and analysing the systemic and idiosyncratic risk factors based on the reference context, including the indications provided by the Regulator in the context of the "SSM Supervisory Priorities"; these risks are compared with the BPER Group situation to establish which ones are actually applicable and thus define the Risk Taxonomy.

The risks included in the Risk Taxonomy are then subjected to a materiality analysis which can take into account regulatory obligations, the intrinsic nature of the risk within the business model or the likelihood of exceeding qualitative and quantitative materiality thresholds.

The risks that are deemed material identify the Inventory Risk (the Group's material risks).

In relation to ESG risk factors, it is important to highlight that the Supervisory Authority, following the ECB Guidelines on Climate and Environmental Risks from 2020 and the EBA Guidelines on Environmental, Social and Governance Risk Management from 2025, mandates banks to incorporate ESG risk factors into their risk management framework and carry out a specific materiality analysis.

In this context, the Risk Management Function of the Parent Company, BPER, conducts a detailed materiality analysis on the effects of ESG risk factors on the primary business risks. The objective is to identify which ESG risk factors, via established transmission channels, could be considered to have a significant impact on the main business risks. Materiality implies the definition and implementation of specific management and control measures for these factors, consistent with the Group's RAF.

The analyses, consistent with last year, are carried out at the level of each risk impacted by ESG factors, highlighting distinct outcomes for different time horizons and business lines. More specifically:

- the time horizons used for the analysis of credit, market, strategic, operational and reputational risk (short-term: <=3 years - 2028; medium-term 3/6 years - 2030; long-term > 6 years - 2050) consistent with supervisory expectations and Net Zero Banking Alliance targets. For liquidity risk, the time horizons are different due to the type of risk and related operations (short-term within 12 months; medium- and long-term beyond 12 months);
- the materiality analysis for lines of business identified by the bank;
- Inclusion of non-climatic environmental factors (NRR - Nature Related Risk).

Analyses on the potential materiality of social and governance factors on certain types of risks were also strengthened in 2025; specifically, the social factor was considered for credit, liquidity and strategic risk, and the governance risk factor for credit and strategic risks. Transmission channels were also categorised into microeconomic and macroeconomic, based on the level of propagation of random chains.

The analysis considered the effects on the following risks: Credit, Market, Operational, Reputational, Strategic, Liquidity.

A summary of the main risk categories to which the Group is exposed that influence ESG risk factors and the identified transmission channels is provided below.

A summary of the main risk categories to which the Group is exposed that are impacted by ESG risk factors

Macro categories	Definition
Credit risk	The possibility that an unexpected change in the creditworthiness of a counterparty, to which an exposure exists, will generate a corresponding unexpected change in the value of the credit position
Market risk	Risk of losses caused by unfavourable developments in market elements
Operational risk	Risk of losses due to inadequate or dysfunctional procedures, human resources or internal systems, or to exogenous events, including the legal risk
Reputational risk	Current or prospective risk of a decline in earnings or capital arising from a negative perception of the Group's image on the part of customers, employees, counterparties, bank shareholders, investors or Supervisory Authorities
Strategic risk	Risk that changes in the competitive environment and economic conditions of the company's business or choices of competitive/ strategic positioning in the market will not produce the expected results

Summary of ESG factor transmission channels

Risks	Drivers/Transmission channels	Microeconomic	Macroeconomic	ESG Factors				
				CF	CT	A	S	G
Credit	Acute events (floods, heatwaves, wildfires), chronic stresses (drought, sea level rise) and supply chain disruptions influence companies behaviour. This may have consequences for the credit portfolio. Companies may experience direct damage to assets, operational disruptions and higher remediation costs, leading to reduced profitability. This results in an increase in the probability of default (PD), a reduction in the value of collateral, and an increase in Loss Given Default (LGD).	X		X				
	Extreme and chronic climate events generate systemic impacts across sectors and geographical areas, causing supply and logistics shocks, as well as volatility in energy and commodity prices, which affect financial markets. These mechanisms lead to a deterioration in the credit quality of the loan portfolio.		X	X				
	Investments in green technologies, shocks to energy and commodity prices, changes in consumer preferences, and technological obsolescence influence the behaviour of firms and markets. These mechanisms have implications for the credit portfolio, particularly with regard to high emission intensity companies facing significant adaptation costs and investment requirements, resulting in compression of profit margins and financial leverage, as well as the risk of asset impairment. This may lead to potential increases in Probability of Default (PD) and Loss Given Default (LGD).	X			X			
	Shifts in demand, changes in the energy mix, the diffusion of low-carbon technologies, and the effects of national and European policies (e.g. carbon taxation) have impacts on markets. These dynamics affect the credit portfolio through decarbonisation policies and the energy transition, which entail a structural reallocation of exposures across sectors. This results in increased exposure to low-carbon counterparties and may lead to a potential increase in default correlation.		X		X			
	The scarcity of natural resources, biodiversity loss and land degradation, exacerbated by climate phenomena such as prolonged droughts, directly affect companies. These factors reduce the availability of production inputs, lower agricultural yields and increase operating costs, thereby undermining business continuity. This results in lower revenues, impairment of assets used as collateral, and a reduced repayment capacity, leading to a consequent increase in insolvency risk.	X				X		
	The depletion of natural resources and the degradation of ecosystems prompt governments and authorities to introduce more stringent regulations on land use, emissions and sustainability. Companies are required to face compliance costs, investments in clean technologies and the risk of impairment of non-compliant assets. This reduces profitability and increases the probability of default, particularly for less resilient companies or those with business models that are more significantly affected.	X				X		
	The degradation of ecosystems and the loss of biodiversity, combined with extreme climate events, alter the availability of raw materials and the stability of markets. These phenomena generate volatility in commodity prices, disruptions in supply chains, and inflationary pressures. Sectors most dependent on natural resources experience contractions in production and asset write-downs in vulnerable areas, amplifying sectoral and geographical risk within credit portfolios.		X			X		

Risks	Drivers/Transmission channels	Microeconomic	Macroeconomic	ESG Factors				
				CF	CT	A	S	G
	The pressure exerted by the scarcity of natural resources, biodiversity loss and the degradation of ecosystems is driving governments and markets to accelerate the transition towards sustainable economic models. These environmental factors lead to the adoption of more stringent regulations, incentives for clean technologies and restrictions on the use of critical resources, resulting in a large-scale reallocation of capital and a profound restructuring of markets. Sectors dependent on non-renewable natural resources are exposed to asset devaluations, loss of competitiveness, and fiscal and employment shocks. The overall effect is an increase in financial volatility and risk concentration, with direct impacts on macroeconomic resilience.		X			X		
	The management of employee relations, the creation of value for local communities and engagement with the supply chain can influence stakeholders' perception of the company. This may result in competitive advantages or disadvantages, affect customer preferences, access to funding and sourcing conditions, with consequent impacts on the credit portfolio, including reduced revenues, increased costs and interest expenses, and the potential deterioration of creditworthiness.	X					X	
	Social policies and collective expectations at local or national level may modify the competitive environment and customer preferences, thereby influencing aggregate demand and companies' ability to sustain operating margins. These mechanisms affect the credit portfolio by increasing pressure on operating costs and revenues, leading to a broad-based increase in credit risk.		X				X	
	The certification of internal processes, adherence to national and international standards, the adoption of a code of ethics, the composition of governing bodies and female representation influence stakeholders' perception of the company. This affects the ability to raise funding and operational efficiency, with potential impacts on the credit portfolio, including reduced revenues, increased costs and interest expenses, and a possible deterioration in creditworthiness.	X						X
	Regulatory developments and international governance standards may alter the conditions for access to credit and increase compliance costs for companies, with potential effects on the financial stability of the system and on the overall quality of the credit portfolio. These mechanisms may affect the credit portfolio through higher compliance costs and possible deterioration in creditworthiness at a systemic level.		X					X
Market	The macroeconomic environment characterised by strong transition policies towards a green economy, as well as potential reputational spillover effects, may lead to a sudden repricing of equity, debt and derivative instruments, with particular focus on products linked to brown activities and/or sectors, resulting in a negative impact on the Group's banking book and trading book.		X		X	X	X	X
	Severe physical risk-related events at national and European level may drive shifts in market expectations and higher expected volatility.		X	X		-		
	In the specific context of the Group, transition policies and adverse climate events may negatively affect securities issued by financial, corporate and governmental counterparties held in the proprietary portfolio, leading to increased equity risk and widening credit spreads.	X		X	X	X		
Liquidity	A potential impact on the liquidity and funding profile may arise if, as a result of adverse environmental or climate events, or in order to cover costs related to the climate transition or the alignment of corporate structures with best practices in the Social domain, the Group's clients were to draw on their committed credit lines.	X		X	X	X	X	
	A repricing of securities held in the proprietary portfolio could reduce the value of liquid assets, thereby negatively affecting the Group's liquidity buffers.		X	X	X			
Operational	Potential compensation claims arising from the sale of financial instruments that are not compliant with the declared sustainability levels and/or not aligned with the characteristics set out in the relevant regulatory framework (e.g. EU Regulation 2020/852, EU Regulation 2019/2088, etc.), or that do not meet disclosure transparency requirements in terms of the adequacy of information provided to clients (so-called "greenwashing").	X		X	X	X	X	X
	Extreme climate and environmental events which cause physical damage to buildings, branches and data processing centres may result in potential negative impacts, with possible effects on the Group's operations.	X		X				
	Potential operational losses stemming from the execution of improper market practices that may cause harm to customers and/or counterparties, as well as from events that may jeopardise relationships with the Group's external stakeholders (e.g. fraud, mis-selling of unsuitable products).	X		X	X	X	X	X
	Potential operational losses related to incidents and/or occupational diseases occurring during business activities due to non-compliance with applicable employee social security and welfare regulations.	X		X			X	

Risks	Drivers/Transmission channels	Microeconomic	Macroeconomic	ESG Factors				
				CF	CT	A	S	G
	Potential operational losses and loss of income resulting from business disruption and from the costs associated with replacing providers that are critical to the Bank.	X		X	X			
	Potential operational losses arising from legal actions brought by employees in relation to remuneration, compensations and employment relationships.	X					X	
	Potential impacts resulting from penalties due to non-compliance with regulations governing remuneration policies and practices.	X					X	
	Potential operational losses related to financial claims connected with loans and/or other financial relationships with companies that fail to comply with emerging regulations on emissions or environmental standards.	X			X	X		
Reputational	Possible repercussions arising from negative perception due to partnerships with companies characterised by low sustainability standards.	X		X	X	X	X	X
	Reputational damage resulting from a critical climate event that disrupts the institution's as usual operations.		X	X		X		
	Reputational damage stemming from the decision to provide financing to companies involved in polluting activities.	X			X	X		
	Potential decisions, statements or business relationships inconsistent with the support of climate or environmental policies, negative social issues, or poor governance practices.	X			X	X	X	X
	Negative perception related to a downgrade in ratings due to non-compliance with sustainability standards.		X		X	X	X	X
	Negative perception arising from potential legal disputes with employees over discrimination incidents (e.g. gender, ethnicity, religion), potential legal disputes with customers and suppliers, and sanctions imposed by supervisory authorities.	X			X		X	X
Strategic / business	As a result of an increase in the frequency and intensity of physical events (both acute and chronic), with impacts on households and corporate counterparties, borrowers may experience difficulties in repaying loans, with consequent negative effects on the Group's margins.	X		X				
	An increase in the frequency and intensity of physical events (acute and chronic), which generate scenarios of economic recession, impoverishment and/or rising prices, potentially leading to the introduction of economic support measures (e.g. loan moratoria), may have adverse effects on the Group's margins, to the extent of potentially undermining the viability and sustainability of the business model.		X	X				
	In a context of strong transition policies affecting households and corporate counterparties, borrowers may face financial difficulties in adapting to new technologies and/or new regulatory requirements related to the energy transition (e.g. higher compliance costs for companies or sanctions). This could result in adverse impacts on the Group in the event of defaults and/or delays in credit repayment.		X		X			
	Under scenarios involving new environmental policies impacting corporate counterparties, companies may experience financial difficulties in complying with such requirements (e.g. increased charges related to environmental compliance or pollution taxes). This may lead to negative effects on the Group's margins in the event of defaults and/or delays in loan repayments, as well as potential constraints on new lending in line with the Group's policies.		X			X		
	In scenarios of environmental damage causing critical disruptions (e.g. lack of resources or raw materials) at certain production sites, corporate counterparties may face difficulties and/or delays in meeting their repayment obligations, with adverse impacts on the Group's profitability.	X				X		
	As a consequence of environmental and climate events, inadequate working conditions, or similar factors, the habits and needs of households and businesses may change, leading to scenarios characterised by rising labour costs, impoverishment, and increased migration flows. In this context: • on the one hand, households and businesses may experience financial difficulties, with potential repercussions on their capacity to service credit obligations; • on the other hand, demand for mortgages and financing by households and businesses affected by such scenarios (e.g. higher labour costs, impoverishment, migration flows) may decline in the impacted geographical areas. As a result, the Group's business model may need to adapt promptly to such changes in order to avoid unsustainable revenue volatility in both the short and long term.	X					X	

Risks	Drivers/Transmission channels	Microeconomic	Macroeconomic	ESG Factors				
				CF	CT	A	S	G
	The introduction of new labour policies (also as a consequence of environmental and climate events and/or more inclusive policies) may result in a general increase in labour costs, leading households to adjust consumption patterns and migration flows. In this context, on the one hand households and businesses may face financial difficulties, with potential effects on their ability to repay credit obligations, while on the other hand the Group's business model may need to adapt swiftly to avoid unsustainable revenue volatility in both the short and long term.		X				X	
	Corporate counterparties with weak internal control systems may experience governance issues capable of triggering crisis situations and financial distress. Such scenarios could generate negative impacts on the Group's margins in the event of defaults and/or delays in the repayment of outstanding credit obligations.	X						X

CP=Climate Physical; CT=Climate Transition; E=Environmental; S=Social; G=Governance.

A summary of the results of the analysis of the risk identification process, highlighting the risks where the impact of ESG risk factors is deemed material over the different time horizons.

Outcomes of the Risk Map

Main-Risk	ESG Factors	Factor Integrated into the risk identification framework	Materiality assessment methodology	Relevance by time horizon		
				ST (≤ 3 years) 2028	MT (3 years < MT ≤ 6 years) 2030	LT (6 years < LT ≤ 2050)
Credit	Climate – Physical	Yes	Quantitative	Not Material	Not Material	Material
	Climate – Transition	Yes	Quantitative	Material	Material	Material
	Environmental	Yes	Qualitative/Quantitative	Not Material	Not Material	Not Material
	Social	Yes	Qualitative/Quantitative	Not Material	Not Material	Not Material
	Governance	Yes	Qualitative/Quantitative	Not Material	Not Material	Not Material
Market	Climate – Physical	Yes	Qualitative/Quantitative	Not Material	Not Material	Not Material
	Climate – Transition	Yes	Qualitative/Quantitative	Not Material	Not Material	Not Material
	Environmental	Yes	Qualitative	Not Material	Not Material	Not Material
	Social	Yes	Qualitative/Quantitative	Not Material	Not Material	Not Material
	Governance	Yes	Qualitative/Quantitative	Not Material	Not Material	Not Material
Operational	Climate – Physical	Yes	Qualitative/Quantitative	Not Material	Not Material	Material
	Climate – Transition	Yes	Qualitative/Quantitative	Not Material	Not Material	Material
	Environmental	Yes	Qualitative/Quantitative	Not Material	Not Material	Not Material
	Social	No				
	Governance	No				
Reputational	Climate – Physical	Yes	Qualitative	Not Material	Not Material	Not Material
	Climate – Transition	Yes	Qualitative	Not Material	Not Material	Not Material
	Environmental	Yes	Qualitative	Not Material	Not Material	Not Material
	Social	Yes	Qualitative	Material	Material	Material
	Governance	Yes	Qualitative	Material	Material	Material
Strategic and Business	Climate – Physical	Yes	Qualitative/Quantitative	Not Material	Not Material	Material
	Climate – Transition	Yes	Qualitative/Quantitative	Material	Material	Material
	Environmental	Yes	Qualitative/Quantitative	Not Material	Not Material	Not Material
	Social	Yes	Qualitative/Quantitative	Not Material	Not Material	Not Material
	Governance	Yes	Qualitative/Quantitative	Not Material	Not Material	Not Material
				ST < 12 m	**MT > 12 m**	**LT > 12 m**
Liquidity	Climate – Physical	Yes	Qualitative/Quantitative	Not Material	Not Material	Not Material
	Climate – Transition	Yes	Qualitative/Quantitative	Not Material	Material	Material
	Environmental	Yes	Quantitative	Not Material	Material	Material
	Social	Yes	Quantitative	Not Material	Not Material	Not Material
	Governance	No				

The activities for the evolution of the Risk Map described above and the related evidence in terms of the risk materiality have resulted in a strong reinforcement of the risk identification process; however, the assessment of potential areas where this process can be further developed is still in progress, with a view to pinpointing with a greater accuracy the specific characteristics of these kinds of risk alongside all regulatory developments.

Measurement, assessment and mitigation

The measurement and/or assessment of risks and the definition of interventions to mitigate them is the next stage of analysis for those risks (and risk factors) found material. These activities are conducted with through quantitative analyses through, for example, the definition and monitoring of specific indicators, and through qualitative evaluation techniques.
This evidence is also considered in the capital adequacy and liquidity processes (ICAAP and ILAAP).
By using risk forecasting and stress testing quantitative techniques the Group can also assess its own vulnerability to extreme yet plausible events and the potential negative effects of significant changes in one or more risk factors, taken individually or of joint movements of a set of risk factors under the assumption of adverse scenarios.
The integration of ESG risk factors into the Risk Management framework allowed the development of metrics to measure these factors, continuing with the identification of specific KRIs as well as the preparation of dedicated qualitative analyses. During the course of 2026, among other things, the modelling and designing of special protection methods will continue to be updated.

Monitoring and reporting

The monitoring and reporting phases constitute the framework that supports the management of key governance processes, consistent with the RAF and the business model underlying the Business Plan.
The Group periodically monitors the RAF metrics, in order to control on a timely basis any breaches of the tolerance thresholds and/or risk limit set in the individual risk governance Policies and, if appropriate, direct the necessary communications to the Corporate Bodies and subsequent remedies. These metrics are selected in line with the choices made within the ICAAP, ILAAP and Recovery Plan and share consistent calibration methodologies and escalation processes.

With regard to credit risk, the results of the analyses relating to climate and environmental risk factors are presented in order to depict the level of exposure of the corporate and mortgage loan portfolio to physical and transition risk factors assessed as high. Furthermore, with specific reference to mortgage loans, information is provided about exposure to seismic risk and the energy efficiency class of property pledged as collateral.
The section on climate and environmental risks mentioned above was supplemented as of 2024 with:

- the distribution and evolution of exposures subject to nature-related risks for the corporate portfolio;
- the distribution by business line of physical, transition and nature and biodiversity (NRR) risk factors for the corporate portfolio and the mortgage portfolio.

Starting with the monitoring of the first quarter of 2025, the section was also enriched by the results of monitoring the NRR indicator, aimed at assessing the incidence of exposure of counterparties with “Very High” NRR risk compared to total counterparties in scope (enterprises).

For market risk, there is a specific section on forward-looking analyses of climate factors relating to the Corporate and Sovereign sector (due to the nature of the risk, the opening by business line is limited to Finance).
For operational risk, there is a specific section on the evidence of operational loss data related to the occurrence of ESG factors, as well as the results of monitoring the indicators foreseen in the Policy for governing this risk.
For reputational risk, where present, evidence is given of the occurrence of reputational risk events related to ESG factors. This approach guarantees organic monitoring of the company’s evolution, enabling the Group to proactively manage any critical situations that may entail possible remedial actions.

ICAAP and ILAAP

The ICAAP and ILAAP processes are strongly integrated in the corporate governance processes related to strategic planning and the RAF, as well as in the overall internal control System, also taking into account the evolution of the internal and external conditions in which the Group operates. In particular, the methodologies used ensure consistency between the various processes.
These processes are based on appropriate corporate risk management systems and presuppose adequate corporate governance mechanisms, an organisational structure with well-defined lines of responsibility, and effective internal control systems.
As far as climate risks are concerned, the ICAAP 2025 exercise was characterised by a deep dive on the impact of the main climate risk drivers on credit, operational, strategic and business risk.

In this context, climate Stress Testing was carried out with two different perspectives:

- a short-term perspective, aimed at assessing the impact of specific physical risk events within a macro scenario that considers the current context;
- a long-term perspective (up to 2050) aimed at assessing, in the context of the NGFS scenarios released in November 2024 (phase IV), how the Group might face an Orderly Transition or, conversely, a Current Policies context.

As part of the ILAAP 2025, evaluations were carried out on the potential effects of climate and environmental factors on the liquidity and funding profile. This included an analysis of specific ESG stressors within the ILAAP stress scenario.

Internal Risk Forecasting and Stress Testing programme

The objective of the Group's Internal Risk Forecasting and Stress Testing Programme is to map the characteristics of the risk forecasting and stress testing exercises carried out internally and used within the main risk governance processes, verifying the relative degree of effectiveness through a specific self-assessment process and identifying possible areas for improvement. Where climate risk is concerned, the update of the Programme in 2025, in addition to monitoring the progress of the integration of these factors within the simulation activities performed by management as part of its Risk Management processes, it has also incorporated and mapped all the developments completed during the course of 2025.

An overview of the integration of ESG risk factors within the internal risk forecasting and stress testing framework, in line with the Group's Risk Map and the RAF is provided below.

Integration of ESG risk factors within the internal Risk Forecasting and Stress Testing framework

Stress tests		Scenarios
Cross-Cutting	• Within the **ICAAP scenario analysis, short-term climate shocks have been included**, together with a shock resulting from the introduction of a tax on emissions of air pollutants (**non-GHG**). In addition, **specific forward-looking climate analyses have been developed, characterised by a long-term time horizon** (up to 2050), in line with NGFS scenarios. • Assessments are currently ongoing with regard to the potential **adoption of scenarios with different time horizons** (e.g. short-term NGFS climate scenarios).	• Impacts on **macroeconomic and financial variables** resulting from a potential acceleration of the transition towards an economy with a lower environmental footprint[1]. • Reduction of **greenhouse gas emissions** to counteract rising temperatures, in line with international climate agreements[2]. • Occurrence of **acute and chronic physical risk events** affecting **firms' production value and the market value of collateral.**
Credit Risk	• The changes to be implemented in the CST-Gest solution for the inclusion of climate factors have been defined and are currently **pending IT implementation.**	
Market Risk	• Application of stress assumptions linked to ESG risk factors, supporting the market **risk materiality assessment** included in the ICAAP. • Use of the dedicated RM4 module for the development of **stress scenarios** linked to ESG risk factors. Ad hoc analyses have been implemented on the Group portfolio with the aim of estimating the impacts arising from the application of scenarios developed by the NGFS – Network for Greening the Financial System (Central Banks and Supervisors).	
Liquidity Risk	• Application of specific stress assumptions related to climate and environmental risk factors, aimed at assessing the relevance of such factors on the liquidity profile within the update of the **Liquidity Risk Map**.	
Operational Risk	• The internal stress testing framework for operational risks **already incorporates ESG-related elements** within the input data (e.g. RSA scenarios related to ESG factors or historical data, where available), and **ESG dynamics may also be considered** within the qualitative analysis component (scenario analysis). A specific project is currently ongoing, aimed at further integrating ESG elements into the operational risk framework.	

(1) Climate and environmental stress factors include climate policies (e.g. carbon taxes) aimed at ensuring a reduction in emissions at the global level.
(2) Emission reduction scenarios include assumptions of both significant temperature increases ("business-as-usual") and strong actions for their mitigation (e.g. full adherence with the Paris Agreement).

Assessment of risks associated with climate and environmental events

Risk types

In accordance with the relevant literature, including the ECB Guide on climate-related and environmental risks, the EBA's "Report on the role of environmental and social risks in the prudential framework", the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations and the TCFD Annex, the analysis of the climate-related risks has identified two categories of physical and environmental risk.

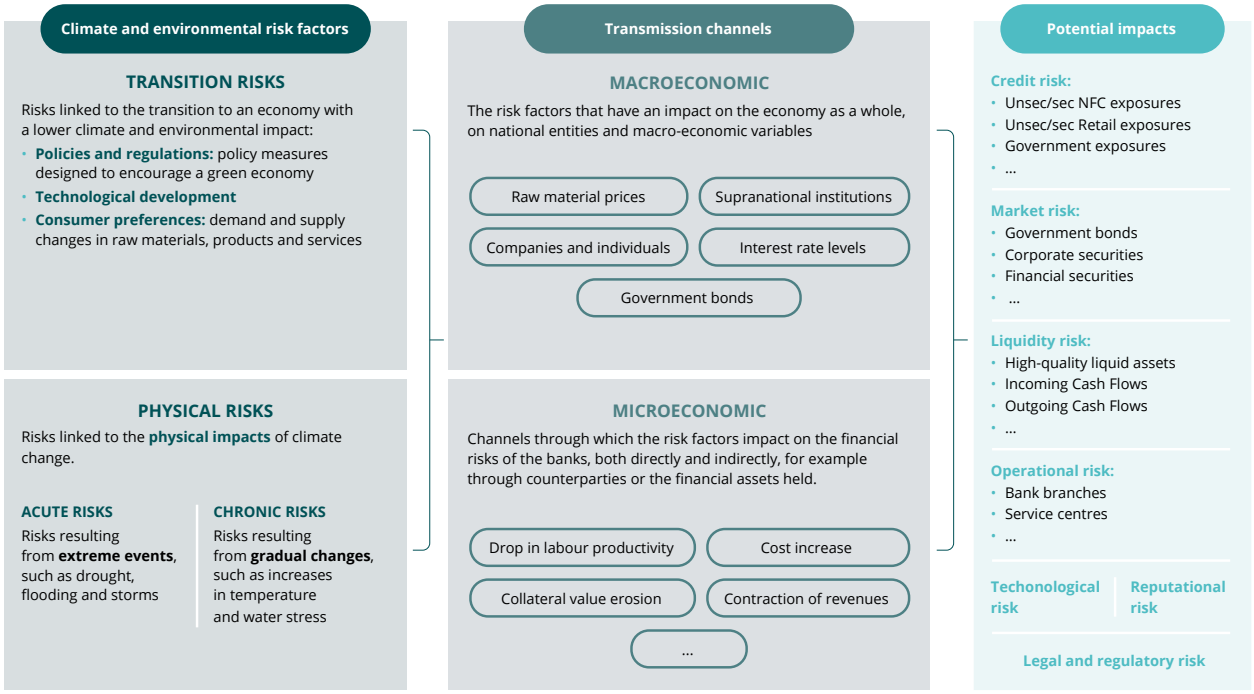
The following offers a summary of the scenarios used to evaluate the effects of physical and transitional risks on real estate and business counterparties.

Use of climate scenarios

As already described, the risks related to climate change can be divided into transition risks and physical risks. These risks have an impact on economic activities and consequently on the financial system. This impact can manifest via a two-fold transmission channel, both at a macroeconomic and a microeconomic level:

- Macroeconomic transmission channel: refers to the mechanisms by which the risk factors affect macroeconomic dimensions, such as labour productivity and economic growth. These impacts have repercussions on the economic context in which the Bank operates;

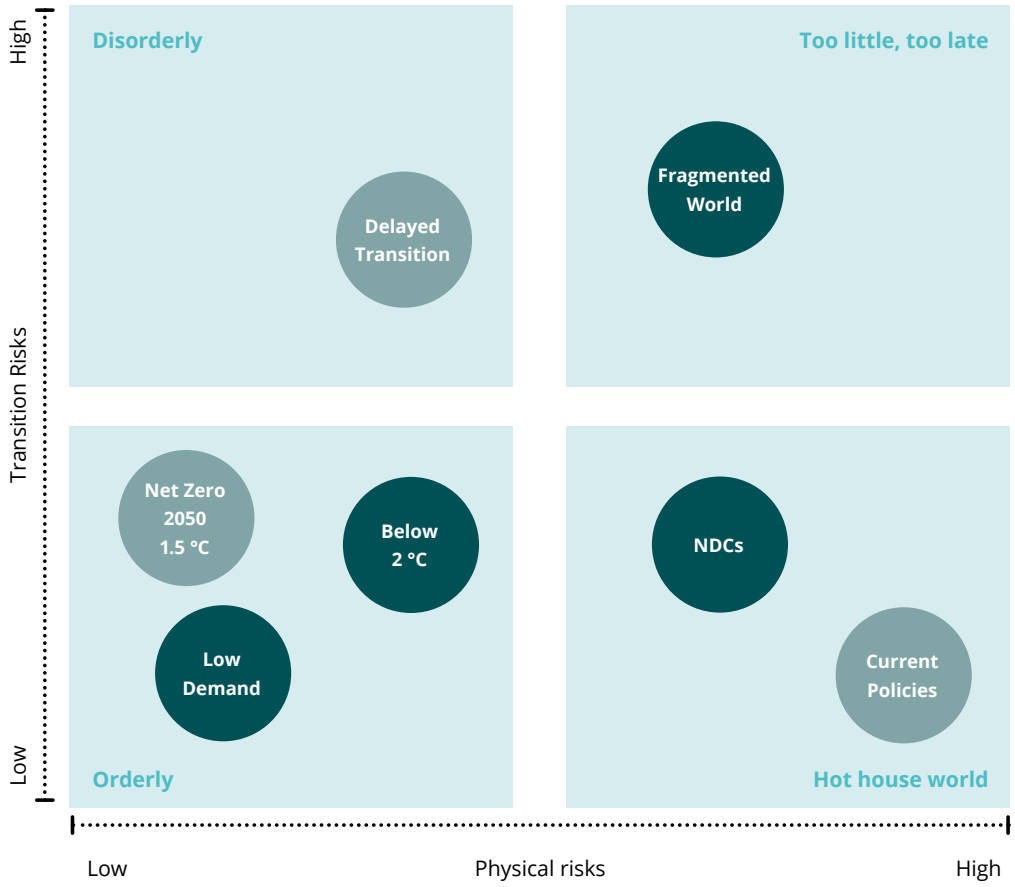
- Microeconomic transmission channel: refers to the mechanisms by which the risk factors impact the Bank's individual customer counterparties, thus transmitting the risk to the Bank and, on a more general footing, to the financial system. Corporate customers may see their operations affected, or their ability to access sources of funding. The impact on the Bank can also be indirect, through the specific financial assets of the affected companies held by the Bank.



The scenario analysis presented here is part of the development of a company process that aims to strengthen its ability to identify, assess and monitor Group risks. What is represented is therefore consistent with the materiality and capital adequacy analyses (ICAAP) performed within the context of the aforementioned process. The analyses are based on simulations that depend on the reference scenario with a bottom-up approach, that incorporate all the granular information available to the Group (e.g. GHG emissions of funded counterparties, EPC of collateral, exact location of real estate and their commercial value at the time, geo-morphological characteristics of the area, etc.).

In line with market best practices, to perform the scenario analysis an alignment of the scenarios produced by the NGFS was performed using their most updated version at the analysis date; these scenarios are an adaptation of the physical climate scenarios prepared by the IPCC to represent the evolution of temperatures depending on a range of pathways, referred to as the Representative Concentration Pathways.

NGFS scenarios framework in Phase IV



The NGFS scenarios examine a collection of seven climate scenarios, which can be categorised into four distinct groups (quadrants): "Orderly transition", "Disorderly transition", "Hot house world" and "Too little, too late". Each scenario is defined by the overall level of physical and transitional risk, which is determined by the ambition of the policies, their implementation timeline, the level of coordination, and the technological mechanisms employed:

- Orderly transition: presupposes that climate policies are promptly introduced and become gradually more stringent. The physical and transition risks are relatively contained;
- Disorderly transition: assumes that climate policies are delayed or divergent across countries and sectors. These scenarios are linked with minimal physical risks, but significant transition risks. For instance, carbon prices may undergo a sudden and steep increase;
- Hot house world: assumes that global warming cannot be limited due to insufficient global efforts. Consequently, critical temperature thresholds are surpassed, leading to severe physical risks and irreversible effects, such as the rise in sea levels;
- Too little too late: implies that a late and uncoordinated transition is unable to limit the physical risks.

In the scenario analyses of the BPER Group two scenarios were considered as relevant:

- Net Zero 2050: belongs to the family of NGFS Orderly transition scenarios and limits global warming to +1.5°C, by means of rigorous climate policies and innovation, managing to achieve zero net global CO_2 emissions around 2050;
- Current Policies: belongs to the Hot House World family of scenarios; supposes that existing climate policies remain in place, but their level of ambition is not strengthened.

In their fifth edition, the NGFS scenarios have been updated with new economic and climate data, climate policy commitments and the latest versions of the models: the scenarios use the latest available version, i.e. Shared Socioeconomic Pathways (SSP) version 3.0.
Below is a summary of the scenario narratives extracted from the NGFS report entitled "NGFS Climate Scenarios Technical Documentation V5.0" published in November 2024, which shows the average temperature increase target at the end of the century (green means low risk, yellow medium risk, red high risk) for each scenario.

Category	Scenario	End of century (peak) warning - model average	Policy reaction	Technology change	Carbon dioxide removal –	Regional policy variation +
Orderly	Low Demand (NEW)	1,1°C (1,6°C)	Immediate and smooth	Fast change	Medium use	Medium variation
	Net Zero 2050	1,4°C (1,7°C)	Immediate and smooth	Fast change	Medium-high use	Medium variation
	Below 2°C	1,8°C (1,8°C)	Immediate and smooth	Moderate change	Medium use	Low variation
Disorderly	Delayed Transition	1,7°C (1,8°C)	Delayed	Slow/Fast change	Low-medium use	High variation
Hot house world	Nationally Determined Contributions (NDCs)	2,3°C (2,3°C)	NDCs	Slow change	Low-medium use	Medium variation
	Current Policies	3,0°C (3,0°C)	None - current policies	Slow change	Low Use	Low variation
Too-little-too-late	Fragmented World (NEW)	2,4°C (2,4°C)	Delayed and Fragmented	Slow/Fragmented change	Low-medium change	High variation

low risk medium risk high risk

The reconciliation of the NGFS scenarios with the Shared Socio-economic Pathways (SSP) and the Representative Concentration Pathways of the IPCC are shown in the following table; as above, the source is the report "NGFS Climate Scenarios Technical Documentation V5.0" (Table 20).

SSP	RCP scenarios	NGFS scenarios
SSP_2	$RCP_{1.9}$	Net Zero 2050, Low Energy Demand, Divergent Net Zero
SSP_2	$RCP_{2.6}$	Delayed transition, Below 2°C
SSP_2	$RCP_{3.4}$	Fragmented World, NDCs
SSP_2	$RCP_{4.5}$	Current policies

The scenario analysis was first carried out to provide disclosure consistent with the expectations of the regulatory frameworks, constituting a starting point for the integration of the other strategic analysis processes, especially with regard to credit policies and commercial strategies dedicated to customers most impacted by transition risk, for example the creation of new ad hoc products.

The analysis of ESG risk factors has been progressively integrated into the overall risk management framework, the essential elements of which have been described above.

In particular, the risk identification process for the ESG factors part and the ICAAP envisages a time horizon of zero to 3 years for the short term, a horizon of more than 3 years and less than or equal to 6 years (consistent with the first Net Zero targets to 2030) for the medium term and more than 6 years and in any case by 2050 (consistent with the Net Zero targets to 2050) with the aim of capturing the potential impacts related to climate risk factors.

With regard to risks and in keeping with the different methodologies applied for each type of risk, it should be noted that an impact analysis (capital/liquidity) is inherent in the assessments of those of a financial nature; whereas, with regard to risks of a non-financial nature, such as reputational risks, no financial impact analysis is carried out.

Physical risk assessment process

The physical risk is linked to the impact of climate change in physical terms. These impacts can be felt both in a short and medium term time horizon, as well as in a long-term time horizon. The physical risk is conventionally divided into acute risks and chronic risks:

- acute risks: these are risks linked to the occurrence of specific extreme weather events, such as floods, landslides, droughts, and have a frequency that is trending upwards, both at a regional and global level;
- chronic risks: these are long-term risks that depend on the gradual changes to the occurrence of relevant climate phenomena, such as temperatures, winds or rainfall. These events are for the most part located in specific areas.

The physical risk assessment process is part of the scenario analysis, simulating the trend of risks to which the BPER Group is exposed through different macro-climate scenarios. The analysis is performed using a climate calculation engine that applies bottom-up logic, simulating the risk starting with the individual company or property belonging to the BPER Group's portfolio. Specifically, the physical risk assessment process via the climate engine has four stages:

- climate scenario: the reference climate scenario identifies the fundamental variables such as the emission pathways foreseen by the transition Policy and the resulting progress foreseen for temperatures. The low granularity climate variables are defined in line with the scenario and these are the main input for the definition of the risk maps;
- map risk calculation: the risk maps are obtained by using high granularity historical data combined with the climatology models that depend on the reference scenario through a downscaling process. A risk map is developed for each danger and for each scenario that covers an impact forecast and a likelihood of the phenomenon, on an annual basis up to the year 2050;
- vulnerability identification: geolocation of companies and real estate by identifying their latitude and longitude. The central offices and the production sites are identified for each company. During the same process the dataset is provided with additional information that is useful for risk assessment, such as for example the distance from woodland, the distance from the river, etc. which further improves the amount of information contained in the risk map; by combining these factors the Synthetical Physical Risk Indicators - (SPRIs) are calculated for each of the locations of the counterparties in the portfolio;
- risk measurement: implementation of the damage functions and the calculation of the relevant KRIs for the companies and the company real estate. With regard to the corporate portfolio, the KRI used is an indicator that summarises the counterparty's credit rating based on the expected performance of the main financial statement items and indicators; for the real estate the KRI is represented by an assessment of the impact on the market value of the real estate in question.

In addition to the physical risks related to climate change, the scenario analysis has also taken into consideration the physical risk of the occurrence of earthquakes: despite not being linked to climate causes, this risk has been analysed because it is indicated in the ECB Guidance as environmental risk, given its relevance linked to the conformation and characteristics of the Italian landscape. The earthquake risk indicator is similar to the acute risk indicators, in that it concerns extreme phenomena that can cause material damage to assets (e.g., damage to the structure of a warehouse, loss of goods in storage, damage to machinery).

The hazards taken into consideration in the scenario analysis are detailed below.

Hazards analysed in the scenario analysis

HAZARD TYPE	INDICATOR	DESCRIPTION
Acute	Heavy precipitation	Identifies areas most prone to rain
	Landslide	Identifies areas most prone to landslides
	Wildfires	Identifies areas most prone to wildfires
	Flooding	Identifies flood-prone areas, whether riverine, rainfall or coastal
	Heat wave	Identifies areas most prone to extreme heat events
	Cold wave/frost	Identifies areas most prone to extreme cold events
	Drought	Identifies the areas most prone to extreme droughts
	Wind storm/whirlwind	Identifies the areas most prone to extreme wind gusts
Chronic	Changing wind patterns	Identifies the areas most prone to future variations in wind intensity and direction
	Changing rainfall patterns	Identifies geographic areas that will see marked changes in both average snowfall and rain in the future
	Changing temperature	Identifies areas subject to above-average temperature rises expected for Europe
	Sea level rise	Identifies coastal areas that will experience the greatest sea level rise
	Water stress	Identifies areas that may experience crop maintenance water stress, i.e., lack of sufficient water supplies to keep crops alive
	Heat stress	Identifies areas more or less subject to heat stress, i.e., prolonged periods of high temperatures
	Temperature variability	Identifies areas subject to substantial temperature changes
	Precipitation or hydrological variability	Identifies areas subject to substantial rainfall changes
Not climate-related	Earthquake	Classifies the territory according to the intensity and frequency of earthquakes

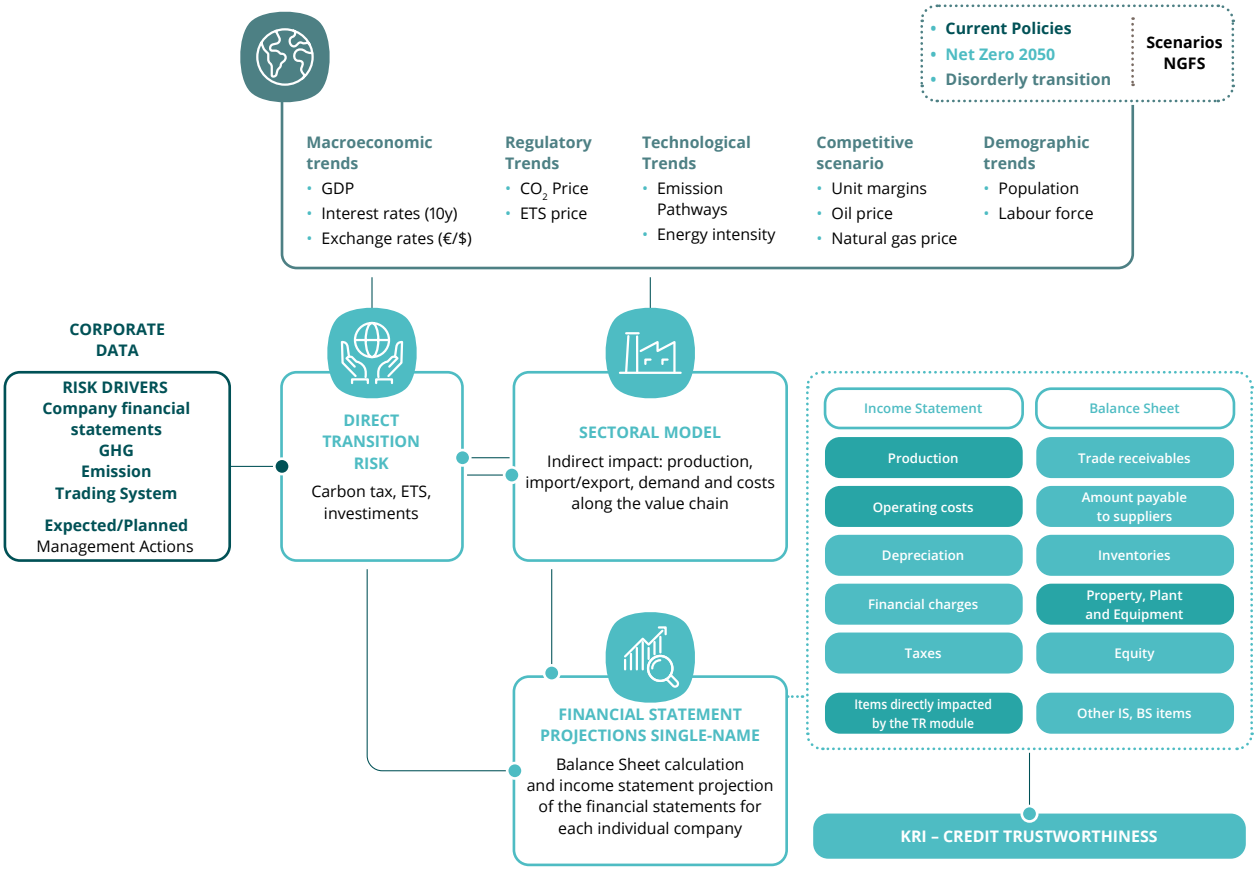
The aforementioned hazards were incorporated into the physical risk engine to generate the results for the Risk Map of the BPER Group. The earthquake risk, despite being based on the same databases used for the Risk Map, underwent a specific analysis for the purpose of reporting.

With regard to owned properties, the operational risk management framework identifies and assesses the exposure to operational risks even for that may have significant impacts on buildings physical risks that may have significant impacts on the properties. In this context, during the operational risk identification process, specific risks referred to extreme weather events capable of generating material damage to real estate, branches, data processing centres are identified which may result in operational breakdown impacts or economic effects linked to interruptions of Group operations.
During the annual self-assessment of operational risk exposure, performed via Risk Self Assessment, the objective is to estimate, for an annual time horizon, the degree of exposure to operational risks, by defining annual expected loss volumes and extreme impacts and assess the adequacy of the mitigation processes and measures identified at Group level (e.g. insurance coverage, Operational Continuity plans).
The Group has also implemented a specific methodology to assess the significance of ESG risks, particularly in relation to climate and environmental factors, across short, medium, and long-term horizons.
Within this framework, the following, inter alia, constitute operating losses: reconstruction/restoration/securing costs to be incurred as a result of damage to properties (and related equipment) caused by natural events such as floods, landslides and the like, and loss of earnings, estimated as a result of the interruption of operations caused by the events.

Transition risk assessment process
Specific elements of the transition entail significant changes related to policies, legislative changes, technological innovations and changes to markets. These changes can be driven by a range of factors:

- legal and policy risks: these are risks linked to the development of policies designed to fight climate change and to support adaptation and the possible related legal disputes;
- technological risks: result from the implementation of innovative technologies to support the transition; they may have a serious impact on companies and on the “business-as-usual” approach;
- consumer preferences: they entail potentially sudden changes in the demand and offer of a few goods and services;
- reputational risks: linked to the customer’s perception of the company with regard to its contribution to the transition and possible repercussions on the reputation of the company itself.

With particular reference to transition risk, in the context of the process described above, the various transmission channels through which it passes were analysed, which include the regulatory context, technological innovation and market sentiment[81].



The transition climate risks have therefore been analysed within the scope of the lending portfolio for non-financial companies. Among the reported scenarios, the one represented here for the transition risk is NGFS "Net Zero 2050" scenario, in comparison with the "Current Policies" scenario; "Net Zero 2050" predicts a greater impact than the others with regard to transition risks: in this regard its use reflects a prudential approach, because it considers the highest risk among all the other scenarios, such as Current Policies, for example.

The development of the transition risk analysis is achieved by combining economic data and data linked to climate change with the financial statements of the individual companies. The purpose of the analysis is to establish the potential impact of a transition scenario on the financial position of the individual company.

The transition scenario transmits the impacts of certain set variables, such as for example the application of a tax on emissions and the variations in the price of raw materials, onto the individual companies. A specific de-carbonisation policy does in fact involve the application of a tax on emissions that is levied on counterparties that are not aligned with the foreseen de-carbonisation pathway. A few elements of the scenario are projected onto the company using a sectoral model, which applies the macro variables to production sectors, and thus establishes elements such as production, costs and demand. These elements are then transmitted to the individual company based on the production sector they belong to and projected onto the financial statements, defining operating costs and revenues (and related profit margins) aligned with the reference scenario.
The financial statement simulation will then encompass the specific dynamics of the reference transition scenario and produce a series of indicators related to the companies capacity to react to the scenario, its transition investment requirements and the riskiness dynamic as it affects its relations with the Bank. A summary of the credit rating of the counterparty based on the expected performance of the main items and indicators of the financial statement affected by the transition risk is used as KRI. This permits the identification of a critical value for expected impact over recovery capacity.

81 This exercise is consistent with the settings, metrics and time frames of the "scenario analysis" described in the previous sections.

The NGFS climate scenarios envisage specific pathways for the reduction of GHG emissions for the various production sectors. Each sector, based on the internal dynamic characteristics of the production factors and the available and scalable technology, considers an emission reduction pathway consistent with the reference climate scenario goals.

Scope of analysis
The number of Non-Financial Corporations (NFCs) analysed in the scenario analysis amounted to about 475,000 in the main Large Corporate, SME and Small Business segments, covering 91% of the total scope exposure and 92% in terms of numbers.

The BPER Group Legal Entities involved are: BPER Banca, Banco di Sardegna, Bibanca, Banca Cesare Ponti, Sardaleasing and BPER Factor.
The companies analysed are those belonging to the Loan to Customers portfolio.

The companies analysed in the Risk Map cover all on and off balance exposure (Cash, Signature, Irrevocable margins and Revocable margins) with:

- exclusion of equities and inter-company positions;
- exclusion of consumer households;
- exclusion of companies classified as default as at the reference year or not negotiable due to unavailability of mandatory information for scenario analysis.

With regard to real estate as collateral, just under 450,000 units were processed, covering 95% of the total scope of exposure and 96% in terms of numbers.
With reference to owned real estate, a materiality analysis was conducted starting from the scope of the Group's properties used in operations, assessing their level of vulnerability by assigning a susceptibility score (SPRI) and estimating the expected devaluation. For the purpose of analysing the physical risk impact on the Bank's properties used in operations, 1,679 properties were examined.
In relation to suppliers, a materiality analysis was carried out, focusing on the Group's critical suppliers from a Business Impact Analysis perspective. From this list, referring to the production sites and sectors these suppliers are part of, those most vulnerable to physical and transition risks were identified across various time horizons: short, medium and long term.

As far as the earthquake risk assessment is concerned, it should be noted that the calculations were carried out on the basis of USGS (United States Geological Survey) source data considering events recorded from 1900 to the present day with a magnitude greater than or equal to 5[82]. The selected earthquake events were projected onto a 30x30 km geographical grid and the frequency of occurrence was calculated for each cell and then ranked according to the global distribution.

In regards to the incorporation of the Banca Popolare di Sondrio Group into the BPER Group, the materiality analyses conducted during the risk identification process, specifically focusing on the "physical" and "transition" risk factors, were carried out as detailed below. This was done from a unified perspective, with the aim of singularly representing the Group's total exposure to ESG risk factors.

Specifically, the analyses carried out solely on BPER Group's pre-acquisition portfolio were enhanced with some methodological proxies relating to the loan portfolio and real estate attributed to the Banca Popolare di Sondrio Group. The objective was to compare the latter group's exposure to climate risk with that observed in BPER.

Results of analyses

Physical risk - Businesses
When considering the acute physical risk, its significance escalates over a long-term time horizon (2050), accounting for approximately 16% of the total exposure of the material business portfolio. The short- and medium-term horizons show smaller percentages of materiality, ranging from 1% in the medium term to 0.3% in the short term. In the analysis of the regional distribution of businesses with material exposure to risk over the long-term horizon, Lombardy has the highest material exposure to acute physical risk, amounting to about a quarter of the total. Emilia-Romagna and Lazio followed, both with around 17%. In the ranking based on the number of businesses, Sardinia is the region with the most substantial materiality.

The impact of chronic physical risk on BPER's corporate portfolio is constant over time horizons, accounting for about 3% of the resulting total material risk exposure: just over 8,000 companies. Southern Italy and the Islands represent the geographical region where companies face the highest exposure to chronic physical risk. In fact, almost one third of the material exposure can be attributed to the Campania region, 19% to the Sardinia region, and 13% to the Sicily region. The BPER Group's corporate

82 This value was chosen based on the table provided by USGS, in which the magnitude is associated with the Mercalli scale, modified to have a link with intensity in terms of effects on the environment, property and people. Specifically, a magnitude value of five is associated with damage defined as slight for buildings that are well constructed and compliant with earthquake regulations, while significant damage can occur for poorly constructed or poorly designed buildings.

portfolio is not very sensitive to earthquake risk. The exposure stands at 0.45% of the total over all time horizons, with only a few thousand material units at risk and an exposure of approximately Euro 370 million. The regions most exposed to long-term earthquake risk are Abruzzo and Emilia-Romagna, accounting for nearly 70% of the total risk exposure. The Abruzzo region also takes the lead in terms of the number of companies at risk, with nearly 2,000 out of the total 4,500 companies exposed to long-term earthquake risk.

Upon examining the collective data, it is evident that Banca Popolare di Sondrio's overall exposure to physical risk is roughly in line with that observed in BPER across all investigated time horizons. This suggests that the inclusion of Banca Popolare di Sondrio has a negligible impact on the results of the materiality analysis of physical risk previously conducted on the BPER scope, for both credit and strategic risk. The sectors for which a significantly higher riskiness is observed with respect to the BPER portfolio are PowerGen and Waste, which nevertheless account for 1.8% of the total exposures of the BPER stand-alone portfolio and less than 2% of the related amount of interest and fees.

Physical risk - Real Estate Collateral
BPER's portfolio of real estate collateral demonstrates a consistent, acute physical risk in both the short and medium term, accounting for approximately 2% of exposure. The number of companies involved ranges from 8,000 (in the short term) to 10,000 (in the medium-term). In the long-term, materiality becomes more significant, accounting for 7% of the total exposure. This includes nearly 38,000 tangible real estate assets, corresponding to an exposure of approximately Euro 7 billion. A look at regional risk materiality over the long term shows a preponderance in terms of exposure of Lombardy, with about 25% (Euro 1.8 billion exposure), followed by Emilia-Romagna (13%) and Sardinia (11%).
In the Risk Map analysis, the collateral portfolio is not subject to chronic physical risk.

Approximately 3% of the total exposure and around 40,000 properties are materially affected by earthquake risk. Materiality is unchanged across time horizons. The region with the highest exposure to earthquake risk is Lombardy, with just over a fifth of the total exposure (amounting to Euro 2.8 million). Emilia-Romagna and Abruzzo also show portfolio exposures above 10%.

In the comparison with the physical property risk analysis of Banca Popolare di Sondrio, it emerges that the impact for the Banca Popolare di Sondrio portfolio is higher compared to BPER mainly due to the exposure to the danger of landslides, dictated by a high concentration of properties in areas particularly exposed to this risk factor (e.g. Sondrio, Como, Lecco). On the other hand, exposure to other physical risk factors aligns significantly with what is observed for the real estate collateral of the BPER portfolio.

Transition risk - BPER Group companies
The transition risk to which the BPER Group's companies are subject is quite constant when comparing short, medium and long-term time horizons, with a materiality rating of around 10-11% of total exposure (between Euro 7.4 billion and Euro 8.9 billion). In the long-term perspective, according to the Global Industry Classification Standard (GICS), the production sectors most impacted by transition risk are: "Materials", "Consumer Discretionary" and "Utilities". On aggregate, these sectors cover almost three quarters of the total material exposure. In the ranking by NACE sector, the most affected sectors are "Iron & Steel" (with 15% exposure and 10% of the total number of companies - approximately 1,100), "Wholesale" (14%) and "Power Gen" (10%). In terms of the number of material companies exposed to long-term transition risk, "Cement" holds the record with approximately 2,300.
The transition risk analysis is consistent with and natively linked to the physical risk analysis, on which the same assessment was made in terms of using climate scenarios, described above.

In relation to the analysis comparing the transition risk impact on the corporate portfolios of Banca Popolare di Sondrio and BPER, the sectors most affected for Banca Popolare di Sondrio are "Mining", "Oil & Gas", "Waste", "Chemicals", "Aviation", and "Shipping". It should be noted, however, that when adding up the exposure of these sectors, their weight in relation to the BPER portfolio is less than 1.5% and at the same time, even when looking at interest and fees, the amount is less than 1.70% of the BPER stand-alone figure. Conversely, upon reviewing the comprehensive data, it is noticeable that the exposure of Banca Popolare di Sondrio's portfolio to transition risk aligns fairly closely with that observed in BPER across all investigated time horizons.

Therefore, it can be inferred that the results of the materiality to transition risk on the combined boundary align with the results obtained on the standalone BPER stand-alone boundary for both credit and strategic risk. This is because the sectors with the most significant variations constitute a very small portion of the overall portfolio.

E1-1: Transition plan for climate change mitigation

With the approval of the Parent Company's Board of Directors on 18 December 2025, the BPER Group prepared the first version of the Transition Plan pursuant to Article 76(2) of Directive 36/2013/EU for the year 2025, drawn up in accordance with the EBA Guidelines on the Management of Environmental, Social and Governance Risks (i.e., EBA/GL/2025/01, hereinafter also referred to as the "EBA Guidelines" or "Guidelines"), effective from 11 January 2026.

The objective of the Transition Plan is to provide an overview of the strategic measures and risk management tools defined by the BPER Group to demonstrate how they ensure their resilience to ESG risks and their preparedness for the transition to a more sustainable and climate-resilient economy.

The Transition Plan thus encompasses objectives, actions, and targets related to ESG factors that the BPER Group is required to adhere to due to legislative and regulatory provisions. It also includes voluntary commitments such as the decarbonisation targets for high-emission sectors, as outlined by the Net-Zero Banking Alliance, which the Group joined on 9 March 2022. In October 2025, the Alliance concluded its mandate and transitioned into a technical guidance framework. BPER Banca confirms its commitment to pursuing decarbonisation goals, consistent with the Alliance's original principles and ambitions.

The goals and strategic drivers outlined in the Transition Plan form part of the wider remit of the Group's strategic objectives and priorities.

The BPER Group has, in fact, always shown great attention to ESG issues by including sustainability objectives in the updates of its Business Plan starting in 2021 and confirming this commitment also in the 2024-2027 Business Plan "B:Dynamic | Full Value 2027", presented in October 2024.

For more information, please refer to the description under Disclosure Requirement "SBM-1: Strategy, business model and value chain".

With the drafting of the Transition Plan, in line with the requirements of the EBA Guidelines on the management of environmental, social and governance risks, which envisage the obligation to integrate these risks into the strategic planning of banks through the preparation of Prudential Transition Plans, the BPER Group confirms its commitment to pursuing the decarbonisation objectives established in line with the original principles and ambitions of the Net-Zero Banking Alliance aligned to the Paris Agreement limiting global warming to 1.5°C.

Specifically, emission reduction targets related to the credit portfolio have been established for the following sectors:
- "Power generation";
- "Oil and Gas";
- "Aluminium";
- "Iron and Steel";
- "Commercial real estate";
- "Agriculture".

In relation to the other emission-intensive sectors identified by the Alliance, it is worth noting that:
- for the "Coal" sector, the BPER Group has envisaged restrictive policies (phase-out), formalised in the "ESG Loan Origination Policy";
- the "Cement" and "Transport" sectors were not included in the scope of the decarbonisation targets as the BPER Group does not have significant exposure;
- for "Residential Real Estate", the BPER Group has chosen to continue monitoring loans for the purchase of real estate for residential use without setting a specific target, as the achievement of targets would depend substantially on external factors not directly attributable to banking operations, such as the adoption of appropriate enabling public policies.

In addition to the stated decarbonisation targets, the BPER Group has established further ESG climate goals, encompassing both qualitative and quantitative aspects.

For more information, please refer to the description under Disclosure Requirement "E1-4: Targets related to climate change mitigation and adaptation".

In addition to the decarbonisation targets, the Transition Plan outlines the strategies and implementation levers adopted or planned to achieve the set targets, broken down by the Group's key business lines: lending, proprietary investment portfolio, customer asset management and own operations, as described below.

In lending, ESG factors have been integrated into the credit macro-process through the "ESG Loan Origination Policy", which defines ESG guidelines and lending criteria in light of portfolio performance and forecasts of customers' credit needs.

Specifically, for each of the Net Zero sectors mentioned above, the BPER Group has devised particular strategies based on the available management tools. These strategies aim to enhance the performance of the counterparties, issuers, and properties to which it is exposed, along with their associated impacts on business and risk management, as detailed below.

It should be noted that, across all sectors, the general criteria set out in the "ESG Loan Origination Policy" also apply. The same criteria, where relevant, are also applied to the proprietary investment portfolio.

Furthermore, taking into account the environment in which the BPER Group operates, it is worth noting that the Transition Plan has identified no "locked-in" greenhouse gas emissions from major products or assets that could potentially compromise the attainment of emission reduction targets and result in transition risks.

Power generation
The BPER Group concentrates its efforts on supporting portfolio companies that intend to pursue the transition path on their own, switching from production from fossil fuels to renewable sources (e.g. photovoltaic, wind power, etc.).

In the process of evaluating credit for counterparties in the electricity sector, the BPER Group utilises Positive Screening criteria to assess counterparties that have transition plans in place which anticipate at least 55% of energy from renewable sources by 2030, financial report KPIs that align with the EU Taxonomy at least 50%, and projects related to renewable energy production or self-generation, including those that involve revamping and repowering.

Furthermore, the BPER Group plans to phase out by 2030 any involvement with companies that fail to meet the Positive Screening criteria and generate at least 20% of their energy from coal or oil. Financing will be limited to those companies that align with the EU Taxonomy or are committed to emission reduction agreements. Finally, financing for new coal-fired power stations is excluded.

Oil and gas
The BPER Group is facilitating the energy transition by adjusting its credit portfolio. This is achieved by assisting customers who are investing in alternative and more sustainable fuels, while simultaneously decreasing the financing of activities with higher carbon footprints. The portfolio is being reallocated towards more environmentally responsible parties.

In particular, the BPER Group is committed to not financing:
- operations aimed at the exploration and extraction of new Oil & Gas fields;
- new customers operating in the Oil & Gas sector, with plans for the exploration and extraction of new fields;
- projects aimed at the development, construction and expansion of extraction, exploration of the following unconventional "oil and gas", i.e. tar sands, and onshore and/or offshore oil and gas in the Arctic Region and the area known as the "Amazon Sacred Headwaters".

Furthermore, the BPER Group adopts a selective strategy, prioritising official plans, declarations or commitments for transition and/or withdrawal by 2040, favouring loans linked to covenants that anticipate a 30% reduction in greenhouse gas (GHG) emission intensity.

Aluminium and Iron & Steel
To aid in reaching decarbonisation targets, the BPER Group assesses the following for counterparties in both sectors: (i) their emission reduction strategy and expected decarbonisation trajectory in the short, medium and long term; (ii) their level of efficiency in resource use, waste management and production processes; (iii) their adoption of circular economy solutions and the development of products or services consistent with regulatory developments.

At the same time, Positive Screening criteria are foreseen for financing for specific projects aligned to the EU Taxonomy, as well as for projects related to national or supranational initiatives in support of the transition (e.g. NRP, EIB or EIF).

Priority is also given to "capital light" loans aimed at green or sustainability initiatives (e.g. SACE Future Guarantee or CDP funding) and loans aimed at replacing fossil fuels with renewable sources, electrifying consumption, improving energy efficiency and resource management, reducing or recycling water and reducing packaging, as well as initiatives that encourage the adoption of circular economy models.

Real estate
With reference to the "Commercial Real Estate" portfolio, the BPER Group actively supports companies in the sustainable transition of their real estate assets, through various lines of intervention that include financial and non-financial solutions.

Specifically, the BPER Group provides "Green Corporate Real Estate" loans, which are elaborated upon in the Disclosure Requirement "E1-3: Actions and resources in relation to climate change policies".

With reference to non-financial solutions, the BPER Group has strengthened the collateral assessment and reassessment process, taking into account the potential effects resulting from exposure to physical and/or transition risk.

Furthermore, providers are required to collect additional information, in addition to the Energy Performance Certificate ("EPC"), such as the exposure to or mitigation of physical hazards, the state of preservation of buildings and energy efficiency measures.

For "Residential Real Estate", the BPER Group continues to monitor the progress of the regulatory framework and the incentive system and, at the same time, supports customers who want to reduce the environmental impact of their homes.

In this context, residential property valuations are carried out using a "taxonomy" process. This allows for the verification of whether the property fulfils the criteria set out by the EU Taxonomy and contributes to the Group's Green Asset Ratio.

Agriculture
The BPER Group has identified the following levers of intervention:
- re-shaping the portfolio by assuming the financing of counterparties or projects with no or negligible GHG emissions;
- engagement on counterparties that are already customers also through the offer of advisory services that can support the reduction of environmental impact.

In order to strengthen these levers, the BPER Group is also considering a refinement in the calculation of commercial incentives. This takes into account both the reduction of potential risks arising from the execution of the identified strategies and the prospect of introducing incentive mechanisms that vary according to product type, such as:
- financing for company liquidity to be committed to sustainable activities;
- financing dedicated to company projects or activities with a positive environmental impact ("green" investments), with the aim of promoting sustainability and contributing to the transition.

As part of client asset management activities, we have incorporated ESG factors into our investment process. This was achieved by gathering client preferences on sustainability through the MiFID questionnaire and taking into account ESG risks when selecting financial products.

In relation to its operations, the BPER Group has bolstered the handling of its impacts through a specific Policy ("Policy governing the management of environmental and energy issues") and a certified Integrated Management System. This allows the group to decrease emissions and consumption.

In addition, the 2022-2030 Energy Plan was prepared, which provided for efficiency measures on buildings and facilities.

At the same time, the BPER Group (with the exception of the Banca Popolare di Sondrio Group) is making corporate mobility more sustainable through fleet renewal, photovoltaic-powered recharging infrastructures and employee initiatives such as car pooling, e-bike sharing and free charging of electric vehicles.

For more information, please refer to the description under Disclosure Requirement "E1-3: Actions and resources in relation to climate change policies".

the scope of the Transition Plan corresponds to the Group's prudential scope and does not include - in its first version - the Banca Popolare di Sondrio Group, as the completion of the merger project with the BPER Group is expected by the first half of 2026.

The data and information pertaining to the Banca Popolare di Sondrio Group will be incorporated into future editions once the integration process into the BPER Group has been finalised.

The Plan is subject to a review every three years and, if required, will be updated in accordance with the evolution of the Group's business strategy and/or in the event of significant changes arising from the materiality analysis of ESG risks. This review process may necessitate updating the objectives and strategies detailed in the Transition Plan. This would take into account new information, including - but not limited to - evaluations of the relevance of ESG risks, developments in counterparty portfolios and activities, the emergence of new scenarios, benchmarks or industry trajectories, and the effects of changes in existing or forthcoming regulations.

Please find information about the current objectives, progress and indicators being monitored in the Disclosure Requirement "E1-4: Targets related to climate change mitigation and adaptation".

The Transition Plan and subsequent updates are submitted for opinion to the Control and Risk Committee, Sustainability Committee, for information to the Board of Statutory Auditors and for approval to the Parent Company's Board of Directors, following a preliminary step with the CFO.

BPER Banca, pursuant to Article 12 of Commission Delegated Regulation (EU) 2020/1818, is not excluded from the EU Paris-aligned Benchmarks.

Decarbonisation Plan
Alongside the Transition Plan, in January 2026, the Bank released an updated version of the "BPER Banca Decarbonisation Plan on Emission-Intensive Sectors" (also known as the "BPER Decarbonisation Plan"). This plan pertains to all carbon-intensive sectors where decarbonisation targets have been established, specifically "Power Generation", "Oil and Gas", "Iron and Steel", "Aluminium", "Commercial Real Estate", and "Agriculture".

The BPER Decarbonisation Plan, endorsed by the company's Board of Directors, is designed to update key stakeholders on the advancements made in its decarbonisation journey.

To this end, in the BPER Decarbonisation Plan, specific loan portfolio strategies have been defined aimed at improving the emission performance of the issuers/projects to which it is exposed and the related impacts on business and risk governance, in line with the commitments undertaken in the Business Plan and the provisions of the Transition Plan.

The 2022-2030 Energy Plan
With the definition of the "2022-2030 Energy Plan", the Bank has set as its goal the reduction of Scope 1 and 2 emissions in line with the demands of the Paris Agreement to limit the global average temperature increase in 2050 to within 1.5°C compared to pre-industrial levels and the best available market practices for climate change mitigation. For more detailed information about the objectives and actions outlined in the Plan, please refer to the description provided in the Disclosure Requirement "E1-4: Targets related to climate change mitigation and adaptation" and "E1-3: Actions and resources in relation to climate change policies".

In addition to the initiatives of the Energy Plan, in 2024 a PPA (Power Purchase Agreement) contract was signed with a national player for the supply of energy directly produced by a photovoltaic plant built in the country, which guarantees the coverage of about 10% of BPER Banca's energy needs.

As at 31 December 2025, construction projects have been finalised that are projected to contribute to a reduction of more than 26% in tCO_2e emissions.

In the second half of 2026, following the merger by incorporation of Banca Popolare di Sondrio, the new Energy Plan will be revised and will be an integral part of the BPER Group's Transition Plan. The final target of the new plan remains confirmed at -50.2% by 2030.

E1-2: Policies related to climate change mitigation and adaptation

ESG Policy

The "ESG Policy", updated in January 2026, identifies the BPER Group's sustainability commitments, with the aim of fostering a culture of ESG within the Group and guiding the governance, processes, structures and Corporate Functions through which to ensure the pursuit of sustainable success, with particular reference to environmental, social and governance issues. The Policy applies to all the Companies within the scope of the Report; it should be noted that the implementation of this Policy has been initiated by the Companies of the Banca Popolare di Sondrio Group only as from the date of the exercise of direction and coordination activities by BPER (i.e. 18 July 2025) and subject to the approvals of the relevant Corporate Bodies. The Board of Directors approves this Policy; it defines the sustainability and climate strategies, supported by the Control and Risk and Sustainability Committees, the ESG Management Committee and the ESG Strategy Unit, which coordinates the ESG Managers - who analyse the impacts of ESG issues in the structure in which they work, for the issues for which they are responsible. The CFO incorporates, to the extent of his/her competence, ESG elements into the Company's defined strategy and steers its adoption in the processes he/she oversees, making sure they are monitored through appropriate management control systems. This document contributes to reinforcing and implementing the values of responsibility, honesty and straightforwardness in the respect for persons, the environment and society as a whole, as already specified in the "Code of Ethics" and the "Internal Governance Code". Specifically, the Policy describes the BPER Group's five ESG guiding principles:

- integrity and transparency;
- sustainable development of society;
- honest business practices and customer protection;
- protection of workers, diversity and equal opportunities;
- environmental protection and assessment of the direct and indirect impacts associated thereto.

With this in mind, the Group operates in compliance with the law and the highest ethical standards and orients its choices to ensure compatibility between economic initiative and environmental needs in compliance with reference regulations, working to reduce direct and indirect environmental impacts, supporting the ecological transition and accompanying families

and businesses towards sustainable development models. It is dedicated to fostering societal development by advocating for inclusion, financial literacy, and social innovation, in collaboration with businesses and communities. Customer relationships are founded on trust, active listening, and transparency, with the aim of providing suitable and accountable solutions. The empowerment of individuals is central to our ethos, with a focus on diversity and equal opportunities as catalysts for growth and innovation.
The Policy, which can be consulted on the Group's website and on the company intranet, makes reference to the main national and European regulatory provisions on sustainability and ESG risk management, taking into account the evolution of regulations, EU directives and guidelines of the Supervisory Authorities, as well as the legislation in force at the time. It also draws inspiration from significant global frameworks and initiatives, such as the 2030 Agenda for Sustainable Development, the United Nations Global Compact (UNCG), the Paris Climate Agreement, the Principles for Responsible Banking (UNEP FI), and the TCFD recommendations. The interests of stakeholders are safeguarded through ongoing discussions, which are taken into account during the review of Policy content.

Policy for the governance of credit risk

The "Policy for the governance of Credit risk" governs the principles for the governance of credit risk in accordance with the provisions of the Supervisory Regulations (Bank of Italy Circular 285 of 17 December 2013 and subsequent updates), the prudential regulations for banks and banking groups (Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms), as well as the regulations in force at any given time.

The Chief Risk Officer (CRO) and the Chief Lending Officer (CLO) are responsible for updating the "Policy for the governance of credit risk" for the parts under their responsibility, which is proposed to the Chief Executive Officer, discussed in depth within the Management Risk Committee and subsequently examined and approved by the Parent Company's Corporate Bodies. The Chief Executive Officer is responsible for the implementation of the Policy's provisions, who in turn delegates the operational management of credit to Senior Management of the Parent Company and Group Companies within the scope of the delegated powers in force from time to time. The Chief Risk Officer cooperates with the Chief Executive Officer in defining and implementing the risk management process.

In particular, this Policy defines the principles requiring compliance in the governance of credit risk, in line with supervisory regulations and prudential rules for banks. The governance of credit risk involves the definition of risk appetite and exposure limits, the processes governing risk taking and mitigation, and the risk management processes underlying identification, measurement, monitoring and reporting.

With reference to credit risk arising from climatic factors, the Policy defines the indicators and related thresholds that represent the maximum amount of risk the Group is willing to accept in order to limit the exposure to risks arising from the transition to more sustainable economies (transition risk) or from possible impacts from climate events (physical risk):

- high physical risk exposure;
- high physical risk mortgage loans;
- exposure to high transition risk;
- high environmental risk exposure.

The indicators and compliance with the supervisory thresholds are subjected to periodic monitoring by the Risk Management Function, which handles communication at the appropriate levels by preparing dedicated reports.

The Policy applies to all companies in the reporting boundary with the exception of: Modena Terminal, BPER Real Estate, Arca Holding, Arca Fondi SGR, Adras, St. Anna Golf and Annia; it should be noted that the companies of the Banca Popolare di Sondrio Group only started to implement this Policy as from the date on which BPER exercised direction and coordination activities (i.e. 18 July 2025) and subject to the approvals of the relevant Corporate Bodies.

The Policy is issued through directives to Group Companies that generate credit risk (Italian and foreign Group Banks, as well as the Group's credit finance companies): following its transposition by the Boards of Directors, it is disseminated to employees of the Parent Company and Group Companies through the corporate intranet.

The Parent Company conducts a quarterly monitoring process of the implementation of the aforementioned Guidelines in order to be able to identify any deviations of the current portfolio from the guidelines provided and be able to identify and transmit the appropriate corrective actions.
In relation to the BPER Group's value chain, the Policy, in conjunction with the "ESG Loan Origination Policy" and the "Credit Guidelines and Credit Governance Policy", thus encompasses the process of originating loans to customers.

ESG Loan Origination Policy

The "ESG Loan Origination Policy" (also called "ESG Credit Policy") defines how environmental, social and governance considerations are integrated into the BPER Group's lending activities, aligning with the sustainability commitments contained in the BPER Group's "ESG Policy" and in line with the broader risk governance system and in particular with the "Policy for the governance of credit risk".

The Policy applies to all companies in the reporting boundary with the exception of: Modena Terminal, BPER Real Estate, Arca Holding, Arca Fondi SGR, Adras, St. Anna Golf and Annia; it should be noted that the companies of the Banca Popolare di Sondrio Group only started to implement this Policy as from the date on which BPER exercised direction and coordination activities (i.e. 18 July 2025) and subject to the approvals of the relevant corporate bodies.

Through this Policy, the Group develops and adopts an approach aimed at articulating the methods for assessing and managing potential ESG risks (climate and environmental, reputational, operational, etc.) that may arise in connection with financing customers operating in controversial sectors, involved in serious events that have resulted or may result in negative impacts on the counterparty, with special attention to any impacts on their creditworthiness.
At the same time, the Group intends to take the opportunity to guide and support the transition path of its customers, with the aim of improving the portfolio profile also in terms of "sustainable" exposures. With respect to the BPER Group's value chain, the Policy therefore covers lending activities and is effective vis-à-vis customers.

The Policy aims at steering the governance of climate-related, environmental and other ESG-related risks as part of the Banking Group's lending framework, providing general principles and guidance for the assessment of specific risk factors in the BPER Group's loan origination and monitoring processes, with a special focus on:

- raising awareness and encouraging the application of responsible lending principles and processes within the Group;
- reducing risks and indirect impacts associated with core business operations managed by the Group;
- preventing engagement in activities that are inconsistent with the ethics and integrity at the core of the Group's business;
- mitigating the impact that climate and environmental risks may have on the Group soundness and solvency;
- providing a framework for the analysis of the exposures to climate-related and environmental risks and for the achievement of the Group's ESG strategic goals on the loan portfolio.

To this end, the document defines:

- general limitation and exclusion criteria for counterparty and/or project financeability, consistently with the "ESG Policy" of the BPER Group and its voluntary commitments;
- the detailed criteria applicable to individual ESG sensitive sectors;
- strategies to support transition and the increasing "alignment" of counterparties with the principles of the EU Taxonomy, including via dedicated products or services.

As part of its periodic management reporting framework, the BPER Group has defined a number of monitoring and control activities to verify and assess the trend of its exposure to ESG risks, as well as the broader composition of its portfolio and counterparties classified as higher risk within the sectors described in the Policy, in order to prevent the occurrence of situations that may have a critical impact on the BPER Group's operations, asset quality and/or reputation. In order to ensure the sustainability of the Group's portfolio, the following factors are periodically monitored:

- specific KRIs and ESG limits set in the RAF;
- performance of ESG indicators considered as critical when granting and managing credit, so as to assess the possible areas of intervention on specific clusters of customers;
- performance of Group portfolio exposures to high ESG impact sectors.
- composition of the financed real estate portfolio with reference to the exposure to physical and/or transition risks (energy labelling).

From an environmental point of view, in line with the recommendations of the TCFD, the BPER Group adopts the parameters related to greenhouse gas emissions (GHG) as primary evidence of the impact of the activities carried out by customers on the environment and, therefore, of their exposure to the risk of transition to a low-emission economy, committing to reduce the emissions financed, in line with the objectives declared within the Net-Zero Banking Alliance.
In this sense, specific metrics or KPIs related to clients' GHG emissions (e.g. Financed Emissions) can guide asset allocation according to a logic of progressive lending book recomposition. In its quality as a signatory of the Principles for Responsible Banking, the BPER Group carries out periodic impact analyses and reports on progress towards identified targets, thereby ensuring the alignment of its overall strategies and practices with the future vision of society as defined by the Sustainable Development Goals and the Paris Agreement.

In relation to promoting a culture of corporate social responsibility, the Policy highlights the BPER Group's commitment to the United Nations Global Compact. This is a United Nations initiative designed to promote shared principles and values of responsibility. In this context, the BPER Group scrutinises financing transactions linked to specific business types, also factoring

in aspects related to labour rights and working conditions in compliance with the primary International Labour Organisation (ILO) conventions. They also consider potential impacts on the relevant communities, utilising due diligence from independent third-party experts where available.

The Policy also outlines specific exclusions to financeability and restrictions for high-risk sectors, in line with the principles of human rights protection and basic social safeguards. Specifically, transactions with counterparties (and Group companies) that have been conclusively convicted of human rights abuses, health and safety violations, or fundamental labour rights infringements, including child and forced labour, are not allowed.
As part of the overall assessment of counterparties, the presence of any occupational health and safety certifications is also valued for specific sectors that are particularly exposed.
Ultimately, the Policy aids in advancing initiatives with significant social impact within the community, through its dedication to backing social housing projects, senior and student housing, integrated local services, and health sector initiatives. The goal is to enhance living conditions, safeguard health, and foster the socio-economic development of communities. Furthermore, with reference to protection against social risks, the document reiterates the Group's commitment to combating gambling, which is considered a morally controversial activity due to the associated economic and social risks: the Group does not finance new customers operating in the sector to any significant extent, nor projects aimed at building spaces, machines or initiatives to promote gambling.

The implementation of credit strategies is monitored and reported on a regular basis with quarterly reports to the BoD.
The criteria defined in the Policy are applied according to the principles of proportionality and gradual approach, taking into account the characteristics of the counterparty and the activities it carries out, as well as the overall exposure at Group level.
The "ESG Loan Origination Policy" is in fact addressed to the Group's Italian and foreign banks, as well as to the Group's financial credit companies.

The Chief Lending Officer (CLO), who is responsible for the lending process, within the scope of the powers conferred, steers any adjustment of lending policies, as well as loan origination, customer management and monitoring processes, ensuring the incorporation of ESG-related strategic guidance and compliance with the relevant Supervisory expectations.

The Departments reporting to the CLO integrate, each for its own tasks, the specific activities that enable the implementation of the Group's policies and therefore, in summary:

- the Credit Policies and Support Department proposes credit policies and strategies to the CLO for subsequent approval by the BoD;
- the Credit Department makes credit decisions according to the system of delegated powers;
- the Credit Management & Workout Department considers the elements useful for the management of counterparties with credit anomalies.

In integrating sustainable development into its financing strategy, the BPER Group complies with the reporting obligations set out in Legislative Decree no. 125/2024 and Regulation (EU) 2453/2022, as well as with current regulatory provisions. Membership of international initiatives such as the Net-Zero Banking Alliance and UNEP FI reinforces this commitment, which is also inspired by global principles such as the Paris Agreement, the TCFD Recommendations and the United Nations Global Compact.

The annual updating process of the "ESG Loan Origination Policy", which is concluded with the approval by the Board of Directors, subject to the favourable opinion of the Control and Risk Committee, the Sustainability Committee and the Board of Statutory Auditors calls for the involvement of the internal stakeholders involved in the lending process (commercial and credit unit), as well as the ESG Strategy and Risk Management Function, in order to ensure overall consistency with the Group's ESG and commercial strategies and with the materiality analyses conducted also for the purpose of assessing the adequacy of prudential capital.

The "ESG Loan Origination Policy" in force is available on BPER Banca's institutional website, while employees can access the full version via the Intranet. To support those stakeholders whose activities are directly affected by the "ESG Credit Policy" (the commercial functions, which are involved right from the origination phase, and all functions involved in the decision-making process), the credit applications have also been supplemented with schematic versions and operational indications of the "ESG Loan Origination Policy", in order to allow immediate consultation and usability during the process.

ESG Investment Policy for the Management of the Group's Banking Book

The "ESG Investment Policy for the Management of the Group's Banking Book" of the BPER Group outlines the fundamental principles and strategic directives for incorporating environmental, social, and governance factors into the decision-making process for investment activities. This approach considers the potential adverse effects of sustainability risks, specifically climate risk, on the robustness of financial intermediaries and the stability of the system.
The Policy was revised in January 2026 to incorporate criteria for determining the investment-eligible scope, with a focus on prioritising issuers that have a robust sustainability profile. This is in accordance with the criteria set out in the credit approval process, where relevant. Additionally, the Policy's content was adjusted to ensure it aligns with other regulatory sources on ESG.

As an investor, the Parent Company utilises an analysis and management model that involves identifying and evaluating ESG risks associated with counterparties. These counterparties may operate in contentious sectors, have low ESG ratings, or be involved in significant events with environmental, social, or governance impacts. The guidelines set out by the Policy aim to encourage responsible investment practices, minimise indirect risks associated with the core business, prevent transactions that conflict with the Group's ethical values, and mitigate the impact of climate risks on capital resilience. The Policy also aids in determining the ESG risk appetite and offers an operational framework for analysing exposures. This is to assist bodies with strategic oversight functions and Board-internal committees.

The CFO, within his remit, taking into account ESG elements, incorporates them into the company's strategic choices, taking care of their implementation and monitoring through appropriate management control systems, while the CRO collaborates in the definition of the RAF and risk governance policies, taking care of their implementation also through the risk management processes of competence (including ESG risk factors).
The Policy applies to all companies in the reporting boundary with the exception of: Modena Terminal, BPER Real Estate, Arca Holding, Arca Fondi SGR, Adras, St. Anna Golf and Annia; it should be noted that the implementation of this Policy will be requested, if applicable, by the Parent Company's owner function to the Companies of the Banca Popolare di Sondrio Group.
This Policy applies to the proprietary portfolios of the BPER Group (including its subsidiaries), which comprise the liquidity banking book, the investment banking book and the trading book (the Group's equity investment portfolio and customer trading portfolio are excluded from the Policy scope).
BPER Banca's BoD approves strategies, management policies, risk limits and risk control procedures; it defines and approves the proxies for portfolio management and defines the instruments that can be traded. The Finance Committee provides a collective Body for the analysis and evaluation of issues of particular relevance to the Bank's overall operations and activities and, among others, evaluates and proposes the Group's financial instrument portfolio management activities and formulates guidelines on the management of the banking book. The Committee members have the task of supporting the Chair and, therefore, the Chief Executive Officer, who assumes overall responsibility for the governance of the Group's financial instrument portfolio, in the implementation of strategies and monitoring market, counterparty, liquidity and interest rate risks, in accordance with the respective Group Risk Governance Policies and Process Regulations.

The Policy has been drawn up in accordance with the Group's corporate strategy and values; it refers to the ESG principles defined in the "ESG Policy".
The Policy is based on the main international agreements and initiatives in the field of sustainable development, including the 2030 Agenda for Sustainable Development (Agenda 2030), the United Nations Global Compact, the Paris Agreement on Climate Change, the Net-Zero Banking Alliance, the United Nations Principles for Responsible Investment (UNPRI), as well as the legislation in force at the time. The Policy can be consulted on BPER Banca's website and is made available to internal resources via the corporate intranet. The interests of stakeholders are safeguarded by engaging them in discussions during the review of the Policy content.

Policy for governing the risk of non-compliance in relation to sustainability in the provision of investment services

The "Policy for governing the risk of non-compliance in relation to sustainability in the provision of investment services" sets forth the guidelines and general principles for the integration of sustainability risks and the consideration of adverse impacts (PAI) on sustainability in the provision of Financial Advisory and Portfolio Management services as well as the roles and responsibilities of the Corporate Bodies and Organisational Units involved.

In particular, the document defines the specific guidelines of the BPER Group for the following areas:
- integration of sustainability risks in the Portfolio Management Service, in the Advisory Service and in the remuneration Policies;
- assessment of any adverse impact that investment decisions and advisory activities may have on sustainability factors;
- classification of the Group's management guidelines pursuant to articles 8 and 9 of the Sustainable Finance Disclosure Regulation (SFDR);
- fulfilment of the transparency obligations as regards sustainability;
- marketing communications;
- governance of processes;
- methodologies for the classification of financial products for ESG purposes.

The Policy includes the consideration of greenhouse gas emissions as one of the PAIs to assess the negative impacts of investment decisions on sustainability factors. It also includes measures to assess the resilience of issuers to sustainability-related risks, which may include climate change adaptation.

The Policy applies to the BPER Group Companies which are impacted by the SFDR Regulation, i.e. Banks acting as financial market Participants as they provide portfolio management services and Companies acting as Financial Advisers by providing investment advisory services; it should be noted that the companies of the Banca Popolare di Sondrio Group only started to

implement this Policy from the date of the exercise of direction and coordination activities by BPER (i.e. 18 July 2025) and subject to the approvals of the relevant Corporate Bodies.

The Policy is also subject to periodic updates to reflect new implementations and regulatory changes, approved by the Board of Directors.
With reference to Policy monitoring, the Chief Private & Wealth Management Officer:

- approves the definition of thresholds for the inclusion or exclusion of products among those categorised as ESG;
- approves the quality score calculation methodology for sustainable products;
- approves the definition of objectives and priorities with regard to the assessment of negative effects on sustainability factors arising from investment and advisory choices and the results of related ex-post monitoring.

After being discussed with the ESG Strategy Office and with the Financial Risks Unit, the methodologies adopted are examined and assessed by the Sustainability Committee and submitted to the BoD for approval.

The Policy is based on regulatory references such as: SFDR Regulation, EU Taxonomy Regulation, Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022, Delegated Acts of 6 August 2021 amending and supplementing the MiFID (Directive 2014/65/EU), IDD (Directive 2016/97/EU), Solvency (Directive 2009/138/EC), AIFMD (Directive 2011/61/EU) and UCITS (Directive 2009/65/EC) derived regulations, as well as the legislation in force at any given time.

The stakeholders involved include customers, investors, employees of the Group, regulators, and local communities.
An abstract of the Policy is available on the BPER Group's website; the full version is instead made available to internal resources via the corporate intranet.

ESG Policy – Arca Fondi SGR

The "ESG Policy" outlines the measures and rationale implemented by Arca Fondi SGR (hereafter referred to as Arca or Arca Fondi) to:

- integrate strategy, organisational structure and business processes, and to ensure the compliance of managed portfolios with applicable ESG investment regulations;
- provide evidence of the internal control system in place to ensure compliance with the applicable legislation and the rules adopted by the Company;
- define the methodological approach for climate and environmental risk assessment.

The Policy also presents the rules adopted by Arca with reference to the objectives set out below:

- to classify a managed portfolio as an Article 8 or Article 9 product under Regulation 2019/2088, alignment with the Taxonomy, or other initiatives relating to sustainability issues;
- define and implement ESG investment policies consistent with the offer document;
- produce the reporting envisaged by the regulations.

The "ESG Policy" thus relates to ESG investment management for Arca Fondi SGR and includes the consideration of greenhouse gas emissions among the main PAIs for assessing the negative impacts of investment decisions on sustainability factors. It also includes measures to assess the resilience of issuers to sustainability-related risks, which may include climate change adaptation.

With the aforementioned objectives in mind, in the interests of the underwriters, the "ESG Policy" identifies the characteristics of the issuers that make up the exclusion list (so-called "black list") and the subsectors subject to penalisation and/or exclusion.

In December 2025, the "ESG Policy" was enhanced with checks and procedures used for classification under Regulation (EU) 2088/2019. This was done to define the investment-eligible scope and set the investment limits for the Fondo Arca Obbligazionario Governativo Biodiversity. The fund's investment objective is primarily centred on issues related to biodiversity.

The limits defined by the "ESG Policy" are continuously monitored by the portfolio managers of the Investment Department, who are responsible for management activities. Ongoing Policy compliance monitoring is carried out by the Compliance Function, which reports periodically on the results of its activities to the Risk and Sustainability Control Committee and the BoD.

The Policy is available on the company intranet for the appropriate information and consultation by Arca employees. A summary of the "ESG Policy" can be found on Arca's website, under the "Sustainability" section.

Policy governing the management of environmental and energy issues

Since 2024, the BPER Group has implemented an Environmental and Energy Policy to aid its transition towards a low-carbon economy, in accordance with the Energy Plan for 2022-2030. The Policy is based on the implementation of a UNI EN ISO 14001:2015 and UNI EN ISO 50001:2018 compliant Integrated Environment and Energy Management System (EMS) in a representative sample of 20 buildings.

The Policy applies to all the Companies within the scope of the Report; it should be noted that the implementation of this Policy has been initiated by the Companies of the Banca Popolare di Sondrio Group only as from the date of the exercise of direction and coordination activities by BPER (i.e. 18 July 2025) and subject to the approvals of the relevant Corporate Bodies.

The Board of Directors is tasked with executing the Policy and incorporating ESG issues into the risk strategy and governance framework. The Energy Team is responsible for monitoring, conducting regular checks to ensure that actions align with the objectives of the Energy Plan.
Additionally, the Policy defines the roles and responsibilities of the Corporate Bodies and structures involved in the referenced issues. BPER Banca is committed to reducing its direct and indirect environmental impacts across its areas of operations.

For the above-mentioned properties, the Bank identifies appropriate performance indicators, sets improvement goals and monitors the achieved results. The same KPIs and Energy Performance Indicators (ENPI's) are mapped and monitored every six months to verify whether the set targets have been met.
The Policy refers not only to the legislation in force at the time, but also to nationally and internationally recognised standards and provisions, such as UNI EN ISO 14001:2015 and 50001:2018, the 2030 Agenda for Sustainable Development, the Ten Principles of the Global Compact and European initiatives on sustainable finance.

The Policy is drafted considering the needs and expectations of both internal and external stakeholders and can be accessed on BPER Banca's corporate website. The same stakeholders can promote a continuous improvement of the contents to be modified or included in the Policy, reporting their comments using an email address provided in the document.

E1-3: Actions and resources in relation to climate change policies

Transition plan for climate change mitigation

In line with the EBA Guidelines on Environmental, Social and Governance Risk Management, BPER Banca has developed a Transition Plan incorporating measures for mitigating climate change. For more details, please see the contents of Disclosure Requirement "E1-1: Transition plan for climate change mitigation".

Net-Zero Banking Alliance

In October 2025, the Alliance concluded its mandate and transitioned into a technical guidance framework.
With the publication of the EBA's Guidelines on the Management of Environmental, Social and Governance Risks (EBA/GL/2025/01), which, among other things, stipulate the obligation to integrate these risks into the strategic planning of banks through the drafting of prudential Transition Plans, BPER Banca confirms its commitment to pursuing decarbonisation objectives, in line with the Alliance's original principles and ambitions. Therefore, consistent with NZBA guidance, BPER Banca has defined decarbonisation targets and strategies for the most impactful sectors, including "Power Generation", "Oil and Gas", "Iron and Steel", "Aluminium", "Commercial Real Estate" and "Agriculture". For more details, please see the contents of Disclosure Requirement "E1-4: Targets related to climate change mitigation and adaptation".

Actions in credit policies and disbursement

The BPER Group develops and adopts an approach aimed at identifying and assessing potential climate and environmental, reputational, operational, and other ESG risks arising from financing in companies operating in controversial sectors, involved in serious events that have led or may lead to negative impacts on counterparty valuation, with particular attention to the impact on their creditworthiness; at the same time, it intends to take the opportunity to direct and support the transition path. The main actions conveyed in relation to credit during 2025 are outlined below.

Integration of ESG factors into credit policies
The integration of ESG objectives into credit is initiated by the establishment of lending guidelines, as detailed in the "ESG Loan Origination Policy". This is then communicated to the business via the BPER Group's Credit Strategies and Policies, as well as through the mechanisms incorporated within the Lending Process. Specific actions to support the commitment made in favour of companies' decarbonisation are conveyed in the applications adopted during the granting of credit, with the aim of pursuing, in the relationship with customers belonging to the sectors regulated by the "ESG Credit Policy", the best practices applicable. These include:

- acquisition of decarbonisation plans or official commitments to defining targets for the reduction of their own GHG emissions and reliance on fossil fuels;
- the acquisition of specific ESG covenants, formalising shared commitments to improve counterparty KPIs;
- the placement of green or sustainable products to support the transition or climate change mitigation.

The single-name strategies adopted over time are defined on the basis of ESG elements especially for emission-intensive sectors and on which the Group has already disclosed its reduction targets to all functions involved in the origination process and has fully integrated them in the applications supporting the network, where they are visible together with the summary indications of the "ESG Loan Origination Policy".
The initiatives undertaken in 2025 led to a heightened understanding and awareness of ESG issues within lending among internal stakeholders. This is further corroborated by the outcomes of our training programmes.

Corporate customer engagement and data collection
The BPER Group has initiated several measures to engage their corporate clients, aiming to enhance awareness of sustainability issues and gather analytical data. This is part of a broader strategy to progressively lessen the reliance on sectoral proxies when evaluating companies, both in establishing the decarbonisation pathway and in managing risks and credit approval processes. The Group also actively engages in roundtable discussions and institutional initiatives, reaffirming its dedication to fostering dialogue between financial institutions and businesses.
Despite its efforts, the Group does not yet have a useful database for more precise analyses and is considering further initiatives and collaborations to achieve the expected results.

Integration of ESG analyses into the credit granting process
Building on the integrations established in previous years, and with the aim of operationally guiding the functions involved in the initial phase, the lending applications have been enhanced to highlight the key sustainability features of counterparties and "ESG Best Practices". These are designed to reward the allocation of green, taxonomy-aligned or sustainability-linked financing, or to encourage the redevelopment of the client's real estate assets.
BPER recognises its role in supporting corporate customers through financing for sustainable real estate and the energy efficiency improvement of existing stock. However, the decarbonisation of the sector also depends on the actions of all stakeholders, including the implementation of public policies to support the energy transition, such as the EU Directive on the energy performance of buildings[83], which must be transposed at the national level.

Real estate collateral assessment and reassessment process
The collateral assessment and reassessment process has been reinforced taking into account the potential effects resulting from exposure to physical and/or transition risk of property. In particular, importance was given to the acquisition of the Energy Performance Certificate (EPC) for all properties for which the ex lege obligation (Legislative Decree no. 192/2005) applies, fully automating the process in order to make the overall assessment more efficient. The information acquired and necessary for an appropriate evaluation of collateral is integrated into the applications for use by the network.
Appraisals of residential properties are conducted according to a "taxonomic" process, as it is inspired by the principles of alignment to the EU Taxonomy. This process enables the collection of essential information during the surveyor's inspection to determine if the property fulfils the taxonomic criteria.

Detecting the Taxonomic alignment of exposures
The BPER Group has specific processes in place to detect the alignment of exposures to the criteria defined in the EU Taxonomy Delegated Acts.
In addition to the procedure detailed above concerning real estate lending, specific tools have been established within the lending applications. These are designed to accurately identify the ESG objectives of loans and to assist in evaluating the taxonomic alignment of the financed asset.
The outcomes of procedural interventions are not yet quantifiable in terms of the ongoing deployment of IT solutions.

Promoting corporate culture
For the functions involved in the processes of credit origination and resolution, specific ESG training courses have also been set up, which will involve the participation of more than 1,000 colleagues working in the BPER Group's corporate centres and credit functions over the two-year period 2024-2025.

The actions planned as part of the new "B:Dynamic | Full Value 2027" Business Plan are aimed at the efficiency and effectiveness of the credit processes used for assessing counterparties and transactions from an ESG perspective. The project is still ongoing, hence it is not feasible to provide detailed updates on the progress of all activities.

83 Directive (EU) 2024/1275 (EPBD)

Products and services with environmental purposes - Retail

The bank's offerings for retail customers encompass mortgages and personal loans, specifically designed to promote energy efficiency and sustainable mobility. Personal Loans cover work on equipment and purchases of eco-sustainable goods, while the "Mutuo Green" is reserved for the purchase of eco-sustainable properties in energy classes A, B and C. With reference to the latter and in line with growing national and European initiatives, dedicated funds with promotional conditions have been set aside in 2025 to encourage the purchase of energy-efficient property.
Meanwhile, to promote the refurbishment of existing property assets, the new "Mutuo Green a SAL" was introduced in 2025. This subsidised fixed-rate loan is designed to support initiatives that significantly enhance the energy efficiency of the building and contribute towards making it more sustainable.

Tax Credits - SuperBonus - Ecobonus
Since 2020, the BPER Group has activated a business line dedicated to the purchase of tax credits related to the "Superbonus 110%" tax relief introduced by the "Decreto Rilancio" (Law Decree 34/2020, converted by Italian Law 77/2020), which allows the deduction at subsidised rates of the expenses incurred for energy efficiency measures in buildings, installation of sustainable energy infrastructures and/or reduction of buildings' vulnerability to seismic risk.

The BPER Group continued to help its customers in availing of the aforementioned tax benefits through the acquisition of credits, obtained either from the direct assignment of the tax credit by the beneficiary or from the "invoice discount" provided by the supplier of goods/services related to the subsidised measures.

In 2025, the Bank continued to monitor the Tax Capacity, maintaining its product placement activities by allocating dedicated funds to businesses and accommodating any requests made by retail customers.

Products and services with environmental purposes - Businesses

The BPER Group advocates for ecological transition by offering a comprehensive portfolio of financial products, specifically tailored for businesses and small to medium-sized enterprises (SMEs). Solutions include:

- financing for photovoltaic systems including asbestos removal costs (Fin Helios Aziende);
- subsidised loans aimed at promoting energy efficiency and developing the use of renewable energy in companies within the Emilia Romagna region (Fondo Regionale Multiscopo Comparto Energia);
- financing for real estate companies for the realisation of taxonomy-aligned real estate (Green Corporate Real Estate);
- unsecured/mortgage loans for green investments, also with EIF/EIB/SACE guarantee (EIB-EIF joint SME sustainability guarantee, SACE Garanzia Futuro, SACE Green Loan, SACE Green ordinary procedure) or with the use of EIB funds (BPER Sustainable Loan for SMEs and Midcaps);
- solutions for low environmental impact investments by SMEs (Sabatini Green);
- products for the circular transition and energy efficiency linked to subsidised finance calls ("FRI Green New Deal", NRRP "green" calls for tenders and financing for the circular economy);
- Agrari Green financing as products dedicated to supporting the sustainable development of the agri-food sector (Conduzione AGRI BIO loan);
- Sustainability Linked Loans, characterised by a reward mechanism for customers who achieve agreed periodic ESG targets (KPIs).

The offering is complemented by tools and services designed to support investments in renewable energies and sustainable infrastructures. These include an agreement with a leading energy partner, Sorgenia, the digital platform Target Net Zero, which is dedicated to decarbonising activities, and the Synesgy platform, which provides accurate assessments of corporate sustainability characteristics. In conclusion, client engagement activities concerning ESG issues (SME Project) are designed to inform and educate SME clients and prospects about sustainability. These activities highlight the opportunities available for reporting on their ESG performance, particularly in light of recent regulatory developments.
The primary initiatives involved participation in the Genoa International Boat Show, in collaboration with Rina Services, Lamiera 2025, in partnership with UCIMU Sistemi per Produrre, and Made In Steel 2025, in conjunction with Siderweb. Additionally, various regional events were organised, engaging trade associations, chambers of commerce, and entrepreneurs.

Products and services with environmental purposes - Project Finance

In 2025 the BPER Group continued its environmental project finance activities aimed at building plants for the production of energy from renewable sources and sustainable infrastructure, as well as for structured ESG/Green loan transactions in the Real Estate and Large Corporate sectors. Certain ESG loans are contingent on meeting specific environmental, social or governance KPIs. These are also applicable to real estate projects that uphold high sustainability standards.
In 2025, the expansion of these transactions is confirmed, with an average duration ranging from 5 to 12 years.

ESG Investment Actions for the Management of the Group's Banking Book

The BPER Group has gradually steered the management of its financial portfolio towards sustainable investments, prioritising issuers with strong performance in environmental, social and governance aspects. This approach fulfils the aim of encouraging responsible economic growth and enhancing the management of financial and reputational risks.
The BPER Group therefore gives preference, in its investment choices and in general in the management of its financial portfolio, to companies that adopt virtuous practices centred on the use of environmentally-friendly production methods, on the guarantee of inclusive working conditions that respect human rights, and on the adoption of the best standards of corporate governance.

As at 31 December 2025, the Group held an overall bond portfolio of approximately EURO 43 billion, of which 9% with ESG characteristics. As depicted in the table below, the ESG Bond Portfolio comprises Social Bonds, Green Bonds, Sustainability Bonds and Sustainability-Linked Bonds.

When choosing investments, the BPER Group also pays particular attention to the issues of States, Government Agencies and Sovereign Bodies classified as "green".

(EUR million)

Investment	31.12.2025	
	Total	Percentage bond portfolio
Green Bonds	2,319.04	5.4%
Sustainability Bonds	531.28	1.2%
Social Bonds	975.27	2.3%
Bonds w/sustainability-linked coupon	146.64	0.3%
Total ESG bond portfolio	**3,972.22**	**9.2%**

BPER and the Legal Entities rely on external data providers with the aim of identifying an ESG rating for each investment and being able to have a specific analysis for environmental, social and governance issues (for example, ESG scores of the main info providers).
The investment decisions also reflect the Group's commitment to its membership in the Net Zero Banking Alliance since 2022 and the need to carry out key actions to manage ESG factors, their incorporation into decision-making processes to strengthen strategic control over sustainability. Although the Alliance ended its mandate in October 2025, the Group confirms its commitment to pursuing the decarbonisation targets in the following sectors, identified as priorities by the NZBA: Power Generation, Oil and Gas, Iron and Steel, Aluminium, Agriculture and Commercial Real Estate.
For these high-emission sectors, the Bank favours exposure to companies that adopt sustainable business strategies and promote the achievement of decarbonisation targets. This approach is consistent with the provisions of the updated "ESG Investment Policy for the Management of the Group's Banking Book" and the "ESG Loan Origination Policy", in particular with reference to the criteria for defining the investment-eligible scope, where applicable.
Special attention is paid to the Coal sector, which the Group is committed to managing towards the phase-out of projects for the construction and/or expansion of new coal mines (i.e., the "Greenfield Project") or the purchase of businesses operating in the sectors of coal extraction, transformation of hard coal into coke oven products and activities associated with coal marketing and/or trading. These safeguards are consistent with the objectives of the Paris Agreement and the European "Fit for 55" package, which provide for a gradual reduction in the use of coal in OECD and European countries by 2030.

Among its primary investment initiatives, BPER Banca has participated in i) the Sì Social Impact Fund, which invests in SMEs capable of generating social, environmental, and cultural impacts, ii) the Investcorp-Tages Impact Fund, a fund of impact funds, iii) the Arca Green Bond Fund, iv) the Ethical Equity Fund, v) the FOF Impact Investing Fund, another fund of impact funds, and vi) the Algebris Green Transition Fund, which concentrates on investments in companies operating in the energy transition sector. Equity investments also include a symbolic interest held in Banca Popolare Etica and a 19.87% interest, held in total by BPER Banca and its subsidiary Banca Popolare di Sondrio, in the capital of Etica SGR, an asset management company belonging to the Banca Popolare Etica Group, specialising in the management of socially responsible mutual funds.

Green, Social and Sustainability Bond Framework and the issuance of Green Bonds

The BPER Group has adopted the "Green, Social and Sustainability Bond Framework" as a reference for the issuance of sustainable debt instruments, in accordance with the International Capital Market Association's ("ICMA") 2022 Guidelines, the Green Bond Principles ("GBP"), Social Bond Principles ("SBP") and Sustainability Bond Guidelines ("SBG"), and the EU Taxonomy Substantial Contribution Criteria. The framework is subject to regular updates to ensure alignment with best market practices, policies and legislation on sustainable finance.

The previous green bonds issued by BPER Banca were allocated in accordance with the aforementioned framework, specifically designed for institutional investors. The issuance, whose proceeds will be used to finance and/or refinance Eligible Green Assets, complements BPER's ESG strategy and represents the concrete achievement of environmental sustainability objectives.

The issuances are dedicated to Institutional Investors (such as funds and banks) and take BPER Banca's assets eligible for the relevant GSS Framework as a reference.

During the year 2025, the Bank did not issue any green-label bonds. The Group's commitment continues as per the "B:Dynamic | Full Value 2027" business plan target of issuing Euro 1 billion in Green Bonds over the plan period. For more information, please see the contents of Disclosure Requirement "E1-4: Targets related to climate change mitigation and adaptation".

The green Investment proposition for customers

In 2025, the Group strengthened the incorporation of ESG criteria, and the procedural safeguards and methods for gathering customer sustainability preferences were further established in accordance with regulatory requirements. The year was marked by efforts on the product catalogue, the revision of internal policies, and the advancement of monitoring methodologies. Particular emphasis was placed on addressing Principal Adverse Impacts (PAIs) and exclusion policies.

As of 31 December 2025, the BPER Group's offering to retail customers comprised 1,139 sustainable funds actively marketed and included in insurance investment products. Of these, 1,064 were categorised under Article 8 and 75 under Article 9 of the SFDR. ESG assets under management (AuM) reached Euro 27 billion, or 45.4% of total assets under management (funds, asset management and pension funds).

Throughout the year, the Group systematically gathered information on customers' sustainability preferences, observing a keen interest in environmentally friendly, sustainable investments and in products that consider Principal Adverse Impact (PAI). Whilst this information does not directly contribute to the suitability assessment, it enables the proposal of investment solutions that align more closely with the clients' stated ESG objectives.

The Group has also updated the Regulation on the Procedure for Considering PAIs in Investment Decisions and Advisory Services at the Entity Level. The main new aspects concerned:

- the introduction of specific measures for the management of PAIs in advisory services, with exclusion rules and dedicated authorisation procedures;
- strengthening due diligence with asset managers to assess the integration of ESG factors and the management of PAIs;
- updating the methodologies for monitoring and calculating PAI indicators, with quarterly surveys and publication of the Annual Statement by 30 June, as required by the SFDR;
- the definition of minimum targets and exclusion criteria for portfolio management, including minimum investment quotas in financial products with sustainability characteristics in accordance with Articles 8 and 9 SFDR and the exclusion of issuers involved in controversial weapons or serious human rights violations.

In implementation of Law No. 220/2021 on the prohibition of financing to companies producing anti-personnel mines and cluster munitions and the Bank of Italy Instructions, the Group updated the "Policy governing the Relations of the BPER Group Banks and Companies with Defence Operators, Weapons Manufacturers and Dealers". The update introduced specific measures to prohibit both direct and indirect financing, and it refined the control and derogation procedures. It also established a dedicated regulatory process, designed to enhance the structure of controls and information flow to governance bodies and supervisory authorities.

The Banks of the BPER Banca Group, in their capacity as participants in the financial markets that provide portfolio management investment service, take into consideration the Principal Adverse Impacts ("PAI") of investment decisions on sustainability factors, as illustrated in the PAI Statement published on 30 June 2025 and referring to the period 1 January - 31 December 2024.

For the reporting period of 1 January to 31 December 2025, the Group substituted PAI 5 (Share of non-renewable energy consumption and production) with PAI 14 (Exposure to controversial weapons). This change aligns with the relevant national legislation, the Group's exclusion policies, and its pledge to minimise exposure to the most controversial sectors. Monitoring focuses in particular on the following PAIs considered as priorities:

- PAI 2 - Carbon footprint;
- PAI 3 - GHG Intensity of Investee Companies;
- PAI 10 - Violations of UNGC Principles and OECD Guidelines;
- PAI 15 - GHG intensity of Sovereign Issuers and International Organizations.

In accordance with the SFDR, the Group discloses its policies on integrating sustainability risks and information about the principal adverse impacts on sustainability factors on its corporate website. This includes a description of the approach taken during the processes of selecting issuers, defining the financial product catalogue, and providing advisory services. In 2025, this document was updated to include:

- how clients' ESG preferences are collected and managed in accordance with MiFID regulations;
- the rules for the identification of eco-sustainable and sustainable products and those that consider the PAIs definition of minimum proportion, and the definition of a minimum proportion;

- criteria for assessing the alignment of products with the Sustainable Development Goals (SDGs);
- the integration of ESG factors in the issuer and product selection processes for the commercial catalogue and for the advisory and management lists;
- adjusting the remuneration policies to ensure their consistency with ESG objectives and the Business Plan;
- further refinements to clarify the distinction between sustainability risk and principal adverse impacts (PAI) and to ensure alignment between customers' ESG preferences and product selection.

As of 20 November 2025, the Group has further refined its approach to considering sustainability preferences expressed in joint relationships. It now adopts the most ambitious preferences expressed by individual joint holders for the purpose of the suitability assessment.

The proposition of ESG investments - Arca

The ESG model utilised by Arca Fondi aligns with the "ESG Policy". It relies on data supplied by the information provider, enhanced by our own sources, and enables the assignment of an ESG rating to nearly all the financial instruments invested in. Ratings, which range from CCC to AAA, are also available for each individual pillar of environmental, social and governance aspects.
Penalties are imposed for issuers in serious controversies or those operating within sensitive sectors and countries on an internal "blacklist".
During 2025, the "ESG Policy" and related internal procedures were updated, especially as regards biodiversity, and the materiality analysis was updated within the three-year plan referred to in the Bank of Italy's Supervisory Expectations.
With regard to climate and environmental risk, the proprietary model was also maintained for the year 2025 to quantify the potential impact of the worsening climate crisis on the managed portfolios. The range of UCITS classified under the SFDR as Article 8 or Article 9 has also been expanded. At the end of December 2025, the assets of the products classified under Art. 8 and Art. 9 pursuant to Regulation (EU) 2019/2088 amounted to approximately 32.5% of the assets managed.

Below is the overall representation at the end of 2025:

(in thousands of Euro)

ESG portfolios	no. UCITS	UCITS AuM	Pension Fund no.	AuM Pension Fund	Total AuM
Products pursuant to Art. 8	30	8,627,117	3	4,325,664	12,952,780
Products pursuant to Art. 9	9	3,533,418	-	-	3,533,418
Total	**39**	**12,160,535**	**3**	**4,325,664**	**16,486,198**

Below are the details for Art. 9 products:

(in thousands of Euro)

OICR, Art. 9	AuM
A AZIONI AMERICA CLIMATE IMPACT	732,474
A AZIONI EUROPA CLIMATE IMPACT	790,204
ARCA BLUE LEADERS	97,802
ARCA GREEN LEADERS	180,478
A OXYGEN PLUS 30	171,433
A OXYGEN PLUS 50	1,260,321
A OXYGEN PLUS 60	105,889
A GREEN BOND	193,915
A OBBLIGAZIONARIO GOVERNATIVO BIODIVERSITY	902

Insurance related to climatic events

In 2025, the Group expanded its range of insurance products by introducing the Arca Catastrophic Risks Plus product, specifically designed for corporate clients. The policy represents a fundamental step in the insurance business strategy, consistent with the current ESG context, and simultaneously fulfils the regulatory requirement introduced by Decree No. 18 of 30 January 2025 of the Ministry of Economy and Finance. It makes it compulsory for legal entities to take out an insurance product to cover material and direct damage caused by natural disasters and catastrophic events to property used for economic activity ("CAT-NAT").
To protect residential property, the insurance catalogue includes the "Ama&Proteggi Casa a modo tuo" Policy. This product represents the most comprehensive protection for our customers' homes, and includes cover against the risks of flooding, inundation and waterlogging, events that are rarely insurable in the insurance market. The product therefore demonstrates its ability to address current protection needs against the risks of climate change effects, and capitalises on a strategic business area.
Both policies are issued by Arca Assicurazioni and are distributed through BPER Banca, Banco di Sardegna, and Banca Cesare Ponti.

The insurance catalogue from Arca Assicurazioni, distributed by the BPER Group, is reviewed and updated annually. This is done to ensure it remains relevant to current issues and adapts to the new requirements identified by our customers.

Car fleet/mobility/home-work commute

The Parent Company has appointed a Mobility Manager who promotes the implementation of actions for the organisation and management of staff mobility demand by preparing the Home-Work Commute Plan (Piano degli Spostamenti Casa-Lavoro, PSCL).

There are numerous initiatives and services dedicated to promoting Sustainable Mobility for employees of the BPER Group (excluding those from the Banca Popolare di Sondrio Group), such as:

- company car pooling platform (Jojob) for sharing cars between several people on the home-work journey, which has led to a considerable reduction in the number of cars on the road. During 2025, the emission of 6.49 tCO_2 into the atmosphere (49,980 km) was avoided;
- Home-Work Commute Plans were drawn up for the various BPER Group offices with more than 100 employees, as required by Italian Decree Law 34 of 19 May 2020 (Relaunch Decree), converted into Law 77 on 17 July 2020;
- an e-bike sharing service has been made available at the Headquarters in Modena. This initiative contributes to a healthier and more sustainable lifestyle for employees and encourages the improvement of micro-mobility by using modern, zero-emission vehicles;
- a daily corporate shuttle service that connects the Modena Rail Station to the Modena Headquarters in order to make it easier to commute and promote the use of public transport.

"Piantiamola di inquinare!" (Let's stop polluting!) - The sustainable mobility project in cooperation with Wecity
BPER Banca also carried out the initiative "Piantiamola di inquinare!" (Let's stop polluting!) in 2025 with the support of the Wecity platform, in order to reduce CO_2 emissions into the atmosphere.
Now in its fifth year, the initiative has involved around 430 employees spread across the Group's various branches who cycled, walked or rode a scooter to work for three months, covering a total of almost 62 thousand km, thereby reducing 8.6 tonnes of CO_2, equivalent to the result produced by 1231 adult trees in one year by photosynthesis[84]; for each trip, the Wecity app calculated the CO_2 saved (1 kg for every 7 kilometres travelled) and created a ranking based on this value. The project was well integrated with the various initiatives within the "European Sustainable Mobility Week" (16-22 September 2025).

The Group's Vehicle Fleet
The BPER Group (with the exception of the Banca Popolare di Sondrio Group) constantly and continuously pursues the process of reducing its environmental impact by rationalising and modernising its corporate fleet, favouring the use of low-emission cars. Specifically, the Parent Company has adopted "green" standards for replacing end-of-life vehicles, choosing hybrid, electric or diesel models that have a minimal environmental impact. Managers who were allocated plug-in hybrid cars were given a card to use for recharging at solar-powered stations located at certain sites within the Group's premises.

In order to limit emissions, a CO_2 emission cap of 180 g/km was included in the new regulations for the company vehicle management and allocation process. In addition, for mixed-use cars, the company grants an additional contribution if the assignee chooses plug-in hybrid or full electric cars from the car list. Lastly, to reduce travel, all Legal Entities of the Group have undertaken to increase the use of video conferencing.

The project to raise awareness towards the use of cars with low environmental impact continues with the free recharging service for employees of the Modena Management Centre: this service allows employees to recharge up to 15 hours per month with energy produced from renewable sources. In 2025, the energy delivered for employee recharges reached 21,144 kWh, almost double the previous year's figure of 11,826 kWh (up 78.8%). Recharging of cars for the Executives totalled 27,933 kWh.

These activities, some of which are compulsory and others voluntary and in line with the BPER Group's commitments declared in the "Policy governing the management of environmental and energy issues" aim to reduce both direct impacts (through the gradual replacement of ICE cars in favour of hybrid and electric ones) and indirect impacts (through the development and maintenance of sustainable mobility initiatives for its employees).

84 An average of 700 kg of CO_2 absorbed by a tree in 10 years was used for the calculation.

Owned properties - The Business Continuity Plan

Considering the acute physical climate and environmental risks, the BPER Group manages the possibility of suffering economic losses resulting from the reduction in the value of property owned due to its geographical location or due to the occurrence of adverse events. From 2026, as stipulated by the Budget Law of 2024, the existing coverage in the Policy has been enhanced with additional protections (landslides and floods) to safeguard against damage resulting from natural disasters and catastrophic events. To alleviate the previously mentioned risk, the insurance coverage (All Risk Property Policy) provides, among other things, the following assurances:

- atmospheric events;
- flooding;
- snow overload;
- earthquake;
- seaquake;
- floods;
- landslides;
- river flooding.

The Policy also provides coverage against the risk of volcanic eruption for certain branches in the Campania region expressly referred to therein.

Another impact caused by acute physical risks are losses due to the interruption of business continuity resulting from natural disasters (e.g., floods, heavy snowfall, extreme temperature changes). The Bank employs a Business Continuity team that works tirelessly to ensure the resilience of services, assets, and processes. In order to map the so-called Physical & Climate Risk each year, the Business Continuity office receives from the Building & Facility Unit the hydrogeological risk values of each business premises. Official sources from BPER also chart additional information regarding the risk of landslides, proximity to water bodies or industrial sites, and the threat of tsunamis. It takes this into account in the impact assessments (Business Impact Analysis).
The BPER Group, on an annual basis, does perform a Business Impact Analysis, to identify the risk level for each individual corporate process, according to a qualitative and quantitative approach. The Business Continuity Plan is then updated, and mitigation actions and the recovery solutions are defined that enable the continuation of the activities of critical processes even when faced with particularly serious events.

The Business Continuity Plan is drafted in compliance with the Bank of Italy's Circular 285 of 2013 as subsequently amended, and in accordance with the best practices in the sector. The Business Continuity Plan lists the buildings where critical processes are performed, and highlights the relative risk levels. In case that extreme weather events take place that compromise BPER's capacity to provide services to customers, the solutions foreseen for the "Unavailability of the service provision site" are activated in order to safeguard service continuity.

If the unavailable site is part of the commercial network, the recovery solutions include:

- moving employees and customers to a neighbouring branch (sister branch);
- execution of the more urgent transactions by personnel in another branch or by central structures;
- in the absence of a "sister branch" or if the distance exceeds 25 km, and if recovery times are extended, containers and/or camper vans are brought to the disaster area to help citizens, which become branches within the area of the disaster and remain operational while technicians restore the damaged premises.

If the damaged site is a central office, the recovery solutions instead include:

- remote work is immediately activated for all employees at that operational unit;
- Business Impact Analyses are carried out to verify the presence of one or more sister units and of remotely competent resources that can intervene to secure operations from different real estate premises (there are many sister functions distributed over BPER's different areas of operation, due to the numerous mergers and acquisitions in recent years); the transfer of resources and operations to alternative sites or recovery sites is considered;
- if machinery or equipment is damaged during the crisis, the data can in any case be accessed from the desired location (campers or sister units), seeing as backups are constantly being made.

BPER carries out an annual operational continuity test, the results of which are presented to the Top Management, to assess the adequacy of the overall system and the effectiveness of the Plan's solutions, with a view to constant improvement.

Reducing paper consumption

In the banking industry, paper is a primary resource. In 2025, 99% of the paper utilised in the offices and branches of the BPER Banca Group (excluding the Banca Popolare di Sondrio Group) was recycled. The remaining 1% was certified as sourced from sustainably managed forests.

In 2025, the BPER Group (excluding the Banca Popolare di Sondrio Group) undertook key digitalisation and dematerialisation initiatives to reduce paper usage, which are as follows:[85] [86]

- promotion of the use of Advanced Electronic Signature (AES) and Qualified Electronic Signature (QES) - avoided consumption of 394.24 tonnes of paper with a further benefit to the environment in terms of avoided CO_2 emissions into the atmosphere of 413.94 tCO_2e (AES and QES);
- Arca Fondi SGR has: optimised digital tools for placement agents and expanded online resources, reducing 80,000 sheets; eliminated the[87] coupon distribution statement, saving a further 226,000 sheets; started dematerialisation for new clients, saving 188,000 sheets; overall, these initiatives have saved 2.35 tonnes of reams of paper and avoided the emission of 2.47 tonnes of CO_2;[88]
- BPER CARD online account statements: e-mail account statements with a paper saving of 7,936,947 sheets (equal to 39.67 t[89]);
- F24 form dematerialisation with processing re-insourced in the branch: the F24 digitalisation procedure update avoids processing by the external service with consequent savings in paper not sent. The total number of dematerialised F24s amounted to 796,326 sheets (3.7 tonnes of paper)[90];
- cost optimisation project: as part of the continuous process improvement and cost optimisation project, in line with the Business Plan and digitalisation guidelines, the initiative generated a significant impact in terms of sustainability and operational efficiency. Thanks to the progressive dematerialisation of document flows and the adoption of digital solutions, an annual saving of about 28 million sheets of paper was achieved, corresponding to a reduction of 141.20 tonnes of CO_2; "Digital Newsstand", fax elimination, night printing block and WIP (Web Interactive Platform) complete the picture of the actions undertaken.

In general, by 2025, the BPER Group (excluding the Banca Popolare di Sondrio Group) managed to reduce its paper consumption by approximately 100 tonnes from the previous year, down to 460 tonnes, thanks to various digitalisation and dematerialisation initiatives.

Energy Plan

During the course of 2025 the BPER Group has consolidated the gradual implementation of the energy efficiency measures foreseen by the 2022-2030 Energy Plan. In 2025, the BPER Group (excluding the Banca Popolare di Sondrio Group) managed to achieve a total reduction of 934 MWh compared to the energy consumption levels of 2024. For details of the initiatives implemented, within the Group's own operations, and the emission reductions achieved, please refer to the section "E1-1: Transition plan for climate change mitigation".

The projects described have been pursued on an ongoing basis as part of the current Energy Plan, which is included in the 2024-2027 "B:Dynamic | Full Value" Business Plan, with a reduction target of -26.4% achieved at 31 December 2025 (baseline 2021) and a final target of -50.2% at 31 December 2030. In the second half of 2026, subsequent to the merger by absorption of Banca Popolare di Sondrio, the new Energy Plan will undergo revision and will form an essential component of the Group's Transition Plan. The final target of the new Plan remains confirmed at -50.2% to 2030 and will be achieved through efficiency and compensation measures; the achievement of the target is conditioned by technological, economic and political factors largely outside the bank's control.

Within the realm of environmental certifications for real estate assets, the Group has been actively working towards:

- Ancona, obtaining LEED Platinum certification in March 2025;
- Naples, obtaining LEED Platinum certification in November 2025;
- Rome and Ferrara are currently undergoing exceptional maintenance, with certification expected in 2026;
- The Management Centre in Modena is expected to receive LEED certification upon the completion of the entire complex, which is expected to be in 2027.

During the course of 2025 the BPER Group has consolidated the gradual implementation of the energy efficiency measures foreseen by the 2022-2030 Energy Plan, described in the Disclosure Requirement "E1-4: Targets related to climate change mitigation and adaptation".

85 A4 size sheets weighing 4.76 g were considered for estimating the paper saved.

86 Conversion factor: UK Government GHG Conversion Factors for Company Reporting - Sheet Material Use - Paper and Board - Closed-loop- source 1050.0779 tCO_2e

87 A sheet per mailing was considered in order to calculate the numbers of sheets of paper.

88 An average of 4.3 sheets per customer/year was considered for the calculation.

89 An estimated amount of 10 sheets saved per account.

90 An average of 3 sheets per form was considered for calculating the sheets of paper.

BPER Banca joins *M'illumino di Meno* 2025
The Bank again joined the *M'Illumino di Meno* initiative in 2025, the International Day for Energy Saving and Sustainable Lifestyles conceived in 2005 and promoted by Caterpillar and Rai Radio 2 with Rai per il Sociale. For its 21st event, the day was dedicated to the theme "It's Fashionable" ("*Va di Moda*"), i.e. inviting the entire community to reflect on the energy waste resulting from the production and over-consumption of clothing, a phenomenon typical of the fast fashion industry.
For the occasion, BPER Banca switched off the signs of its headquarters in Modena and 727 branches nationwide for one night.

Paper on the correct use of energy with Guidelines
A handbook was produced for employees, which included tips and actions to implement in order to foster the development of a corporate culture of responsibility regarding the use of air conditioning/lighting devices and systems. Through its Handbook, the BPER Group intends to raise awareness among its employees on the subject of energy saving, and to promote virtuous behaviour both in the workplace and in their own homes, also through the dissemination of information on the impacts of bad habits.
The Group aims to reduce energy waste in headquarters and branches through this employee engagement initiative, with significant effects on the direct environmental impacts it generates.

Power Purchase Agreement (PPA) subscription
In 2024, BPER Banca signed a Corporate Power Purchase Agreement (PPA) with CVA - Compagnia Valdostana delle Acque - for the multi-year supply of electricity generated from renewable sources. The photovoltaic facility, under the PPA contract, generated 7 GWh/year by 2025, 100% meeting the energy needs of BPER's primary locations in Italy, including offices in Modena, Genoa, Milan, Turin, and Brescia. This accounted for roughly 10% of the total electricity consumption of the Parent Company, BPER Banca. The remaining 90% is supplied by renewable energy, certified through Guarantees of Origin.

ISO 14001 and 50001 Certification

With the aim of improving its environmental/energy performance, in 2024 BPER Banca initiated and concluded a process that led to the attainment of two certifications in compliance with the UNI EN ISO 14001:2015 (Environmental Management System) and UNI EN ISO 50001:2018 (Energy Management System) standards on an initial significant sample of 20 properties.
This process stems from the need to both respond to the ever-increasing demands of national and international regulations to identify, manage and monitor various environmental and energy aspects (for example consumption and emissions), and to meet the needs and expectations of the various categories of internal and external stakeholders potentially affected or influenced by the various activities carried out by BPER Banca.
Obtaining these certifications for part of the Group's own operations is consistent with what is defined in the "Policy governing the management of environmental and energy issues".

In 2025 BPER Banca obtained the renewal of the above-mentioned UNI EN ISO 14001:2015 and UNI EN ISO 50001:2018 certifications.

E1-4: Targets related to climate change mitigation and adaptation

NZBA Targets

On 9 March 2022, the BPER Group, via its Parent Company BPER Banca, became a member of the Net-Zero Banking Alliance, which is progressively establishing and announcing decarbonisation objectives for the following sectors:

- "Oil and Gas" and "Electricity Production" (August 2023);
- "Iron and Steel", "Aluminium" and "Commercial Real Estate" (December 2024);
- "Agriculture" (May 2025).

For the "Coal" industry, a significant lack of importance was noted. However, the Bank has implemented restrictive policies (phase-out), which have been formalised in the "ESG Loan Origination Policy". For details on how these objectives are incorporated into the management of climate-related IROs, please consult the IRO-PAT table under the Disclosure Requirement "SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model (E1)".

Compared to the other emission-intensive sectors prioritised for NZBA guidance, the Bank does not have significant exposure to the "Cement" and "Transport" sectors, which were therefore not included in the scope of the decarbonisation targets. In relation to the "Residential Real Estate" sector, the Bank has chosen to only disclose the baseline emissions data. This is because the attainment of targets is largely reliant on external factors that are not directly linked to banking operations, such as the implementation of suitable public policies. This approach appears to be consistent with mainstream market practice.

BPER Banca, in line with the founding principles and goals of NZBA and the requirements of the Supervisory Authority, has developed an initial version of the Transition Plan and a second edition of the Decarbonisation Plan. Both were approved by the Parent Company's Board of Directors on 18 December 2025. For further details, please refer to the Disclosure Requirement "E1-1: Transition plan for climate change mitigation".

Following the Public Tender and Exchange Offer resulting in the acquisition of control over the Banca Popolare di Sondrio Group, all decarbonisation targets have been reassessed. As part of the restatement, the baseline values were recalculated with the most recent data available, i.e. referring to 31 December 2025. The revised scope for the target-setting[91] activity now encompasses both exposures in the General Purpose and Securities Banking Book portfolios of companies within the BPER Group, as well as those within the Banca Popolare di Sondrio Group. The restatement required the integration of the financial portfolios of the two groups. In this context, it is worth noting that there are some inconsistencies in the information sources and methodologies used in the respective databases. These differences constitute a methodological limitation and necessitated the use of specific assumptions in order to ensure the consistency of integration and analysis activities.

It should be noted that this restatement also makes it possible to incorporate:

- the Securities Banking Book portfolio in the target setting scope;
- the improvement of scope 3 emissions data coverage for the "Oil & Gas" sector following the methodological extension of the data provider. Indeed, from 2023 onwards, the emissions from the sector have become increasingly significant, rendering the 2022 data no longer entirely comparable. Furthermore, the introduction of a portfolio-wide intensity metric was implemented, which proves to be more stable than an absolute metric. Updating the baseline to 2025 and utilising an intensity metric ensures enhanced consistency, reliability, and methodological robustness when establishing decarbonisation targets.

The classification of the securities portfolio and loan portfolio into carbon-intensive sectors was carried out following two criteria: international sector classification codes (NACE, GICS) and asset type.

Specifically, for General Purpose loans and for the Securities Banking Book, which finance all activities of the emitting company, the overall emission profile of the counterparty was considered using the NACE sector code. For real estate loans, financed emissions directly attributable to commercial and residential real estate under the PCAF (Partnership for Carbon Accounting Financials) methodology were considered.

The NZBA guidance calls for the definition of climate transition scenarios; in particular, specific emission pathways for each carbon-intensive sector. The selection of decarbonisation scenarios was carried out, with reference to each carbon-intensive sector, taking the following factors into consideration:

- the decarbonisation targets of the Paris Agreement (Net Zero scenarios);
- the composition of the loans/investments portfolio, with reference to the possible presence of sub-sectors for each of which BPER will have to identify specific physical intensity metrics and decarbonisation scenarios;
- industry best practices by observing selected scenarios of the main competitors that have joined the NZBA;
- the availability of consistent and up-to-date scenarios over time, in line with the evolution of methodologies, data sources and sector initiatives, as further elaborated below.

The BPER Group's analyses are based on the most authoritative industry reports.

The calculation of the 2030 targets for the sectors indicated above refers directly to the Net Zero 2050 scenario set forth, on a scientific basis, by the International Energy Agency (IEA) and is in line with the NZBA guidance. The calculation of the "Commercial real estate" 2030 target refers directly to the reference scenario of the specific Carbon Risk Real Estate Monitor (CRREM), defined on a scientific basis, for the real estate sector, applied at Italian level to achieve net zero CO_2 emissions by 2050.

No specific stakeholder engagement activity was carried out to define these objectives. The targets extend from the baseline (2025) to 2050. Furthermore, the set targets were not subject to external audits.

In order to monitor the progress of decarbonisation targets and ensure the gradual attainment of the set objectives, the BPER Group has implemented measures to track performance against the NZBA targets.

The table below provides a summary of the monitoring results[92] after the scope has been restated and redefined.

91 It should be noted that specific methodological exclusions (e.g. the exclusion of non-performing counterparties) were applied with respect to the Carbon Accounting perimeter for the purpose of defining the target setting, with the aim of identifying a more robust and functional perimeter for the achievement of the targets.

92 In addition to the published targets, BPER has also calculated the emission intensity as at 31 December 2025 for the Residential Real Estate sector at 28.1 $kgCO_2e/m^2$.

NZBA targets and performance monitoring

Sector	Scope considered	Baseline	Metric	Performance as at 31.12.2025	Deviation from baseline (%)	2030 Targets	Deviation from target (%)
Power generation	1	0.063 (2025)	$kgCO_2e/kWh$	0.063	-	0.195[93]	-68%
Oil and gas	1, 2, 3	7,659.82 (2025)	tCO_2e/€ million	7,659.82	-	5,842.57	31%
Aluminium	1, 2	316.77 (2025)	tCO_2e/€ million	316.77	-	250.12	27%
Iron and Steel	1, 2	166.04 (2025)	tCO_2e/€ million	166.04	-	118.22	40%
Commercial Real estate	-	39.7 (2025)	$kgCO_2e/m^2$	39.7	-	19.3	106%
Agriculture	1, 2	66.39 (2025)	tCO_2e/€ million	66.39	-	24.84	167%

The objectives outlined for each sector, following the restatement activities conducted, are briefly described below.

Please note that a comparison with previous periods is not provided, as the results would not be directly comparable to those of previous years due to the revision of the consolidation scope.

Power generation
For this sector, the scope of the analysis concerns companies operating in the electricity generation sector.
Counterparties active in the sectors related to the transmission, distribution and sale of electricity were excluded from the scope of analysis, as they were not relevant for the definition of decarbonisation targets.
Based on market best practice, the evaluation of emissions only considers Scope 1 related to direct greenhouse gas emissions.

To specifically establish the decarbonisation goal for the Power Generation sector, we utilised the scenario provided by the International Energy Agency (IEA). This scenario, in order to stay aligned with Net Zero climate trajectories, advocates for a threefold increase in capacity from renewable sources by 2030. It also encourages a broader implementation of clean technologies, even in less mature markets.

At present, the sector is favourably positioned and it is anticipated that counterparties will independently continue their transition from fossil fuels to renewable energy sources. The Bank's role will be to facilitate and support this process.

The performance as of 31 December 2025 is 0.063 $kgCO_2e$/KWh, and is significantly lower than the IEA scenario with respect to both the 2023 baseline (i.e., 0.458 $kgCO_2e$/KWh) and the 2030 target year (i.e. 0.195 $kgCO_2e$/KWh).
The decrease is primarily due to the drop in revenue[94] experienced by companies, resulting from lower post-crisis prices in 2022 and a reduced domestic demand for electricity.
Therefore, given that the projected interim target for 2030 has already been achieved, the Group is dedicated to maintaining ongoing performance monitoring of the portfolio. Simultaneously, the performance calculated using a broad portfolio intensity metric will also be scrutinised, with the aim of distinguishing the sector's performance from external influences linked to macroeconomic fluctuations.

Oil and gas
In line with market practice, in order to determine the proper decarbonisation scenario to apply, the upstream, midstream and downstream segments of the sector's value chain were analysed in relation to the classification of companies in the portfolio:

- the upstream segment (B6 and B9) comprises activities such as exploration, production and extraction of oil and gas from wells;
- the midstream segment (D35, H49, G46) includes the transport and storage of oil and gas;
- the downstream segment (C19) deals with the refining of crude oil and natural gas into final products such as gasoline, diesel and jet fuel. In addition, exposures related to the retail sale of fuel were considered (G47.3.0).

The evaluation of emissions is focused on Scope 1, relating to direct greenhouse gas emissions, Scope 2, relating to indirect emissions resulting from the generation of purchased electricity, and Scope 3, relating to indirect emissions associated with the counterparty's business activity, in relation to the materiality of emissions in BPER Banca's portfolio and the reference scenario.

93 For the Power Generation sector, the scenario figure is shown, as the 2030 target has already been reached.

94 The value of the energy intensity, i.e. kWh per Euro of turnover, rises from a value of 1.77 in 2022 to a value of 3.56 in 2023 due to the exceptional turnover in 2022, which leads to a marked reduction in the calculated physical intensity. Source: Official ISTAT database (IstatData).

The alignment of BPER Banca's portfolio with the interim decarbonisation targets for 2030 and long-term 2050 targets was defined through the IEA Global (i) Net Zero Emissions (i.e. IEA NZE). The IEA NZE Oil & Natural Gas scenario was also revised, establishing a 2023 baseline, and factoring in the World Energy Outlook 2024.
It should be noted that as of 31 December 2025, the absolute metric was replaced by a portfolio wide intensity metric which, in line with the PCAF, represents the impact of financed emissions relative to a sector's portfolio exposure, thus calculated as CO_2e emissions on the Euro volumes financed by the Bank in the sector.

The 2030 interim target for the Oil and Gas sector envisages a 23.72% reduction in emission intensity at portfolio level, from a base of 7,659.82 tonnes of CO_2 equivalent per million euros of exposure in the sector (7,659.82 tCO_2e/€ million) by 2025 to reach a value of 5,842.57 tonnes of CO_2 equivalent per million euros of exposure in the sector (5,842.57 tCO_2e/€ million) by 2030.
For the "Oil and Gas" industry, a strategy was implemented for the selection of counterparties, with the aim of maintaining operations with key clients, whilst ensuring a gradual reduction in the emission intensity of the portfolio.

In line with its ESG strategy and the industry's best practices highlighted in the UNEP FI report titled "Emerging Practice: Climate Target Setting for Oil & Gas Financing", the Bank will prioritise its involvement in the upstream and midstream sectors, which are the main areas for decision-making and investment levers (CapEx, technologies, operational emission reduction). The Bank's financial support can have a direct impact on these areas.

Whilst the downstream segment plays a facilitating role, it does not possess the authority to make decisions on the investments required to transform oil and gas reserves into transition initiatives.

However, the Bank will continue to support the transition pathway, focusing its efforts on supporting the diversification of the business model towards less carbon-intensive activities (e.g. low-carbon electricity, low-carbon hydrogen, biomethane and advanced biofuels; charging batteries for electric vehicles).

Iron and Steel
For this sector, companies operating in the sectors related to the production of iron and steel were considered; the emission assessment considers Scope 1, relating to direct greenhouse gas emissions, and Scope 2, relating to indirect emissions resulting from purchased electricity generation.

It should be noted that the portfolio-wide intensity, in line with the PCAF, represents the impact of financed emissions on a sector's portfolio exposure, thus calculated as CO_2e emissions per Euro of portfolio value.

For the Iron and Steel sector, the IEA NZE Steel Global reference scenario was used to define the target. It should be noted that only Scope 1 emissions data are publicly available for the reference scenario (i.e. World Energy Outlook 2024, Table A.4 c), therefore, an estimate based on data made available by IEA within the World Energy Outlook 2024 was used for Scope 2.
The 2030 interim target for the Iron and Steel sector envisages a 28.80% reduction in emission intensity at portfolio level, from a base of 166.04 tonnes of CO_2 equivalent per exposure in the sector in millions of euros (166.04 tCO_2e/€ million) by 2025 to an average value of 118.22 tonnes of CO_2 equivalent per exposure (118.22 tCO_2e/€ million) in the sector by 2030.

Aluminium
BPER's loans portfolio includes exposures to counterparties operating in sectors related to the production of aluminium; the valuation of emissions considers Scope 1, relating to direct greenhouse gas emissions, and Scope 2, relating to indirect emissions resulting from purchased electricity generation.

To define the target for the Aluminium sector, the IEA NZE Aluminium Global reference scenario was used. For this scenario, only Scope 1 emissions data are publicly available (i.e. World Energy Outlook 2024, Table A.4 c); for Scope 2, emissions from electricity consumption for the aluminium sector published by the International Aluminium Institute were considered.

The 2030 interim target for the Aluminium sector envisages a 21.04% reduction in emission intensity at portfolio level, from a base of 316.77 tonnes of CO_2 equivalent per exposure in the sector in millions of euros (316.77 tCO_2e/€ million) by 2025 to an average value of 250.12 tonnes of CO_2 equivalent per exposure in the sector (250.12 tCO_2e/€ million) by 2030.

The calculation of the targets for the Iron and Steel and Aluminium sectors at 2030 refers directly to the Net Zero 2050 scenario defined by the International Energy Agency (IEA).

Commercial real estate
The Real Estate scope includes loans with the purpose of purchasing real estate, distinguished by type of asset rather than by ATECO/NACE code. General Purpose loans, e.g. to companies operating in the construction sector, but without the purpose of purchasing real estate, are therefore excluded from this scope.
This choice is in line with the NZBA's own indications and is due to the need to ensure homogeneity in the application of emission calculation methodologies and reference scenarios. Commercial real estate loans financed by BPER were therefore taken into account.

For the Commercial Real Estate sector, the reference scenario is the CRREM (Carbon Risk Real Estate Monitor). This scenario addresses the challenge of estimating the risk and uncertainty associated with real estate decarbonisation, creating a methodological body and empirically quantifying the different scenarios and their impact on investors' portfolios. The reference scenario was derived from CRREM PATHWAYS V2.04 data, updated as at 8 August 2025. In particular, the route used considers a physical intensity of emissions ($kgCO_2e/m^2$) specific to Italy.

The Group sets a decarbonisation goal for its commercial property portfolio, recognising its role in aiding corporate clients by financing the acquisition of sustainable properties and/or improving the energy efficiency of existing assets. Simultaneously, it acknowledges that the decarbonisation of the sector also relies on the coordinated efforts of other stakeholders, including policy makers. This is achieved through the adoption and execution of public policies that support the energy transition, such as the national implementation of the Energy Performance of Buildings Directive (EU) 1275/2024.

Specifically, the 2030 target for the "Commercial real estate" sector envisages a 51% reduction in emission intensity at the level of financed property, from a base of 39.7 kilograms of CO_2 equivalent per square metre (39.7 $kgCO_2e/m^2$) in 2025 to an average value of 19.3 kilograms of CO_2 equivalent per square metre (19.3 $kgCO_2e/m^2$) by 2030.

Agriculture
For the purpose of defining the scope and target audience of the "Agriculture" sector, businesses in the food industry that are involved in the processing, preservation, and packaging of food products were taken into account.
Considering the significant fragmentation of counterparties in the sector, the scope was narrowed to companies with loans exceeding Euro 50 million. This threshold made it possible to focus the analysis on the largest counterparties, reducing the overall number of players involved (-82.47% compared to the entire Agriculture sector, -30.94% in terms of exposure) and increasing efficiency and accuracy in the engagement phase, while still ensuring significant coverage in terms of both volumes and emissions financed in the sector.

The target setting considers scope 1 and scope 2 emissions of the counterparties within scope and is based on the One Earth Climate Model (i.e., "OECM") Agriculture, Food & Tobacco Pathway scenario95, specific for Europe, which covers energy-related emissions from farms and machinery, as well as energy-related emissions from food processing and packaging.

The 2030 interim target for this sector envisages a 63% reduction from a base of 66.39 tonnes of CO_2 equivalent per exposure in the sector in millions of euros (66.39 tCO_2e/€ million) by 2025 to an average value of 24.84 tonnes of CO_2 equivalent per exposure in the sector in millions of euros (24.84 tCO_2e/€ million) by 2030.

Euro 1 billion in Green Bond issues

Within the Business Plan "B:Dynamic|Full Value 2027", the BPER Group has set itself a Green Bond issues target in line with the Group's GSS Bond Framework (Green, Social and Sustainability Bond Framework).
The target is quantitative and is equal to the issuance of Euro 1 billion in Green Bonds in the plan's time span, consistent with the Bank's stock of eligible assets.
The proceeds will be used to finance and/or refinance Eligible Green Assets; this target therefore complements BPER's ESG strategy and represents the concrete achievement of environmental sustainability objectives.
This target applies from 1 January 2025 for the three-year period 2025-2027.

45% ESG AuM

Within the Business Plan "B:Dynamic|Full Value 2027", the BPER Group has set an ambitious target in terms of growth in sustainable AuM (Art. 8 and 9 SFDR) with respect to total managed solutions, thus referring to the investment business as part of the BPER Group's value chain.
In particular, the target is set at 45% of the total. The sustainable AuM growth target refers specifically to managed solutions (funds, asset management and pension funds) classified as Art. 8 and 9 SFDR. The base value is 39%, calculated on the basis of data as at 30 June 2024, and the target applies from 1 January 2025 for the three-year period 2025-2027.

95 Source: One Earth Climate Model, OECD Europe. The scenario update was not carried out due to the unavailability of updated OECM scenarios for Agriculture, Food & Tobacco - Europe.

No interim targets were formally stated in the Business Plan; however, the Group has internally defined annual sub-targets to be monitored on a quarterly basis.
In addition to the usual internal analyses, the target was also developed on the basis of an analysis of the positioning and objectives of the main competitors and taking into account the share of ESG AuM of the Group's main asset manager (Arca Fondi SGR).
As of 31 December 2025, ESG assets under management reached Euro 27 billion, or 45.4 per cent of total assets under management (funds, asset management and pension funds). This figure pertains to the scope of the BPER Group, without taking into account the contribution from the Banca Popolare di Sondrio Group.

Targets related to the provision of financing with ESG characteristics

Consistent with the "ESG Loan Origination Policy" and the strategies of the 2024-2027 Business Plan, which envisaged concrete targets and actions based on a number of relevant drivers, a target is included that refers to the identification of a ceiling of more than Euro 7 billion of ESG disbursement within the Plan's time horizon; this ceiling also includes products with specific environmental purposes.
In particular, please refer to the descriptions in the Disclosure Requirement "S4-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities" for further details.

Emission reduction targets - Energy Plan

In continuity with the 2022-2030 Energy Plan, the current 2024-2027 "B:Dynamic | Full Value" Business Plan also includes emission reduction targets consistent with the "Policy governing the management of environmental and energy issues" and the "ESG Policy". For information on how these objectives are integrated into the management of climate-related IROs, please refer to the IRO-PAT table in the Disclosure Requirement "SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model" (E1).
As already stated in the Disclosure Requirement "E1-3: Actions and resources in relation to climate change policies", in the second half of 2026, following the merger by incorporation of Banca Popolare di Sondrio, the new Energy Plan will be revised and will be an integral part of the BPER Group's Transition Plan. The final target of the new Plan remains confirmed at -50.2% to 2030.

Through its Parent Company BPER Banca, the BPER Group first identified on a scientific basis the Scope 1 and 2 emission reduction targets aligned with the Paris Agreement limiting global warming to 1.5°C and, subsequently, identified the actions necessary to ensure the achievement of these targets by 2030.

The decarbonisation levers implemented during 2025 included, by way of example:
- conversion of gas-fired generators to heat pumps;
- f-Gas platform: tool for monitoring and containing emissions;
- centralised BEMS (Building Management Energy System) management platform: tool with AI algorithm to optimise energy consumption through home automation tools;
- Workplace management: rationalisation of functional office space.

For the identification of Scope 1 and 2 emission reduction percentages by 2030, BPER Banca voluntarily used the Science-Based Target Initiatives (SBTI) tool in line with the Paris Agreement's objective of limiting global warming to 1.5°C. Again using the SBTI tool, BPER Banca used the Sector Decarbonisation Approach (SDA) methodology and related sector decarbonisation pathway - Service Buildings (SDA) - aligned with the climate scenario limiting the temperature increase to 1.5°C. On the basis of the decarbonisation curves created with the support of the above tool, BPER Banca has therefore identified and implemented the relevant actions to ensure the achievement of the Scope 1 and 2 reduction targets by 2030.

The actions identified by BPER Banca are in line with the reduction target and appropriately monitored through monthly reviews. Constant monitoring of the actions contemplated in the Energy Plan makes it possible to ensure the achievement of the set targets; efficiency actions take into account the influences potentially arising from external factors from a risk management perspective. Where not foreseeable, the scope of the actions may be supplemented during the course of the work to the extent necessary to ensure the achievement of the target identified in the baseline.

The objectives were not subject to audit and approval by a third party. In 2026, with the acquisition of Banca Popolare di Sondrio, the new baseline to 31 December 2025 will be revised and new actions identified to achieve the -50.2% target to 2030.

Targets related to the Energy Plan. Reduction of Scope 1 emissions

Reduction of Scope 1 GHG emissions	Baseline 2021	2030 Target	2050 Target
Absolute value of GHG emissions (tCO_2e)	14,345.00	7,143.90	0.00
Percentage reduction of GHG emissions (%)	-	50.20%	100%
Reduction of GHG emission intensity ($KgCO_2e$/sq.m.)	9.20	4.00	0.00

The baseline considers the emissions as at 31 December 2021 of BPER Banca plus the former CARIGE Group. The reduction target of -23% by 31 December 2025 was achieved one year early.

Targets related to the Energy Plan. Reduction of Scope 2 emissions[96]

Reduction of Scope 2 GHG emissions - Market-based method	Baseline 2021	2030 Target	2050 Target
Absolute value of GHG emissions (tCO_2e)	399.00	0.00	0.00
Percentage reduction of GHG emissions (%)	-	100.00%	100.00%
Reduction of GHG emission intensity ($KgCO_2e$/sq.m.)	0.26	0.00	0.00

The Scope 2 baseline only considers the Scope 2 Market-Based emissions - electricity - of BPER Banca. On that date, the former CARIGE Group was already purchasing and consuming 100% renewable electricity. The target of reducing and eliminating CO_2 Market-Based emissions from the purchase and consumption of electricity from the grid was reached in 2023. Therefore, as at 31 December 2025 all BPER Group companies purchase and consume 100% renewable electricity[97].

E1-5: Energy consumption and mix

The energy consumption details are reported below. The companies within the BPER Banca Group's scope that operate in high climate impact sectors are: BPER Real Estate s.p.a., Modena Terminal s.r.l., Adras s.p.a., Annia s.r.l., Immobiliare San Paolo s.r.l., Rajna Immobiliare s.r.l., Immobiliare Borgo Palazzo s.r.l. and Sinergia Seconda s.r.l.[98] These companies are active in Section L - Real Estate Activities, and Section H - Transportation and Warehousing, as per the NACE Economic Activities classification. It is worth noting that, for all the metrics discussed in this chapter, no specific validation was conducted by any external entity apart from the party that issued the certificate of conformity.

Energy consumption and mix

Energy consumption and mix	High climate impact sectors	31.12.2025 Total	High climate impact sectors	31.12.2024 Total
Fuel consumption from coal and coal products (MWh)	-		-	
Fuel consumption from crude oil and petroleum products (MWh)	19.58		31.69	
Fuel consumption from natural gas (MWh)	808.45		939.60	
Fuel consumption from other fossil sources (MWh)	-		-	
Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh)	872.53		701.99	
Total fossil energy consumption (MWh)	**1,700.56**	**47,843.40**	**1,673.28**	**40,238.53**
Share of fossil fuel sources over the total energy consumption (%)	15.00%	32.65%	16.32%	30.17%
Consumption from nuclear sources (MWh)	**-**	**18.78**	**-**	**-**
Share of nuclear sources over the total energy consumption (%)	0.00%	0.01%	0.00%	0.00%
Fuel consumption from renewable sources, including biomass (MWh)	-	-	-	-
Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)	8,882.49	96,438.04	8,082.41	91,546.46
Consumption of self-generated non-fuel renewable energy (MWh)	753.98	2,218.58	499.73	1,599.33
Total renewable energy consumption (MWh)	**9,636.47**	**98,656.62**	**8,582.14**	**93,145.79**
Share of renewable sources over the total energy consumption (MWh)	85.00%	67.34%	83.68%	69.83%
Total energy consumption (MWh)	**11,337.03**	**146,518.80**	**10,255.42**	**133,384.32**

96 The BPER Group has achieved its goal of reducing market-based emissions by 31 December 2023 by purchasing and consuming 100% electricity from renewable sources covered by GO (Guarantee of Origin).

97 The value of 99.69 also includes the contribution of the Banca Popolare di Sondrio Group and has been rounded to the nearest value.

98 In line with disclosure requirement ESRS E1 - 5 "Energy consumption and mix", information is required on energy intensity, understood as total energy consumption relative to net revenues, for activities in high climate impact sectors. In addition, the amounts of net revenues from activities in high climate impact sectors must be reconciled with the relevant item(s) in the financial statements. In this regard, it should be noted that with respect to the voluntary data points, where it is not possible to establish a direct cross-reference between net revenues and an item or disclosure in the financial statements, the quantitative reconciliation referred to above may be represented in tabular format as set out in AR 38. For the identification of revenues for high climate impact sectors, EFRAG FAQ ID 338 "Activities in high-climate impact sectors" clarifies that credit institutions must only consider the sectors, determined at NACE code level, in which they are directly active. EU Delegated Regulation 2022/1288 defines "high climate impact sectors" as those listed in Sections A to H and Section L of the NACE economic activities.

Energy production

	31.12.2025	31.12.2024
Energy production from non-renewable sources (MWh)	-	-
Energy production from renewable sources (MWh)	2,443.63	1,713.81
Total energy production from non-renewable and renewable sources (MWh)	**2,443.63**	**1,713.81**

Energy intensity per net revenue for high climate impact sectors

	31.12.2025	31.12.2024	% 2025/2024
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/Euro thousand)	**0.58**	**0.63**	**-7.42%**
Total energy consumption from activities in high climate impact sectors (MWh)	11,337.03	10,255.42	10.55%

For companies operating in high impact sectors, the first line of the reconciliation table below shows the revenues for fully consolidated subsidiaries and companies consolidated at equity.

Reconciliation of net revenue from activities in high climate impact sectors

(in thousands of Euro)

	31.12.2025	31.12.2024
Net revenue from activities in high climate impact sectors used to calculate energy intensity	19,545	16,368
Net revenue (other)	8,266,271	7,551,998
Total net revenue (financial statements)	**8,285,816**	**7,568,356**

E1-6: Gross Scopes 1, 2, 3 and Total GHG emissions

Total GHG emissions disaggregated by Scopes 1 and 2 and significant Scope 3

-	31.12.2025	31.12.2024	% 2025/2024
Scope 1 GHG emissions			
Gross Scope 1 GHG emissions (tCO_2e)	11,687.61	10,614.44	10.11%
Scope 2 GHG emissions			
Gross location-based Scope 2 GHG emissions (tCO_2e)	25,855.55	28,817.41	-10.28%
Gross market-based Scope 2 GHG emissions (tCO_2e)	1,037.91	685.16	51.48%
Significant Scope 3 GHG emissions			
Total Gross indirect (Scope 3) GHG emissions (tCO_2e)	**102,610,544.97**	**68,930,054.70**	**48.86%**
Category 1 - Purchased goods and services	2,505.23	2,134.88[99]	17.35%
Category 2 - Capital goods	11,329.49	6,631.70	70.84%
Category 5 - Waste generated in operations	236.30	17.48	1,251.83%
Category 6 - Business travel	903.50	970.13	-6.87%
Category 7 - Employee commuting	6,287.20	2,929.96	114.96%
Category 13 - Downstream leased assets	5,674.42	744.20	662.49%
Category 15 - Investments	102,583,608.83	68,916,626.35	48.85%

99 This figure has been recalculated following the change of methodology for "Purchased goods and services - Water withdrawal and consumption". In the 2024 Consolidated Sustainability Statement, the total emissions associated with this category amount to 1,314.81 tCO_2e, of which 87.60 tCO_2e related to water withdrawal and consumption. Following the methodological update, the value of emissions related to water withdrawal and consumption is 907.67 tCO_2e.

Due to rounding off, the sum of some separate itemised amounts may differ from their respective aggregate amounts.

With respect to Category 15 - Investments, details are provided below:

Details of total GHG Scope 3 emissions - Category 15

(in tCO_2e)

Scope		Financed emissions	Total Financed emissions
General Purpose	3,246,795.08[100] (scope 1 and 2)	92,748,512.67[101] (scope 3)	96,100,702.77[102] (scope 1, 2 and 3)
Real estate	764,717.32 (Mortgages)	241,959.25 (Commercial Real Estate)	1,006,676.58
Total loan book			**97,107,379.35[103]**
Securities - Corporate issuers	99,843.25 (scope 1 and 2)	1,733,012.39 (scope 3)	1,832,855.63 (scope 1, 2 and 3)
Securities - Sovereign issuers	3,619,949.63 (scope 1)		3,619,949.63[104] (scope 1)
Total Securities portfolio			**5,452,805.27[105]**
Total investments in investee companies	**190.11 (scope 1 and 2)**	**23,234.10 (scope 3)**	**23,424.21 (scope 1, 2 and 3)**
Total scope 3 – Category 15			**102,583,608.83**

Compared to the previous reporting period, there was an approximate 49% change in the total emissions financed. This rise is primarily due to gaining control of the Banca Popolare di Sondrio Group following the Public Tender and Exchange Offer. Consequently, the same trend is mirrored across all the indicators and quantitative values outlined in the following sections of the document.

In 2025, the BPER Group carried out a materiality analysis of the category 3 emissions, with the aim of updating the 2025 greenhouse gas inventory. The materiality assessment was supported by a benchmark analysis of the main national peers; it emerged that most institutions report the same emission categories (categories 1, 2, 5, 6, 7 and 13) already included by BPER in the 2024 Sustainability Statement. It also became apparent that, despite the 5% materiality threshold, the peers under analysis tend to account for these categories even when the impact falls below this limit. This decision seems to be driven by the necessity to maintain a comprehensive inventory for the determination of reduction objectives. Finally, the remaining scope 3 categories were confirmed as not relevant (or not applicable) for BPER.

The Scope 3 categories that have been excluded from the inventory due to their lack of applicability and/or materiality are as follows:

- Category 3 - Fuel and energy-related activities (not included in Scope 1 or 2);
- Category 4 - Upstream transportation and distribution;
- Category 8 - Upstream leased assets;
- Category 9 - Downstream transportation and distribution;
- Category 10 - Processing of sold products;
- Category 11 - Use of sold products;
- Category 12 - End-of-life treatment of sold products;
- Category 14 - Franchises

100 The perimeter of Financed Scope 1 and 2 emissions includes only the emissions of the BPER Group, Banca Popolare di Sondrio and Factorit, as the granular value for the companies Banca della Nuova Terra and Banca Popolare di Sondrio Suisse is not available, but only the aggregate value of Scope 1, 2 and 3 emissions (amounting to 105,395.02 tCO_2e) is available.

101 The perimeter of Scope 3 Financed Emissions includes only the emissions of the BPER Group, Banca Popolare di Sondrio and Factorit, as the granular value for the companies Banca della Nuova Terra and Banca Popolare di Sondrio Suisse is not available, but only the aggregate value of Scope 1, 2 and 3 emissions (equal to 105,395.02 tCO_2e).

102 The total value includes the financed emissions of the BPER Group, Banca Popolare di Sondrio and Factorit (amounting to 95,995,307.75 tCO_2e) and Banca della Nuova Terra and Banca Popolare di Sondrio Suisse (amounting to 105,395.02 tCO_2e). See previous notes for more details.

103 For the General Purpose scope, the calculation of financed emissions was possible for 61% (this value does not include the scope of Banca della Nuova Terra and Banca Popolare di Sondrio Suisse for which granular data is not available) of the portfolio exposure to which the reference methodology is applicable; the remaining portion derives from exposures excluded due to the lack of data necessary for the calculation.

104 Financed Emissions for Sovereign bonds include only Scope 1 as they consider the emissions of the State of reference.

105 With respect to the perimeter under analysis which includes Corporate and Sovereign issuers - specified in more detail in the remainder of this chapter - to which the reference methodology is applicable, the calculation of financed emissions was possible for 87% of the portfolio exposure (55% and 100% coverage for the Corporate and Sovereign perimeters, respectively).

Total GHG emissions (location- and market-based)

	31.12.2025	31.12.2024	% 2025/2024
Total GHG emissions			
Total GHG emissions (location-based)(tCO_2e)	**102,648,088.13**	**68,969,486.55**	**48.83%**
Total GHG emissions (market-based)(tCO_2e)	**102,623,270.49**	**68,941,354.30**	**48.86%**

Emission intensity and revenue calculation methodology

	31.12.2025	31.12.2024	% 2025/2024
GHG intensity per net revenue			
Total GHG emissions (location-based) per net revenue (tCO_2e/Euro thousand)	**12.39**	**9.11**	**35.95%**
Total GHG emissions (market-based) per net revenue (tCO_2e/Euro thousand)	**12.39**	**9.11**	**35.97%**

The reconciliation of the Income Statement items in Article 27 indicated above with the financial statements in accordance with Circular 262/2005 is shown below:

Reconciliation of Income Statement items with the Financial Statements

(in thousands of Euro)

Income Statement item Art. 27 Directive 86/635/EEC	Income Statement items Circular 262/2005 Consolidated Financial Statements	31.12.2025
1. Interest receivable and similar income;	10. Interest and similar income	5,180,136
3. Income from securities;	70. Dividends and similar income	62,764
4. Commissions receivable;	40. Fee and commission income	2,671,648
6. Net profit or net loss on financial operations;	80. Net income from trading activities	280,877
	90. Net income from hedging activities	-3,685
	100. Gains/losses on disposal or repurchase	51,988
	110. Net income on other financial assets and liabilities measured at fair value through profit or loss	-176,383
7. Other operating income;	230. Other operating expense / income[106]	218,471
Total net revenue (financial statements)		**8,285,816**

In relation to CSRD disclosure of revenues, ESRS uses the terms "revenue", "total revenue" and "net revenue[107]" as synonyms. ESRS 2 refers to "revenue" or "total revenue", while ESRS E1 and the other environmental ESRSs mainly refer to "net revenue". The ESRSs do not use the term "net turnover" as defined in the Accounting Directive (Directive 34/2013/EU, Article 2), for credit institutions referred to in point (b) of the first paragraph of Article 1 (3) of the Directive in accordance with point (c) of Article 43 (2) of Council Directive 86/635/EEC; and for undertakings falling within the scope of Article 40a(1) of the Directive, "net turnover" corresponds to revenues defined under the financial reporting framework on the basis of which the financial statements of the undertaking are prepared.

With European Regulation (EC) 1606/2002 of 19 July 2002, the European Union introduced, as is well known, the obligation to apply IAS/IFRS accounting standards in the preparation of the financial statements of EU companies with equity and/or debt securities listed on one of the regulated markets of the European Union, starting in 2006.

The Financial Statements of BPER Banca and the Consolidated Financial Statements of the BPER Banca Group are prepared on the basis of the provisions of the Bank of Italy, to the extent applicable, set out in the 8th update of Bank of Italy Circular 262, which regulates the preparation of bank financial statements in accordance with IAS/IFRS.

106 Only other operating income is included, net of tax recoveries and other income components that cannot be properly classified as income, as shown in Table 16.2 "Other operating income: breakdown" in Part C of the Notes to the Consolidated Financial Statements. In particular, as at 31 December 2025, other operating income amounted to Euro 576,928 thousand, including tax recoveries of Euro 336,215 thousand, the reimbursement received from the FITD for the acquisition of Carige in the amount of Euro 34 thousand, recoveries of appraisal expenses from customers for new loans of Euro 17,115 thousand and recoveries of insurance premiums of Euro 2,629 thousand; net of these components, other operating income amounted to Euro 186,969 thousand.

Other operating income, in accordance with IAS/IFRS financial reporting, includes the revenue from subsidiaries consolidated using the equity method. This is reported under section "A) Production Value" in the financial statements attached to the Consolidated Financial Report of the BPER Banca Group as at 31 December 2025. Please note that for the companies within the Banca Popolare di Sondrio Group, the contribution for the second half of 2025 has been taken into account.

107 EFRAG – ESRS Q&A Platform – FAQ 395 "Revenue/Net Revenue".

The provisions contained in Circular 262/2005 were issued pursuant to Article 43 of Italian Legislative Decree No. 136 of 18 August 2015[108] which transposed Directive 34/2013/EU of 26 June 2013.

The CSRD Directive establishes that "the criterion of net turnover needs to be adapted for credit institutions and for insurance undertakings by referring to the definition of net turnover in Council Directives 86/635/EEC and 91/674/EEC instead of the general definition laid down in Directive 34/2013/EU".

Consistent with the provisions of the CSRD, European Regulation (EC) 139 of 2004 on the control of concentrations between undertakings, the "EC Merger Regulation", states in Article 5, paragraph 3 that for credit institutions and other financial institutions the sum of the income items as defined in Council Directive 86/635/EEC, after deduction of value added tax and other taxes directly related to those items, where appropriate, shall be used in place of turnover.

Council Directive 86/635/EEC reads in Article 43:
"The information referred to in the first two indents of Article 9 (2c) of Directive 83/349/EEC, namely:
- the amount of the fixed assets and
- the net turnover

shall be replaced by: the sum of items 1, 3, 4, 6 and 7 in Article 27 or B 1, B 2, B 3, B 4 and B 7 in Article 28 of this Directive".

Article 27 of Council Directive 86/635/EEC states the following in items 1, 3, 4, 6 and 7 (applicable in the case of a scalar income statement, such as the one adopted in Circular 262/2005 and used by the BPER Banca Group):
- interest receivable and similar income;
- income from securities;
- commissions income;
- net profit or net loss on financial operations;
- other operating income.

The calculation of emissions is made with reference to all Legal Entities of the BPER Banca Group that fall within the scope of the Sustainability Statement, including the Banca Popolare di Sondrio Group. The net revenue used to calculate GHG intensity is therefore considered to be the same as the total net revenue[109].

Methodology for calculating scope 1, 2 and 3 emissions (excluding Category 15)
The calculation of scope 1, 2 emissions was carried out considering the cases below:
- Scope 1: includes direct emissions from sources owned or controlled by the Group, including direct consumption of natural gas, heating oil, propane air, fuel used by cars owned or leased on a long-term basis, and refrigerant gas (F-gas) leakage;
- Scope 2: includes indirect emissions from the purchase and consumption of electricity and thermal energy for heating and cooling (district heating).

The Energy Manager coordinates the collection and consolidation of data on energy consumption in scopes 1 and 2. At every location, there is a designated contact person responsible for gathering data on energy consumption and refrigerant gas leaks. Their duty is to input this information into the company's environmental data monitoring system. Data on electricity and heat consumption are derived from the invoices of third-party suppliers, whilst the consumption of the company fleet is obtained from fuel payment slips. Fuel consumption not covered by the fuel payment slips is estimated on the basis of the refund costs recorded by the Human Resources Department and calculated by dividing these costs by the national average prices of diesel and petrol.

108 Implementation of Directive 34/2013/EU relating to financial statements, consolidated financial statements and related reports of certain types of companies, amending Directive 43/2006/EC of the European Parliament and of the Council and repealing Directives 78/660/EEC and 83/349/EEC, for the part relating to the annual accounts and consolidated accounts of banks and other financial institutions, as well as the publication of the accounting documents of branches, established in a Member State, of credit institutions and financial institutions with registered offices outside that Member State, which repeals and replaces Legislative Decree No. 87 of 27 January 1992. (15G00151).

109 In line with ESRS disclosure requirement E1 - 6 "Gross Scopes 1, 2, 3 and Total GHG emissions", information on GHG intensity, understood as total GHG emissions in relation to net revenues, must be provided. In addition, the net revenue amounts used to calculate GHG intensity must be reconciled with the relevant item or notes in the financial statements. In this regard, it should be noted that where it is not possible to establish a direct cross-reference between net revenues and an item or disclosure in the financial statements, the quantitative reconciliation referred to above may be represented in tabular format as set out in AR 55.

The calculation of Scope 3 emissions (excluding Category 15) encompasses the indirect emissions from the Group's value chain. The calculation methodologies used for each category are detailed below:

- Category 1, Purchased goods and services: this includes emissions from office paper consumption, for which the average-data method was applied, and emissions from water withdrawal and consumption, for which the spend-based method was applied. Also included were the emissions of two companies in which BPER Banca holds an equity interest, Gardant s.p.a. and Resiban s.p.a., both of which are considered strategic suppliers and, therefore, accounted for in this category. The emissions from these companies were calculated based on the data provided by the information provider, taking into account the shareholding in these businesses;
- Category 2, Capital Goods: includes emissions from purchases of IT equipment, electronics and furnishings, for which the spend-based method was applied and the related emissions were estimated based on the respective expenditures for the goods purchased;
- Category 5, Waste generated during operations: the calculation of emissions includes both those from the generation of waste sent for recovery and those destined for disposal; the average data method was applied for this calculation. Emissions were estimated using data collected from waste management service providers;
- Category 6, Business Travel: includes emissions from business travel by air and public transport, hotel stays and car trips. Specifically:
  - travel by air and public transport: emissions were estimated on the basis of distances travelled during journeys, calculated using information on departures and destinations from travel tickets. For the quantification of emissions, the distance-based method was applied;
  - hotel nights: emissions were estimated according to the country of the overnight stay and the number of nights spent in hotels during the trips, calculated on the bookings made through the room-per-night method. Overnight stays in countries where benchmark emission factors were not available were not taken into account;
  - car trips: emissions were estimated from expenditure data provided by the HR department. The sum was translated into the distance travelled in kilometres and, subsequently, into fuel usage based on assumptions of average vehicle efficiency;
- Category 7, Employee commuting: includes emissions from home working, home-work trips and company shuttle services. Specifically:
  - emissions from home working were estimated on the basis of total remote work hours, using data from the HR management system;
  - emissions from home-work trips were calculated on the basis of the distances travelled by employees in private vehicles (cars and mopeds), using information on departures and destinations provided by the supplier according to the distance-based method;
  - the emissions of the shuttle service were estimated on the basis of the round trips between the railway station and the Bank's premises; again, the distance-based method was applied to the travel data shared by the supplier;
- Category 13, Downstream leased assets: includes emissions from energy consumption incurred by third parties in connection with Group-owned real estate and leased vehicles. Specifically:
  - leased properties: emissions were estimated on the basis of the consumption of natural gas (Scope 1) and electricity purchased from the grid (Scope 2 Location-based) leased by BPER Group companies to third-party companies under commercial leases;
  - leased cars: emissions were estimated for each individual car by applying the distance-based method.

Methodology for calculating scope 3 emissions - Category 15

The calculation of GHG emissions considers not only scope 1 and 2 emissions but also scope 3 emissions, which are reported separately. This testifies to the BPER Group's commitment to monitoring the emissions associated with its portfolios, which represent the most significant emissions out of the total produced. Regarding Scope 3 - Category 15, in accordance with the developments outlined by the PCAF[110] methodology, the BPER Group has continued its analysis of the Carbon Footprint within the loans and securities portfolio. For the latter, they have broadened their reporting scope by incorporating the "Use of Proceeds Structures" asset class, with a specific focus on Green, Social and Sustainability Bonds.

The Carbon Footprint of the BPER Group's portfolios was calculated on the Bank's data updated to 31 December 2025, in line with the PCAF methodology, and the financed emissions were calculated for the following asset classes:

- loans with unknown use of proceeds (General Purpose loans) to listed and unlisted corporate counterparties;
- loans for the purchase of real estate, divided between commercial and residential real estate in line with the PCAF standard, ascribable to the Commercial Real Estate and Residential Real Estate categories, that only include mortgage loans for the purchase of previously built and fully operational real estate units;
- securities portfolio with corporate issuers (listed equity, unlisted equity and corporate bonds asset classes), government issuers (PCAF sovereign asset class), and, as a supplement to previous reporting, inclusion of Green, Social and Sustainability Bonds.

110 In December 2025, the PCAF released the third version of the methodology "Financed Emission Part A"

Details on the methodology used and the analyses performed are presented below.

General Purpose loan portfolio and mortgage loans for the purchase of residential and commercial real estate
In line with the PCAF standard, NZBA guidance and other relevant industry guidelines, the model for calculating financed emissions involves the product of the following two factors:

- attribution factor: uniformly calculated among the various PCAF asset classes, which establishes the percentages of emissions produced by the funded company to be attributed to the institute that has issued the loan (or investment). This calculation is based on the ratio between the existing loan (or investment) amount and the value of the funded company/project financed;
- emission profile: the PCAF provides a series of calculation methods based on a score system related to the quality and availability of the data used. The scores define a range from 1 (the highest, that applies to counterparties for which the verified glasshouse gas emissions are available) to 5 (the lowest, where the financed emissions are estimated based on sectoral data).

The main data sources used for the calculation refer to:

- internal Parent Company and Banca Popolare di Sondrio databases related to the exposures and the financial statement data of counterparties that are of use in calculating the emission attribution factor;
- Bank databases and data supplied by qualified info providers related to the characteristics of the real estate units to calculate the emission factors for the real estate loan portfolio;
- data supplied by qualified info providers regarding Scope 1, 2 and 3 emissions of the counterparties, useful to calculate the emissions for General Purpose loans and the securities portfolio.

The analysis included about 112,755 General Purpose counterparties and about 359,756 properties (divided between commercial and residential properties, in line with the PCAF standard) with a total exposure of Euro 84.33 billion and attributable to the following Legal Entities of the Group: BPER Banca, Banco di Sardegna, Bibanca, Sardaleasing, BPER Factor, Banca Cesare Ponti, Banca Popolare di Sondrio and Factorit.

It should be noted that the PCAF methodology adopts an approach based on the use of revenue to calculate the emission profile; it is therefore supposed that the loans/General-purpose investments fund all activities of the emitting company and the counterparty's overall emission profile is taken into account for the purposes of carbon accounting.

Therefore, to calculate the carbon footprint for the General Purpose loans portfolio, the GHG Scope 1 and Scope 2 emissions of the emitting companies in portfolio have been considered as acquired from qualified data providers and the Scope 3 emissions, where available. For each of the Scopes considered, the quality and reliability of the databases are key requirements for the analyses to define the climate impact of the portfolio in line with NZBA guidance. Several limitations were encountered in the calculation of financed emissions, caused by systemic difficulties in the collection of public information for various parts of the portfolio.

With reference to the General Purpose loans the PCAF methodology supposes that, regarding their generic purpose, they fund all the activities of the emitting company. Therefore, one takes into account the overall emission profile of the counterparty which, in line with the PCAF Score 2, the BPER Group has acquired from qualified info providers.

The formula used to calculate financed emissions pursuant to the Score 2 of the PCAF methodology for General Purpose loans is shown in detail below:

$$(\sum \text{Gross loans/Total assets on the Balance sheet}) * \text{GHG Emissions}.$$

It should be noted therefore, that it has not been possible to carry out the calculation for counterparties for which a value of GHG emissions has not been provided and/or for which the balance sheet information required to calculate the total assets on the Balance Sheet is not available.

For the General Purpose scope, the calculation of financed emissions was possible for 61%[111] of the portfolio exposure to which the reference methodology is applicable; the remainder derives from exposures excluded due to the lack of data required for the calculation (e.g. (e.g. financial statement figures, GHG emissions data of counterparties). The following table provides details of Exposure, Financed Emissions and average Intensity according to the sectoral classification of the GICS (Global Industry Classification Standard) standard. These are useful in monitoring the exposure of the BPER Group with regard to the main climate sensitive economic sectors.

111 This value does not include the perimeter of Banca della Nuova Terra and Banca Popolare di Sondrio Suisse for which granular data is not available.

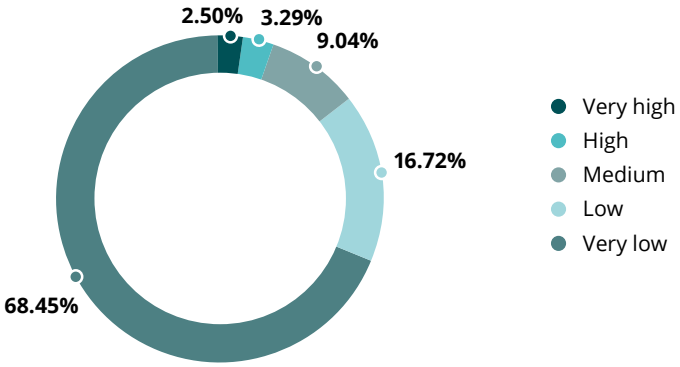
Exposure, Financed Emissions and Average Emission Intensity of the General Purpose loan portfolio according to GICS aggregation[112]

GICS Sector	Exposure [%]	Financed Emissions (S1+S2) [%]	Average intensity [gCO_2e/Euro]	Average GHG Scope 1&2 [tCO_2e]
Industrials	33.17%	21.42%	47.94	1,052.17
Consumer Staples	15.65%	16.64%	63.11	1,396.64
Consumer Discretionary	14.74%	7.70%	34.61	365.15
Materials	10.82%	38.11%	245.08	9,407.12
Real estate	10.22%	1.38%	40.60	72.93
Utilities	5.76%	3.89%	278.40	35,039.70
Health Care	3.38%	1.68%	38.76	857.37
Communication Services	2.43%	0.22%	21.82	292.95
Energy	2.18%	8.58%	143.23	88,024.08
Information Technology	1.63%	0.38%	15.31	211.00
Financials	0.04%	0.01%	15.20	76.36
Total	**100.00%**	**100.00%**	**55.24**	**1,734.93**

It should be noted that 2.57% of total financed emissions is attributable to counterparties for which the GICS sector could not be identified.
Furthermore, it should be noted that the "GICS Real Estate" sector includes General Purpose exposures towards counterparties belonging to the real estate sector, other than investments with revenue to be used to purchase commercial and residential properties for which a more detailed analysis is provided below.

By analysing the results by GICS sector, the highest exposure sector is the "Industrial" sector (33.17% of total exposures"). However, the Industrial sector shows a lower average intensity than more-carbon intensive sectors such as Materials (10.82%) or Utilities (5.76%).
As shown in the chart below, in line with what had been observed in the previous years, the BPER Group portfolio is more exposed in sectors with average or low emission intensities.

Carbon Footprint of the General Purpose loan portfolio by exposure and intensity class



112 These values do not include the perimeter of Banca della Nuova Terra and Banca Popolare di Sondrio Suisse for which granular data is not available.

In particular, the thresholds have been attributed according to the following criteria:

- Very high: Scope 1 + Scope 2 intensity greater than 500 gCO_2e/Euro;
- High: Scope 1 + Scope 2 intensity less than 500 gCO_2e/Euro and greater than 300 gCO_2e/Euro;
- Medium: Scope 1 + Scope 2 intensity less than 300 gCO_2e/Euro and greater than 100 gCO_2e/Euro;
- Low: Scope 1 + Scope 2 intensity less than 100 gCO_2e/Euro and greater than 50 gCO_2e/Euro;
- Very low: Scope 1 + Scope 2 intensity less than 50 gCO_2e/Euro;

As shown, most of the exposures are classified as having "Very Low" (68.45%) or "Low" (16.72%) intensity. The intensity percentage for the "Average" category is 9.04%, while the combination of the two remaining categories ("High" and "Very High") makes up 5.80% of the total.
The following table provides details of financed emissions and of the ratio of exposure and emissions over the total in percentage terms, for carbon-related sectors. The allocation to carbon-related sectors has been made according to the sectoral classification of the GICS standard. These are useful in monitoring the exposure of the BPER Group with regard to the main carbon-related economic sectors. In particular, it should be noted that a 27.08% loan portfolio exposure to carbon-related sectors is attributable to 35.90% of the total financed emissions.

Exposure and Financed Emissions of the General Purpose Loan portfolio for the carbon-related sector[113]

Carbon-related sector	Financed Emissions (S1+S2) [tCO_2e]	Exposure [%]	Financed Emissions (S1+S2) [%]
Agriculture, Food, and Forest Products	309,038.93	8.08%	9.52%
Energy	316,705.43	4.64%	9.75%
Materials & Buildings	446,194.45	9.66%	13.74%
Transportation	93,801.32	4.70%	2.89%

FOCUS | Commercial Real Estate (CRE) and Mortgages
As already mentioned, having calculated the Carbon Accounting in accordance with the PCAF Standard it has also been possible to obtain an overview of specialised loans, within the loan portfolio, earmarked for real estate purchases.

In particular, this loan category has been allocated to the Standard PCAF asset classes, Commercial Real Estate (CRE) and Mortgages; the first includes on-balance sheet loans for specific corporate purposes, i.e. the purchase and refinancing of commercial real estate (CRE), and on-balance sheet investments in CRE when the financial institution has no operational control over the property. The second asset class includes on-balance sheet loans for specific consumption purposes, i.e. the purchase and refinancing of residential real estate units, including individual houses and multi-family residences with a limited number of units. The contribution of these loans, in gross investment terms, turns out to be a relevant share of the total exposures in the ten sectors identified by the NZBA.

For this reason, it is considered useful to detail the BPER Group's exposure to the aforementioned category, even given the path set to reduce financed emissions. Regarding the Commercial Real Estate and Mortgages loans, the PCAF Standard provides a database (PCAF European building emission factor database) containing different emission factors according to the energy class, climate bracket, type of building: these factors provide a quantification of financed emissions with different levels of accuracy.

The Standard defines the accuracy of the calculation as a "Score", which runs from 1 (the highest quality of the data, for which the actual emissions of the buildings are available) to 5 (the lowest data quality, for which emissions are calculated based on the number of buildings). For the above asset classes, for the purpose of Carbon Accounting, it was possible to calculate the financed emissions with scores of 3 and 4, depending on the availability of data.
It should be noted that for buildings within the Banca Popolare di Sondrio Group's scope, the data coverage relating to the buildings' surface area is only partial. For this reason, in the absence of surface area data, an estimation was made based on the available room information of the buildings. This was done by applying the square metre/room values provided by the Italian Land Registry Office of the Revenue Agency, where possible.
Obtaining a higher quality data score would in actual fact allow the calculation of accurate energy consumption for the buildings, which cannot be applied to the Group exposures involving loans to families and companies. It should be noted that the exposures that do not have a value for the building and the exposures whose use is attributable to "Land" are excluded from the calculation.

113 These values do not include the perimeter of Banca della Nuova Terra and Banca Popolare di Sondrio Suisse for which granular data is not available.

For the Commercial Real Estate and Mortgages portfolios, the coverage of the calculated sample corresponds to 96%[114] of the portfolio exposure to which the reference methodology is applicable; the remainder derives from exposures excluded due to the lack of data required for the calculation.
A summary of the most interesting information regarding financed emissions for the Commercial Real Estate and Mortgages asset classes is provided below.

Exposure, Financed Emissions and Intensity of the Real Estate Loan portfolio

Specialised loans - Real Estate	Mortgages (Residential immovable property)	Commercial Real Estate (Commercial properties)
Exposure in terms of GCA[115] (%)	95%	5%
Financed emissions (%)	75%	25%
Emission intensity ($kgCO_2e/m^2$)	28.1	39.7

The table above shows the value of the emission intensity (in $kgCO_2e/m^2$) considering only the PCAF score 3 and 4 positions, as for score 5 positions the surface area of the properties is not available and it is therefore not possible to calculate this kind of emission intensity.

Securities Portfolio
Together with the analysis of the emissions associated with the loan portfolio, the BPER Group estimated the emissions from its securities portfolio.
For carbon accounting purposes, in line with the PCAF methodology, securities with corporate issuers (Listed equity, Corporate bonds, Unlisted equity asset classes), with government issuers (Sovereign bonds asset class), and Green, Social or Sustainability Bonds, were included. On the other hand, exposures to supranational issuers, due to the unavailability of the information needed to apply the adopted methodology, as well as intra-group counterparties, are excluded.

Corporate issuers
For the securities portfolio Carbon Footprint calculation, the database of a qualified info-provider was used, which includes GHG Scope 1, 2 and 3 emissions and the Enterprise Value Including Cash (EVIC) of the companies issuing the securities, where the data are available. Counterparties that do not submit data on Scope 1 and Scope 2 emissions or do not report EVIC are excluded from the calculation.
For each issuer, the financed issues were calculated as a share of GHG Scope 1, 2 and 3 issues equal, in proportion, to the ratio of the value of the security held by the Group on the EVIC.
The figure was calculated as follows:

- Financed Scope 1 and 2 emissions = GHG emissions (Scope 1 + Scope 2) * (Exposure / Enterprise Value Including Cash);
- Financed Scope 3 emissions = GHG emissions (Scope 3) * (Exposure / Enterprise Value Including Cash).

The use of the Enterprise Value Including Cash (EVIC) figure, consistent with the most recent EBA guidelines, is in fact a more appropriate measure of the overall value of the companies in the portfolio.

Government issuers
These exposures represent sovereign bonds and sovereign loans issued in domestic or foreign currency.
The financed emissions were found by calculating the allocation factor as gross commitments divided by the gross domestic product of the issuing country. The financed emissions are then calculated by multiplying this allocation factor by the country's own GHG emissions.

Financed Emissions = GHG Emissions_Country * (Exposure_Bank / GDP_Country)

Data with respect to exposure come from internal Bank databases, while information on the GDP of issuing countries and emissions is gathered from publicly available third-party sources, World Bank and EDGAR (Emissions Database for Global Atmospheric Research), respectively.

114 This value does not include the perimeter of Banca Popolare di Sondrio Suisse for which granular data is not available.
115 Gross Carrying Amount

Green, Social, Sustainability Bonds
Compared to 2024, the reporting scope was expanded after the methodology was updated under the PCAF standard in December 2025. This included the addition of a new asset class related to the investment portfolio in the calculation: Use of Proceeds Structures. This category specifically includes bonds classified as Green, Social or Sustainability Bonds.

In relation to calculating the carbon footprint for this asset class, the PCAF standard prioritises the use of the point-in-time value or estimated emissions linked to the individual financial instrument. However, currently, the required data to apply this approach is not available. Hence, in accordance with the PCAF standard itself, emissions related to Green, Social and Sustainability bonds are not calculated at the level of individual instruments, but rather at the level of the issuer.

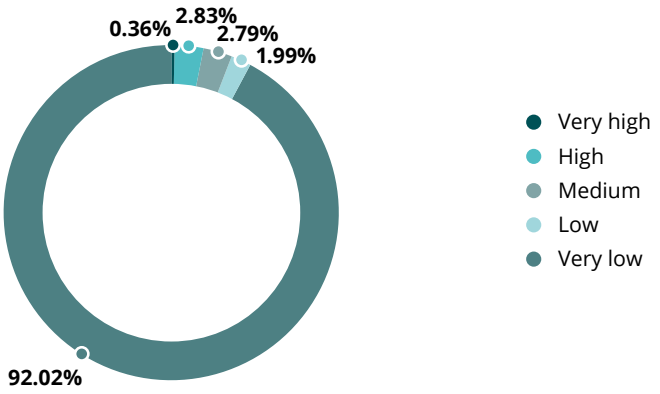
Consequently, the calculation of the financed emissions for these bonds is carried out using the same methodologies as for conventional bonds, varying based on the type of issuer:
- for corporate bonds, the definitive methodology for corporate issuers applies;
- for bonds issued by government issuers, the calculation follows the final methodology for government issuers.

Future advancements in the accessibility of data at the individual instrument level may permit further enhancement of the adopted methodology.

The analysis of the securities portfolio included about 2,100 securities in BPER's portfolio[116]; the calculation of financed emissions involved about 1,100 securities for which the necessary data are available, attributable to nine Legal Entities of the Group (BPER Banca, Banco di Sardegna, BPER Bank Luxembourg, Sardaleasing, Banca Cesare Ponti, Banca Popolare di Sondrio, Factorit, Banca della Nuova Terra, Banca Popolare di Sondrio Suisse).
With respect to the Corporate and Sovereign portfolios, to which the reference methodology is applicable, it was possible to calculate the financed emissions for 87% of the portfolio exposure (55% and 100% coverage for the Corporate and Sovereign portfolios, respectively).

With respect to the Scope 1 and Scope 2 emissions of the corporate securities portfolio, further analyses were carried out, which are detailed below.

Carbon Footprint of the securities portfolio by exposure and intensity class



The Bank's corporate securities portfolio (Scope 1 and 2) was analysed according to emission intensity levels. In particular, the thresholds have been attributed according to the following criteria:
- very high: Scope 1 + Scope 2 intensity greater than 500 gCO_2e/Euro;
- high: Scope 1 + Scope 2 intensity less than 500 gCO_2e/Euro and greater than 300 gCO_2e/Euro;
- medium: Scope 1 + Scope 2 intensity less than 300 gCO_2e/Euro and greater than 100 gCO_2e/Euro;
- low: Scope 1 + Scope 2 intensity less than 100 gCO_2e/Euro and greater than 50 gCO_2e/Euro;
- very low: Scope 1 + Scope 2 intensity less than 50 gCO_2e/Euro;

116 Intra-group securities and securities issued by supranational institutions (e.g., European Financial Stability Facility SA) were excluded from the scope.

As shown in the figure, the portfolio under analysis is predominantly concentrated in Very Low intensity exposures (92.02% of the total). Exposure to sectors with Very High or High intensity is rather low (0.36% and 2.83%, respectively), as are those with Medium (2.79%) or Low (1.99%) intensity.
The table below details Exposure, Financed Emissions and Average Intensity according to sectoral classification using the GICS standard[117].

Exposure, Financed Emissions and Emission Intensity of the securities portfolio

GICS Sector	Financed Emissions (S1+S2) [tCO_2e]	Exposure [%]	Financed Emissions (S1+S2) [%]	Average intensity [g CO_2e/€]
Financials	2,001.42	82.32%	2.15%	2.65
Industrials	27,318.01	6.53%	29.33%	77.24
Utilities	42,469.74	4.28%	45.60%	294.68
Communication Services	1,090.04	1.71%	1.17%	54.74
Consumer Staples	1,506.96	1.44%	1.62%	37.70
Information Technology	178.89	1.26%	0.19%	41.73
Health Care	264.73	0.75%	0.28%	38.53
Consumer Discretionary	968.78	0.69%	1.04%	23.03
Energy	14,317.04	0.67%	15.37%	287.65
Materials	2,991.64	0.24%	3.21%	531.16
Real estate	26.80	0.11%	0.03%	28.71
Total	**93,134.05**	**100.00%**	**100.00%**	**44.52**

The analysis of the sectors to which the BPER Group's securities portfolio is exposed and the definition of their emission intensity is a fundamental prerequisite for steering the portfolio towards environmentally performing sectors and companies, i.e., those with a low carbon footprint or with an emission reduction strategy.
In particular, it is important to acknowledge that, despite the exposure of the Corporate securities portfolio to carbon-related sectors being less than 5%, this exposure represents almost 71% of the total financed emissions for the aforementioned portfolios, as indicated in the following table.

Exposures, Financed emissions of the securities portfolio linked to carbon-related sectors

Carbon-related sector	Financed Emissions (S1+S2) [tCO_2e]	Exposure [%]	Financed Emissions (S1+S2) [%]
Agriculture, Food, and Forest Products	1.12	0.00%	0.00%
Energy	48,552.15	3.64%	48.63%
Materials & Buildings	1,521.19	0.13%	1.52%
Transportation	20,722.33	0.84%	20.75%

Data quality
The quality and reliability of the databases are fundamental requirements for the analyses to define the climate impact of the Bank's portfolios. Several limitations must be taken into account in the calculation of financed emissions, as well as in setting decarbonisation targets.
With respect to counterparty emissions data provided by info providers, the relative Scope 1 and Scope 2 emissions on which the analyses are based are generally either those reported by the counterparty companies or, if the counterparty does not report its own emissions, the proprietary benchmark info provider estimation methodology was used, a brief summary of which is provided below.
The procedure for calculating greenhouse gas (GHG) emissions is based on a proprietary algorithm provided by the supplier. This algorithm uses a bottom-up approach to estimate the emissions from each local unit within the specified company. The estimation at the local unit level is carried out by taking into account the specific economic sector of the location, its size, and the reference country. These factors influence both the intensity of direct emissions and the energy mix that is used to calculate these emissions. GHG estimates at the local unit level are then aggregated to the company level.
Subsequently, if individual company sustainability reports are available, the estimated values will be substituted with the values stated in the aforementioned reports. If a Sustainability Statement exists at the group level to which the company belong, the GHG scope 1, 2, and 3 will be recalibrated based on the values reported at the group level.

117 The financed emission data by GICS sector presented here does not take into account emissions that cannot be attributed to specific sectors, which nevertheless account for 6.7% of the emissions and 9.8% of corporate exposures, for which it was possible to carry out the carbon accounting calculation. This quantity is instead considered in the total of 99,843 tCO_2e.

To date, the Bank receives the data supply for this type of emissions from external info providers.

It should be noted that the availability of Scope 3 emissions for portfolio counterparties is lower than that of Scope 1 and 2. The reasons are to be found in the systemic difficulties of counterparties in estimating and reporting value chain emissions, which are not attributable to the Bank's actions. Considering the disclosure requirements, the quality and availability of data is expected to systematically improve in the coming years.
The proportion of Scope 3 emissions (Categories 1, 2, 5, 6, 7, 13) derived from primary data is 91%.[118]

Below is the detail with respect to the GHG Protocol-aligned sources used for reporting on emission sources[119] [120].

Sources of conversion and emission factors

Scope	Emission category	Source for reporting emission sources	Source of conversion/emission factors
Scope 1	Natural gas	ABI Lab - Supporting document for sustainability reporting according to the European Sustainability Reporting Standards (ESRS) on environmental issues - Focus on Disclosure Requirements E1-5, E1-6 - version December 2025	ABI Lab - Supporting document for sustainability reporting according to the European Sustainability Reporting Standards (ESRS) on environmental issues - Focus on Disclosure Requirements E1-5, E1-6 - version December 2025
Scope 1	Car fleet	ABI Lab - Supporting document for sustainability reporting according to the European Sustainability Reporting Standards (ESRS) on environmental issues - Focus on Disclosure Requirements E1-5, E1-6 - version December 2025	ABI Lab - Supporting document for sustainability reporting according to the European Sustainability Reporting Standards (ESRS) on environmental issues - Focus on Disclosure Requirements E1-5, E1-6 - version December 2025 Methane (CNG): UK Government GHG Conversion Factors for Company Reporting - fuel proprieties sheet (2025)
Scope 1	Oil for heating	ABI Lab - Supporting document for sustainability reporting according to the European Sustainability Reporting Standards (ESRS) on environmental issues - Focus on Disclosure Requirements E1-5, E1-6 - version December 2025	ABI Lab - Supporting document for sustainability reporting according to the European Sustainability Reporting Standards (ESRS) on environmental issues - Focus on Disclosure Requirements E1-5, E1-6 - version December 2025
Scope 1	F-Gas	ABI Lab - Supporting document for sustainability reporting according to the European Sustainability Reporting Standards (ESRS) on environmental issues - Focus on Disclosure Requirements E1-5, E1-6 - version December 2025	F-Gas fugitive emissions - UK Government GHG Conversion Factors for Company Reporting - Refrigerant & Other sheet (2025)
Scope 1	Propane air		Propane Air - Conversion Factor extrapolated from supplier invoice - Gaxa 2025; emission factor -UK Government GHG Conversion Factors for Company Reporting - fuels sheet (2025)
Scope 2	Market-based (electricity and thermal energy)	ABI Lab - Supporting document for sustainability reporting according to the European Sustainability Reporting Standards (ESRS) on environmental issues - Focus on Disclosure Requirements E1-5, E1-6 - version December 2025	European Residual Mixes 2023 published by AIB for Market Based
Scope 2	Location-based (electricity and thermal energy)	ABI Lab - Supporting document for sustainability reporting according to the European Sustainability Reporting Standards (ESRS) on environmental issues - Focus on Disclosure Requirements E1-5, E1-6 - version December 2025	ABI Lab - Supporting document for sustainability reporting according to the European Sustainability Reporting Standards (ESRS) on environmental issues - Focus on Disclosure Requirements E1-5, E1-6 - version December 2025
Scope 3	Category 1 - Purchased goods and services - Purchase and consumption of paper	ABI Lab - Supporting document for sustainability reporting according to the European Sustainability Reporting Standards (ESRS) on environmental issues - Focus on Disclosure Requirements E1-5, E1-6 - version December 2025	Paper purchased: UK Government GHG Conversion Factors for Company Reporting - Material Use sheet, DESNZ[121] (2025);
Scope 3	Category 1 Resiban s.p.a.	Info provider methodology	Extraction from info provider (Scope 1 + Scope 2)
Scope 3	Category 1 Gardant s.p.a.	Info provider methodology	Extraction from info provider (Scope 1 + Scope 2)

118 As far as primary data is concerned, the Group considers such to be the information coming directly from the suppliers in its value chain with regard to a particular good or service purchased. Specifically, this is operational data from direct sources such as purchase invoices, kg of waste produced or data shared by internal functions (e.g. Remote Work hours, etc.). This data is subsequently converted into emissions through the application of specific emission factors.

119 The ESGEO Management System calculation tool was used

120 The reporting periods for GHG emissions coincide between the BPER Group and the entities in its value chain

121 Department for Energy Security and Net Zero, formerly known by the acronym DEFRA.

Scope	Emission category	Source for reporting emission sources	Source of conversion/emission factors
Scope 3	Category 1 - Purchased goods and services - Water withdrawal and consumption	ABI Lab - Supporting document for sustainability reporting according to the European Sustainability Reporting Standards (ESRS) on environmental issues - Focus on Disclosure Requirements E1-5, E1-6 - version December 2025	Eurostat Consumption-based accounting tool - MTOT- (March 2022)
Scope 3	Category 2 - Capital goods	ABI Lab - Supporting document for sustainability reporting according to the European Sustainability Reporting Standards (ESRS) on environmental issues - Focus on Disclosure Requirements E1-5, E1-6 - version December 2025	Eurostat Consumption-Based Accounting Tool -MTOT- (March 2022) for procured ICT services, electronic equipment, telephony, and furniture;
Scope 3	Category 5 - Waste generated in operations	ABI Lab - Supporting document for sustainability reporting according to the European Sustainability Reporting Standards (ESRS) on environmental issues - Focus on Disclosure Requirements E1-5, E1-6 - version December 2025	UK Government GHG Conversion Factors for Company Reporting - Waste Disposal sheet, DESNZ (2025)
Scope 3	Category 6 - Business travel - Air travel, train travel and hotel stays	ABI Lab - Supporting document for sustainability reporting according to the European Sustainability Reporting Standards (ESRS) on environmental issues - Focus on Disclosure Requirements E1-5, E1-6 - version December 2025	Trains: UK Government GHG Conversion Factors for Company Reporting - business travel-land sheet - DESNZ (2025); Planes: UK Government GHG Conversion Factors for Company Reporting - business travel air sheet, - DESNZ (2025); Hotel stays: UK Government GHG Conversion Factors for Company Reporting - Hotel Stay sheet - DESNZ (2025).
Scope 3	Category 6 - Business travel - Auto business travel	ABI Lab - Supporting document for sustainability reporting according to the European Sustainability Reporting Standards (ESRS) on environmental issues - Focus on Disclosure Requirements E1-5, E1-6 - version December 2025	Cars: Guidelines on the Application of the European Sustainability Reporting Standards (ESRS) in Environmental Matters in Banking operations - Focus on disclosure requirements E1-5, E1-6 (2025)
Scope 3	Category 7 - Employee commuting: 18 BPER Banca Home-Work Commute Plans,	Supplier's shared data processing methodology in tCO_2e	UK Government GHG Conversion Factors for Company Reporting - business travel-land sheet - DESNZ (2025)
Scope 3	Category 7 - Employee commuting: (Employee commuting) BPER Banca Shuttle Service	Data reporting methodology shared by the supplier and processed by BPER	UK Government GHG Conversion Factors for Company Reporting - business travel-land sheet - DESNZ (2025)
Scope 3	Category 7 - Employee commuting: (Employee commuting) Homeworking	ABI Lab - Supporting document for sustainability reporting according to the European Sustainability Reporting Standards (ESRS) on environmental issues - Focus on Disclosure Requirements E1-5, E1-6 - version December 2025	UK Government GHG Conversion Factors for Company Reporting – Homeworking spreadsheet – DESNZ (2025)
Scope 3	Category 13 Downstream leased assets - Reporting on energy consumption of real estate owned by BPER Real Estate, Adras, Banca Popolare di Sondrio, Fondo Centro delle Alpi Real Estate, Rajna Immobiliare passed on to third parties	Corporate Value Chain (Scope 3) Accounting and Reporting Standard - Supplement to the GHG Protocol Corporate Accounting and Reporting Standard (2011)	Natural gas and electricity (Location-based): ABI Lab - Supporting document for sustainability reporting according to the European Sustainability Reporting Standards (ESRS) on environmental issues - Focus on Disclosure Requirements E1-5, E1-6 - version December 2025
Scope 3	Category 13 Downstream leased assets - Rent2Go cars leased to third parties	Corporate Value Chain (Scope 3) Accounting and Reporting Standard - Supplement to the GHG Protocol Corporate Accounting and Reporting Standard (2011)	Specific emission factors for each vehicle are provided by the manufacturer in the vehicle's documentation.
Scope 3	Category 15 - Investments	PCAF methodology for updating Carbon Footprint credits, securities and investments in investee companies (2024); info provider methodology.	BPER Group associated companies: data extraction from info provider (Scope 1 + Scope 2 + Scope 3); Carbon footprint credits, securities and investments in investee companies - PCAF methodology.

It should be noted that there are no biogenic CO_2 emissions from the combustion or biodegradation of biomass.

Energy management
In 2024, BPER Banca signed a Corporate Power Purchase Agreement (PPA) with CVA - Compagnia Valdostana delle Acque for the multi-year supply of electricity generated from renewable sources. The photovoltaic facility, under the PPA contract, generated 7 GWh/year in 2025, fully meeting the energy needs of BPER's primary locations in Italy, including offices in Modena, Genoa, Milan, Turin, and Brescia. This accounted for roughly 10% of the total electricity consumption of the bank. The remaining 90% is supplied by renewable energy, certified through Guarantees of Origin.

The ratio of total electricity self-produced and sold to the grid by the BPER Group to total electricity self-produced by the BPER Group is 9%. The electricity production of all the BPER Banca Group's photovoltaic plants is self-consumed and only the excess (which is not consumed) is fed into the grid through various contractual forms, such as total dedicated withdrawal or on-site exchange.

E1-7: GHG removals and GHG mitigation projects financed through carbon credits

As at 31 December 2025, there are no active carbon absorption and/or storage projects. The BPER Group carries out projects to offset CO_2 emissions generated in relation to corporate mobility, through its Parent Company BPER Banca or via Banca Cesare Ponti and Finitalia.
This initiative provides funding for climate change mitigation projects in partnership with DKV Euro service.
More specifically, through the use of the eco-friendly DKV CARD CLIMATE fuel card, the offsetting of fleet emissions is certified for every litre of fuel purchased. In fact, BPER Banca, Banca Cesare Ponti and Finitalia invest an additional contribution in Myclimate-certified offsetting projects.

The non-profit organisation Myclimate is one of the main providers of offsetting measures and satisfies the most stringent standards (CDM - Clean Development Mechanism, Gold Standard and Plan Vivo). The financial contribution raised goes to support three Myclimate climate protection projects that are Gold Standard certified.
Of the three projects in question, two relate to energy efficiency projects and one to access to water. See the details below:

- installation of solar plants in the Dominican Republic;
- financing for the purchase of efficient stoves in Kenya;
- funding for the development of modern water filtration technology for families and schools through the drinking water project in Uganda.

The magnitude of the GHG emission reduction associated with this initiative was 4,347 tCO_2e in 2025.

Carbon credits cancelled in the reference year

	31.12.2025	31.12.2024
Total (tCO_2e)	**4,347.00**	**2,322.74**
Share of emission reduction projects	100%	100%
Share of emission removal projects	0%	0%
Gold Standard	100%	100%
Share issued from projects in the EU	0%	0%
Share of carbon credits that qualifies as a corresponding adjustment under Article 6 of the Paris Agreement	0%	0%

E1-8: Internal carbon pricing

Monitoring and managing the environmental impacts caused by both direct and indirect activities for a financial institution such as BPER Banca is a significant and intricate matter. Although an Internal Carbon Pricing system was not yet in place by 2025, the Group initiated a dedicated project to establish a model for monetising carbon emissions, attributing a financial value to them. The objective was to incorporate this cost into strategic decisions associated with the Energy Transition Plan, applied to the activities of the BPER Group. This was also intended to fund specific initiatives linked to decarbonisation plans.

3. SOCIAL INFORMATION

3.1 Own workforce (S1)

SBM-3: Material impacts, risks and opportunities related to own workforce and their interaction with strategy and business model

IROs-PAT table

Sub-topic	PATs and related IROs
Working conditions - Secure employment	**Policies:** • Code of Ethics **(I-10)** • Policy for the management of human resources **(I-10)**
Working conditions - Working time	**Policies:** • Code of Ethics **(I-11)** • Policy for the management of human resources **(I-11)** • Diversity, Equity and Inclusion Policy **(I-11)** **Actions:** • The Welfare and Work-Life balance Plan (I-11)
Working conditions - Adequate wages	**Policies:** • Code of Ethics **(I-12, R-9)** • Policy for the management of human resources **(I-12, R-9)** **Actions:** • Actions related to equal treatment and opportunities for all **(I-12, R-9)**
Working conditions - Social dialogue	**Policies:** • Code of Ethics **(R-9)** • Policy for the management of human resources **(R-9)**
Working conditions - Freedom of association, the existence of works councils and the information, consultation and participation rights of workers	**Policies:** • Code of Ethics **(I-13)** • Policy for the management of human resources **(I-13)**
Working conditions - Collective bargaining, including rate of workers covered by collective agreements	**Policies:** • Code of Ethics **(I-14)** • Policy for the management of human resources **(I-14)**
Working conditions - Work-life balance	**Policies:** • Code of Ethics **(I-15)** • Policy for the management of human resources **(I-15)** • Diversity, Equity and Inclusion Policy **(I-15)** **Actions:** • The Welfare and Work-Life balance Plan **(I-15)**
Working conditions - Health and Safety	**Policies:** • Group Policy for governing the risk of non-compliance with occupational health and safety regulations **(I-16, R-9)** **Actions:** • Health and safety initiatives and obtaining ISO 45001 certification **(I-16, R-9)**
Equal treatment and opportunities for all - Gender equality and equal pay for work of equal value	**Policies:** • Policy for the management of human resources **(I-17, I-18)** • Diversity, Equity and Inclusion Policy **(I-17, I-18)** **Actions:** • Actions related to equal treatment and opportunities for all **(I-17, I-18)** **Targets:** • D&I objective of 30% women in leadership positions **(I-17)**
Equal treatment and opportunities for all - Training and skills development	**Policies:** • Policy for the management of human resources **(I-19, O-4)** • Diversity, Equity and Inclusion Policy **(I-19, O-4)** **Actions:** • Attraction and retention of talent **(I-19, O-4)** • Skills development programmes **(I-19, O-4)** • Training of resources **(I-19, O-4)** • Assessment and development of skills **(I-19, O-4)** **Targets:** • 30% of FTEs affected by the up-skilling programme and >60% of employees trained on ESG topics each year **(I-19, O-4)**

Sub-topic	PATs and related IROs
Equal treatment and opportunities for all - Employment and inclusion of people with disabilities	**Policies:** • Policy for the management of human resources **(I-20)** • Diversity, Equity and Inclusion Policy **(I-20)** **Actions:** • Actions related to equal treatment and opportunities for all **(I-20)**
Equal treatment and opportunities for all - Diversity and Measures against violence and harassment in the workplace	**Policies:** • Code of Ethics **(I-21)** • Policy for the management of human resources **(I-21)** • Diversity, Equity and Inclusion Policy **(I-21)** **Actions:** • Actions related to equal treatment and opportunities for all **(I-21)**
Other work-related rights - Privacy	**Policies:** • Data Protection Policy **(I-22)** • Security Management Macro-process Regulation **(R-10)** **Actions:** • Training of resources **(I-22, R-10)** • Actions related to Privacy and Data Protection **(I-22)** • IT security initiatives and training **(R-10)** **Targets:** • IT Security Targets **(R-10)**

The BPER Group's own workforce is divided into employees and non-employees. Non-employee workers include agency workers, self-employed workers and workers with internship contracts.
Please note that the information, policies, actions and targets presented within the chapter refer to the employees of the BPER Group and extend to the entire workforce where specified. In fact, all workers may be subject to the positive and negative impacts identified in the double materiality process, which affect the entire workforce, without distinction between types of workers, with the exception of possible hardship situations for people with disabilities or subject to discriminatory practices (e.g. gender, age, etc.).

From the perspective of financial materiality, the double materiality analysis carried out identified risks and opportunities affecting the entire Group workforce, not referring to specific employee segments. In more detail, the material negative impacts identified mainly related to isolated incidents, such as accidents and occupational illnesses, potential loss of employee data, incidents of discrimination. Of these, the only negative impact that can be considered systemic concerns gender pay discrimination, in an Italian context where gender-related pay gaps remain. The positive impacts are instead closely linked to the BPER Group's commitment to safeguarding and enhancing its workforce. This encompasses the Welfare and Work/Life Balance Plan, talent acquisition and retention, skills enhancement, freedom of association, as well as diversity inclusion and advancement programmes.

The Group's double materiality analysis also revealed material reputational risks related to legal cases/litigation initiated by employees and/or detection of particular relevant incidents (e.g. publications in the media) and detection of IT security incidents. These risks are also material in view of the dependence on human capital, which is typical for service enterprises.
At the same time, the material opportunities include increased productivity and optimised talent management, significantly improving the skills and capabilities of employees in new strategic areas, proactively managing employee redeployment and providing opportunities for professional development.

There are no major impacts on the Group's own workforce resulting from transition plans to reduce negative impacts on the environment and to implement greener and climate-neutral operations. Furthermore, there are no operations at serious risk of forced or compulsory labour or at serious risk of child labour with reference to the BPER Group's own workers, considering both the activities carried out by the Group and the context in which it operates.

S1-1: Policies related to own workforce

Relevant human rights policy commitments related to own workforce

Although not defined a specific policy, the Group pays attention to the issue of respect for human rights in the "Code of Ethics", the "ESG Policy" and the "Policy for the management of human resources". Within these Policies, the Group is committed to promoting and protecting universally recognised human rights, according to the principles set out in the "United Nations Guiding Principles on Business and Human Rights", the "OECD Guidelines for Multinational Enterprises on Responsible Business Conduct" and the "International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work". These are the global reference standard on safeguarding human rights in the context of business activities, and specify the appropriate conduct of governments and businesses in order to prevent and address the impact of business activities on human rights.

As stated in the "ESG Policy", the Group endorses the UN Global Compact, by which it is committed to promoting fundamental principles relating to labour rights, including "Principle 4: the elimination of all forms of forced and compulsory labour" and "Principle 5: the effective abolition of child labour". Moreover, within the "Policy for the management of human resources",

one of BPER Group's fundamental commitments is to uphold the human rights, dignity, and freedoms of its entire workforce. This is to prevent any undesirable behaviour, whether physical, verbal or non-verbal, that aims or results in infringing upon an individual's dignity and freedom. The aforementioned Policies are available on the corporate intranet and published on the BPER Group's institutional website.
In affirmation of the Group's dedication to human rights, all of the workforce have access to the Whistleblowing procedure. This ensures the highest level of confidentiality when reporting any infringements that could potentially damage the Group's interests and/or integrity, whether within the workplace or in legal-economic interactions with the Group.
The BPER Group also engages its employees through listening activities and climate surveys, as well as through training and awareness-raising activities.

For further details on the strategies employed by the Group to manage its workforce, please refer to the information provided in the Disclosure Requirement "S1-3: Processes to remediate negative impacts and channels for own workforce to raise concerns".

Code of Ethics

The "Code of Ethics" safeguards the moral and physical integrity of employees and collaborators as a necessary condition for the performance of work. The Group is dedicated to providing equal employment opportunities and professional development, based purely on abilities and qualifications, whilst avoiding any form of discrimination, nepotism or favouritism. Furthermore, consistent and impartial monitoring of the effective implementation of the principles and values outlined in the Code is anticipated to guarantee a fair and secure environment.

For more information, please refer to the details provided in the Disclosure Requirement "G1-1: Business conduct policies and corporate culture".

Policy for the management of human resources

This "Policy for the management of human resources" regulates and formalises the principles and general guidelines with which the BPER Group intends to pursue its strategic objectives in human resources management, and aims at supporting resources throughout their working life, from recruiting to offboarding.
The Policy applies to all companies in the reporting boundary with the exception of: Modena Terminal, BPER Real Estate, Arca Fondi SGR, Adras, Arca Holding, Sant'Anna Golf, Annia; it should be noted that the implementation of this Policy will be requested, if applicable, by the Parent Company's owner function to the Companies of the Banca Popolare di Sondrio Group.
The Group's Policy, in relation to its own workforce, thoroughly addresses the impacts and risks associated with managing the entire workforce. It promotes equal pay, ongoing training, and professional development to support the organisation's evolution in both technological and structural aspects. HR activities need to be recorded, regulated, and updated in accordance with the rules, guaranteeing the security and confidentiality of personal data.
The Policy identifies clear roles and responsibilities: the Board defines the strategic guidelines, the competent Committees support the decisions as established by the BoD itself within the rules of operation of the Committees, the CEO takes decisions on HR issues. The Chief People Officer (CPO) is responsible for outlining the comprehensive HR strategy, which includes Total Reward (compensation and benefits), and supervises transformational projects, identifying crucial success factors and key indicators. The BPER Group encourages the practice of listening to its employees with the aim of fostering a culture of inclusivity and trust.
The Policy is inspired not only by current legislation, but also by important national and European regulatory references, including: art. 21 of the EU Charter of Fundamental Rights, the Anti-Discrimination Law (no. 67/2006), the Disability Integration Law (no. 68/1999), the Consolidation Act on maternity and paternity (Legislative Decree no. 151/2001), the Equal Opportunities Code (Legislative Decree no. 195/2006), EU Directive 1500/2024 and Legislative Decree no. 62/2024 on disability and the customised life project.
The stakeholders involved in the Policy are multiple and have different roles. Primarily, both employees and management are the key beneficiaries of policies related to development, inclusion, and protection. Trade unions work alongside them, participating in discussions and negotiations to ensure fairness and uphold rights. The corporate governance bodies play a strategic role, as they are responsible for approving and monitoring the Policy. The Group's dedication is also mirrored in its approach to customers and communities, who indirectly reap the benefits of inclusive practices and an ethical, sustainable working environment. This has a positive impact on the quality of service and enhances the company's reputation. Shareholders and investors are interested in robust human capital as a competitive factor and in adherence to ESG principles.
The Policy is made available and easily accessible to all its (internal and external) recipients through publication on the Group's institutional website and can also be consulted and downloaded on the corporate intranet.

Diversity, Equity and Inclusion Policy

The "Diversity, Equity and Inclusion Policy" (hereinafter also referred to as the "D&I Policy") describes the policies, guidelines and principles adopted and the commitments that the Group intends to make to promote inclusion and equal opportunities within its own organisation, which includes the Corporate Bodies, subsidiaries and all company personnel.
The Policy applies to all the Companies of the reporting scope; it should be noted that the implementation of this Policy will be requested, where applicable, by the Parent Company's owner function to the Companies of the Banca Popolare di Sondrio

Group. Given its characteristics, the Policy is linked to all the BPER Group's material impacts, risks and opportunities related to the sphere of "Equal treatment and opportunities for all" and establishes, through the Functions concerned, that management models useful for implementing the initiatives and objectives identified by the BoD shall be defined, including structuring the periodic monitoring process aimed at verifying and analysing the progress of the actions undertaken.
In addition to the legislation in force at any given time, the Policy refers to the main applicable national and international regulations and agreements, including the Corporate Governance Code of listed companies; the Principles of the UN Global Compact, the Universal Declaration of Human Rights, the ABI-Trade Union Organisations Joint Declaration on harassment and gender-based violence in the workplace and also takes into account other documents, including, for example, the ABI Document "Women in Banks Charter: developing gender diversity".

The interests of employees, who were involved in the company's "A pari merito" (Equal Merit) programme through focus groups, thematic workshops and listening initiatives, were taken into account when defining the "D&I Policy". Moreover, the Group examines, analyses, assesses and plans actions targeted at achieving this balance also through specific discussion periods with workers' representatives at company level or in groups meeting in specific committees. These include the Equal Opportunities Commission, which brings together company and trade union organisations for the joint analysis and evaluation of equal opportunities issues.

The Policy outlines the expectations of external stakeholders (customers and communities), fostering inclusivity and accessibility within the company's local initiatives, thereby contributing to the generation of long-term value.
The document is publicly available on the BPER Group's website as well as on the company intranet for employees.
In general, the D&I principles and projects are the focus of internal and external communication initiatives that provide updates to employees, customers and key stakeholders. They are disseminated, in particular, through the Group's institutional website within the dedicated "Diversity and Inclusion" section and through the company intranet channel.

The BoD is the promoter and guarantor of the dissemination, within the BPER Group, of the culture of diversity, equity and inclusion, both within the Corporate Bodies and in the whole company population. The Chief People Officer is responsible for implementing the policies and guidelines on diversity, equity and inclusion, with particular regard to the company population, and defines management models useful for implementing the initiatives and objectives identified in the Strategic Plan for Gender Equality, structuring the periodic monitoring process of performance.
In 2024, the ESG Management Committee, in which the C-Levels of the Parent Company participate, expanded its responsibilities by taking over the tasks of the Gender Equality Steering Committee, according to the UNI/PdR 125:2022 Guideline, and also in 2025 it met periodically to examine and monitor the relevant issues.

The Policy identifies areas of intervention and is directly applied in the selection and onboarding phase. The commitments described are implemented through specific procedures, aimed at avoiding the occurrence of discriminatory episodes on the basis of gender identity, age, different abilities, state of health, ethnicity, geographical origin, sexual orientation, religion and identity or political ideologies in such processes; this is implemented through the use of neutral titles and terms, maintaining gender balance, based on the actual availability of profiles in the labour market for the shortlist of candidates and hiring on the basis of merit.

In June 2025, the BoD approved an update to the Policy, which strengthens the controls supporting the enhancement of diversity through: the introduction of the figure of the Disability Manager; the consolidation of the principles on diversity, equity and inclusion, with particular reference to the social affirmation of gender, the inclusion of people with disabilities, the prevention of harassment at work and the promotion of responsible communication.

On the subject of the prevention of harassment, in particular, the BPER Group has confirmed its commitment to the protection of personal safety, freedom and individual personality, reasserting its firm conviction that any act of harassment and violence is a threat to a person's dignity potentially compromising the health, confidence, morale, motivation, work performance, organisation and reputation of the Group.
Each resource may report, through the same channels as for other irregularities, conduct that does not respect the prohibition of harassment in any form whatsoever or considered offensive to personal dignity, gender diversity and capable of creating an intimidating, hostile and humiliating climate.
Any employee who believes they have been the victim of violence or harassment, whether physical or verbal, suffered in the workplace may report such incidents via the Whistleblowing platform, which is dealt with in more detail in the Disclosure Requirement "S1-3: Processes to remediate negative impacts and channels for own workers to raise concerns", or through any other channel available from time to time at each Group company.
Where conduct carried out in the workplace in accordance with the above definitions is confirmed as constituting a disciplinary offence, the procedure set out in Art. 7 of Italian Law 300/70 will be initiated, and the measures specified in the current National Collective Labour Agreement (CCNL) for the sector will be applied. The Group Company involved will also consider any action to protect itself and the psychophysical integrity of the persons involved, including recourse to the competent judicial authority.
The Group is committed to implementing and constantly updating the highest organisational and management standards to prevent similar situations from recurring.

Regarding equal opportunities, the Policy update affirms the introduction of the new "Strategic Plan for Gender Equality 2026-2027". This was presented to the ESG Management Committee, acting as the Steering Committee for Gender Equality, on 7 November 2025 and received approval on 23 February 2026. The new Plan aligns objectives, actions, responsibilities and monitoring with the requirements of UNI/PdR 125:2022 practice, thus strengthening the adopted Gender Equality Management System.

Moreover, the BPER Group implements, at statutory and/or regulatory level, mechanisms that guarantee, within the BoD and the Board of Statutory Auditors, the presence of a number of representatives of the less represented gender at least equal to that envisaged by the legislation in force. Furthermore, in line with what the recommendations of the Supervisory Provisions, it is desirable that:
the roles of Chair of the BoD, Chair of the Board of Statutory Auditors, Chief Executive Officer and General Manager of BPER are not covered by persons of the same gender; in the Committees, at least one member belongs to the less represented gender. With regard to the Corporate Bodies of the Subsidiary Companies, the General Guidelines establish the minimum share of members belonging to the less represented gender that must be present within the same.

In addition to the above, the issues of gender equality, equal pay for work of equal value, training and skills development, employment and inclusion of people with disabilities, measures against workplace violence and harassment and diversity are addressed transversally within the "Code of Ethics" and in the "ESG Policy" and the Group's Remuneration Policies.

Group Policy for governing the risk of non-compliance with occupational health and safety regulations

In order to manage health and safety matters, the BPER Group has a "Group Policy for governing the risk of non-compliance with occupational health and safety regulations" to ensure that every worker operates in a healthy and safe manner.
The "Group Policy for governing the risk of non-compliance with occupational health and safety regulations" describes the guidelines that BPER Banca, in its capacity as Parent Company, has defined for the Group Companies in order to ensure compliance with current occupational health and safety regulations (Italian Legislative Decree 81/08 and subsequent amendments and additions) and, in particular, to standardise the criteria for drafting the "Risk Assessment Document" and the delegation plans (pursuant to Art. 16 of Italian Legislative Decree 81/08). In particular, the Policy requires: compliance, in content and principles, with the applicable health and safety legislation in force (Legislative Decree no. 81/08) and, where possible, the voluntary application of additional measures deemed necessary even in the absence of legislative obligations; compliance with the dictates of Legislative Decree no. 231/01 as expressed in the Organisation and Management Model for the parts referring to the protection of health and safety at work; the clear definition of the Organisation's roles and responsibilities for the protection of the health and safety of the persons concerned.

The commitment is based on the desire to provide a working environment that protects and promotes the health of all workers, visitors and suppliers/contractors. The Policy applies to Italian banks, credit financial companies and special purpose companies belonging to the BPER Group.
As far as the monitoring process is concerned, the Safety Office carries out internal audits at Group Companies, verifying the correct application of the Policy guidelines and paying particular attention to Legal Entities for which the Safety Office does not also perform the role of the Prevention and Protection Unit. The Employer is identified by the BoD from among the members of the Top Management and must possess all the requirements of professionalism and experience required by the specific nature of the functions assigned to them. The Employer is designated by the Board of Directors, through a special board resolution. The Employer then assesses all risks and draws up the relevant Risk Assessment Document, formally appoints the Prevention and Protection Service Manager (PPSM) by letter of appointment, defines the structure of the BPER Group's Prevention and Protection Service and provides the guidelines for managing the protection of workers' health and safety.

The Policy is not only based on internal regulations, but also on Italian Legislative Decree No. 231/01 and the regulations and State/Region Agreements in force at any given time in the various disciplines (training, etc.) and is made available on the company intranet. In drawing it up, the interests of employees and all those who have access to BPER Group workplaces were taken into account to ensure their health and safety. Training for supervisors, letters of assignment and the Accident Register define behaviour and preside over accident management. In addition, the Employer's Delegated HR Function handles communications and reporting on accidents and illnesses.

Data Protection Policy

The "Data Protection Policy" of the BPER Group establishes the criteria for handling personal data, setting out rules and protections designed to safeguard the rights and freedoms of the individuals whose data is being processed. For further details on the policy, please refer to the description under the Disclosure Requirement "S4-1: Policies related to consumers and end-users".

Security Management Macro-process Regulation

The BPER Group's "Security Management Macro-process Regulation" defines the basic principles and rules for protecting the confidentiality, integrity and availability of the Group's and its customers' data, information and ICT resources. For further details on this, please refer to the description in the Disclosure Requirement "S4-1: Policies related to consumers and end-users".

S1-2: Processes for engaging with own workforce and workers' representatives about impacts

Labour Relations and Worker Protection

In 2025, the BPER Group upheld relationships with the trade unions, characterised by honesty and loyalty, respecting the roles of each party. The dialogue between the Bank and employees, also through trade union representatives, makes it possible, on the one hand, to identify shared solutions in relation to the different situations that may arise from time to time (by way of example but not limited to: reorganisations, restructuring), and on the other hand, to report any difficulties, inconveniences or situations of abuse, allowing the competent structures to intervene in a confidential and appropriate manner. Measures are implemented to guarantee equal opportunities, irrespective of age, gender, religious or political beliefs, in accordance with the Group's "Code of Ethics".

At Group or individual Company level, joint company/trade union committees may be set up on issues such as welfare and equal opportunities, in order to foster discussion with a view to balancing the interests of the different social partners. Relations between employees and corporate functions promote a fair dialectic, free of discrimination, to build a climate of trust and dialogue. The labour relations system is concerted; the Chief People Officer is responsible for its proper management.

The engagement of resources is conducted in compliance with the law, as well as the stipulations of the National Collective Agreement (which governs the timing and methods of information and consultation procedures), sector-specific agreements, and secondary-level agreements. Provisions are in place regarding timeframes, dispute areas and procedures in the event of a lack of agreement between the parties.

Personnel management is conducted in accordance with the rights established by law, the National Collective Labour Agreement (CCNL), and company policies. The various agreements aimed at strengthening workers' rights, such as work-life balance, corporate welfare, solidarity time bank and economic support for groups in need, continued to be implemented in 2025.
Agreements have been signed between companies and workers' representatives, stipulating regulatory measures and financial payments that surpass those of the National Collective Labour Agreement (CCNL). These include additional health coverage, support for single-income families, resources for families with disabled members, scholarships for children or student workers, protection in instances of transfers due to family or personal circumstances, and company bonuses. In addition, two important Group agreements were signed at the end of 2025: the first defines in a comprehensive and unified manner the professional development system of the resources belonging to the companies covered by the aforementioned agreement; the second concerns the early retirement incentive - also through the sector Solidarity Fund - of personnel nearing retirement, with the aim of fostering generational and professional turnover and optimising the Group's workforce.

The BPER Banca Group has also envisaged volunteer activities to a maximum extent of 7.5 hours per year, in addition to the ordinary time off and leave entitlements, in order to encourage, support and organise the active and voluntary participation of its employees in the life of the local community or in support of non-profit organisations during working hours. Requests may also be accepted from individuals involved in voluntary work, aiding communities impacted by natural disasters. This includes associations listed in the municipal, territorial, or regional Civil Protection registers.

Mobility and Change Management

The key to employees' professional development is employability; for this reason, the Group continues to invest in training courses designed to develop it. All initiatives undertaken are aimed at ensuring adequate consideration of the needs and perspective of the workforce, in order to foster individual growth within the Group. Succession plans, completed and formally approved for all top positions, along with ordinary business needs, are the main drivers that guide HR Management when choosing the development paths of each single employee, always inspired by compliance with the law and attention to development. To define mobility scenarios that optimise company objectives the People Management Department has a customised tool integrated with the Human Resources Information System (HRIS) applications. By using advanced People Analytics' criteria and instruments in the Workforce Planning process, "what if" analyses and resource mobility simulations are conducted, dynamically adapting the organisational structure to the evolution of the company's personnel.
Workers are involved on a continuous basis, adapting to the mobility operations undertaken from time to time. Employees are invited to dialogue through the different modalities described in this section, and can request moments for discussion and proposal. Internal mobility management involves the entire company population, without distinction. However, the Group is committed to ensuring that special attention is paid to the individual needs of its employees, including particularly vulnerable categories, with the well-being of the individual always at the centre. Therefore, if an employee expresses a specific need, the Group is committed to acting as quickly as possible to adequately respond to the need expressed.

Finally, the Job Posting tool (voluntary applications for open positions), although not used on a regular basis, is also frequently used to support internal mobility: during 2025, about 70 internal postings were published and more than 1,000 applications were collected.

The Chief People Officer and, in particular, the People Management Department, are the Corporate Functions called upon to ensure the involvement of resources. Specifically, the objective entails matching the professional development opportunities of each employee with the productive oversight needs that each organisational unit must see fulfilled to ensure its functioning. With full knowledge of both business objectives and people, the HR Business Partner is able to activate the involvement of resources which are aligned in terms of the paths of individuals and promptly with respect to production needs, leading to mobility that generates evolution and professional and organisational change.

Engagement, Opinion Surveys, Climate Surveys

Throughout 2025, the Group persevered in its efforts to enhance employee engagement and improve the quality of the working environment. This was achieved by developing initiatives informed by the results of the "People Survey 2024". Conducted the previous year on the entire corporate population, the report had measured the level of "Engagement" of Group personnel, as defined by the Willis Towers Watson analysis model. Some of the questions in the index also refer to Employee Net Promoter Score (eNPS) and job satisfaction. The survey results were instrumental in shaping the planning of subsequent action strategies. To better comprehend the perspectives of individuals with specific vulnerabilities, the Group has established the BperAbilità project. This initiative combines listening and training programmes specifically designed for colleagues with disabilities. For further details, please refer to the Disclosure Requirement "S1-4: Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions".

Indeed, in 2025, based on the findings from the People Survey, several action plans were devised and executed at both the group level, as determined by top management, and at the operational level through bottom-up initiatives developed with the input and understanding of front-line managers. The action plans span the time horizon of the "B:Dynamic | Full Value 2027" business plan.

Employee engagement in the occupational health and safety management system and "Sportello di Ascolto" (Listening Desk)

In the area of occupational health and safety, employees are involved in the development, implementation and evaluation of the occupational health and safety management system through training, information and specific questionnaires relating to certain risk categories. The Safety Office is responsible for collecting reports and input from workers concerning possible safety issues and for their involvement. Regular meetings are also held during the year, including with the Workers' Safety Representatives.
Activities of the "Sportello di Ascolto" (Listening Desk) continued in 2025, to help deal with malaise at work, managed by specialists outside the Group, as part of the prevention measures related to the risk of stress at work.
Workers are directly involved in the process on an ongoing basis, whether through supervisors, emergency workers, workers in general or the Workers' Safety Representatives (WSR).
The effectiveness of work-related stress activities is evaluated through various initiatives, such as questionnaires and focus groups. In addition, analyses of homogeneous groups of workers who use video terminals are conducted through Work Sampling activities, which include direct observations in the field of the sample considered.
For all workplaces with employees with sensory and/or motor disabilities, two or more assigned mentors are appointed for each of them, with the task of assisting them in the event of accidental or emergency events. The tutors receive specific training and are involved in the preliminary meeting and emergency exercise.

S1-3: Processes to remediate negative impacts and channels for own workforce to raise concerns

Whistleblowing and Reporting

To ensure adherence to existing regulations, the Group promotes the prevention of illegal activities by adopting a whistleblowing approach. This involves reporting and management processes that guarantee confidentiality and safeguard whistleblowers, thereby facilitating the prompt identification, analysis, and resolution of critical issues. For a detailed explanation of the whistleblowing channel, please refer to the Disclosure Requirement "G1-1: Business conduct policies and corporate culture".

Management and HR listening Business Partners

The BPER Group promotes and encourages people listening initiatives to build a positive and inclusive culture based on trust and shared values, with a view to generating value and innovation while also attracting and retaining talents. Listening to employees is based on standards that include the definition and management of models and tools for listening to the company's population with a structured approach, as well as the planning of interviews to feed the personnel management

strategies with data and gather evidence to improve processes. Management listening makes it possible to acquire and update information on the resource, in particular related to the level of satisfaction and professional and personal needs. Together with the performance evaluation and measurement of the potential expressed, management listening is a key tool for assessing the effectiveness of any measures taken. Indeed, it is believed that the information gathered through such interviews allows the Group to build the best development perspective for each employee.
The tool's effectiveness is also periodically evaluated by continuously monitoring employee satisfaction levels, reviewing the feedback collected and analysing improvements in processes and organisational well-being.

Employees can choose among several channels should they wish to file complaints or reports regarding problems encountered at work. They can be made orally or in writing, addressing one's Organisational Unit Manager, the relevant HR Business Partner or their hierarchical chain, up to the Chief People Officer. All complaints are first analysed for the purpose of identification, and then dealt with effectively and pertinently by acting in a timely manner, when necessary.
In order to promote a collaborative and productive working environment, as well as to stimulate the correct and effective management of relations, the BPER Group is constantly engaged in creating communication plans for its employees, with which adequate publicity and proper knowledge of the processes and tools available is guaranteed.

Health and Safety, Work-related stress detection and "Sportello di Ascolto" (Listening Desk)

All the Corporate Functions of the Group Companies, thanks to the communication and training activities promoted, are aware that the "Group Policy for governing the risk of non-compliance with occupational health and safety regulations" constitutes a common and shared Guideline. The Group Companies annually update the risk assessment on occupational health and safety, which is then formalised in the Risk Assessment Document (DVR).
With the aim of involving and empowering the management bodies on the basis of the principle of effectiveness, there is also a system of delegation and responsibility whereby each delegate is responsible for adopting preventive and improvement measures specific to his or her area of responsibility.
In addition, to protect the health and safety of workers, the Group has adopted a specific process aimed at detecting work-related stress, which consists of two phases: a preliminary assessment, which consists of the detection of objective and verifiable work-related stress risk indicators, where possible, numerically appreciable, and the identification of risk containment measures where the indicators are at critical levels; an in-depth assessment, in the event that at the end of the preliminary assessment phase, the corrective measures adopted are found to be ineffective.
The process of assessing and managing the risk of work-related stress involves the effective involvement of company management. In particular, the project's progress is discussed periodically with the Employer's Delegate and the relevant Corporate Functions.
The control and monitoring of the issues raised are assessed at the annual work-related stress meeting, from which improvement measures defined by the Employer may be derived. These are ensured through the preparation of quarterly reports by the Listening Centre, shared with the HR Function. Workers are informed of the results of the actions taken through the periodic publication of snippets of information on the company intranet.

Workers can report hazards via the company intranet, by e-mail to the Safety Office, or by contacting the Workers' Safety Representative. Anonymity is assured in the fulfilment of the reporting obligation. In addition, employees can turn to the "Sportello di Ascolto" (Listening Desk). For more details, please refer to the Disclosure Requirement "S1-2: Processes for engaging with own workforce and workers' representatives about impacts".

If a safety level is lowered, the assigned Supervisor must inform the company's Prevention and Protection Unit (Servizio di Prevenzione e Protezione, SPP) through the available channels. The SPP records all reports from the WSR, indicating the subject of the report, the Function responsible for its resolution and the outcome of the report. With reference to BPER Banca, the use of a specific ticketing system (BHelp) on the company Intranet is also envisaged for this purpose. In the event of anomalies or delays in resolving critical issues, the assigned Supervisor has the power to directly involve the Safety Office in order to raise the awareness of the competent functions and monitor the problem's effective resolution.

The existence of the above-described processes by employees is ensured both through communications in the company Intranet and through the WSRs and Supervisors.

S1-4: Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

The Welfare and Work-Life balance Plan

In order to give rise to positive impacts for its own workforce related to working conditions, the BPER Group implements several actions and initiatives, promoting a strategy aimed at enhancing individual well-being. Solutions for work-life balance are offered, including policies for parenting, flexible work schedules, part-time employment, and remote working options. In addition to monetary remuneration, corporate benefits (e.g. insurance, pensions, meal vouchers), welfare plans (e.g. family

services, school contributions), wellbeing tools (e.g. psychological support, mental health), and non-monetary recognition programmes are offered. The initiatives are bolstered by dialogue and listening activities, with the Parent Company's Industrial Relations, People Care & Services Department providing continual oversight of the BPER Group's welfare and work-life balance strategy.

In line with the objective of enhancing the individual wellbeing of the person, as enshrined also in the "Policy for the management of human resources", 2025 saw continued application of the agreement that, among other things, governs the provision of health insurance until 2027 with the introduction of a prevention package (Check-up) and the coverage referred to the Professional and Extra-Professional Accident policy, premature death and permanent total disability (from illness or accident), Long Term Care (additional to that already provided by the current collective labour agreement for the credit sector), as well as compensation in the event of illness/accident that terminates the employment relationship.

The Welfare Plan of the BPER Group thus consists of:

- benefits for which the company bears the cost, including the supplementary pension Fund, a supplementary pension established according to the defined contribution scheme to which the employee also contributes, health and dental policy, long-term care, coverage for accident risks, coverage in the event of early death of total or permanent disability, electronic meal vouchers and personnel conditions; within the Group there are housing allocations, company cars for mixed and shared use; the data may be further processed, where necessary, to carry out the planned monitoring activities;
- paid leave to be used for specific cases linked to work-life balance (for example, for the birth of a child, an urgent hospitalisation/ operations assistance, to introduce children to nursery school and kindergarten) also by using the "time swap bank";
- benefits provided by the company that the employee can purchase for themselves or their family using the a.k.a. "Welfare credit" (consisting of the company bonus allocated by the employee to welfare and other "on top" welfare payments). Daily monitoring and reporting are in place for this activity.

To enhance employee wellbeing, work-life balance, and gender empowerment, the "Active Welfare" initiative, which was initiated in 2023, was extended into 2025. This project is dedicated to identifying services that can be implemented for employees, with a particular emphasis on supporting parenthood.
The Welfare Plan is applied, in addition to the Parent Company, to the employees of Banco di Sardegna, Bibanca, Finitalia, BPER Factor, Sardaleasing and Banca Cesare Ponti.
A mandatory five-month leave period is granted to the working mother, or to the father under circumstances stipulated by current legislation. There is also a period of (optional) parental leave of ten months in total, to be taken cumulatively by both parents, up to a maximum of six months for each parent; this period can be increased to eleven months in total if the working father takes at least three months of parental leave, thus raising the father's individual limit to a maximum of seven months. For working fathers, a mandatory leave of ten days is also in place, without prejudice to any secondary agreements or provisions that may offer more favourable conditions. With reference to parents belonging to same-sex couples, if the regulations in force and the CCNL applied do not allow access to institutions such as paternity leave, parental leave, breast-feeding leave or sick leave for the child, BPER Banca, Banca Cesare Ponti and BPER Factor recognise, at their own expense, equivalent treatments, in accordance with the provisions in force from time to time for working fathers. The Welfare Plan has always been an integral part of the BPER Group's planning and is therefore continuous over time.

Work from home
Ordinary remote work continued in 2025, in line with the provisions of the national collective labour agreement. At Group level, more than 6,000 employees belonging to the Centre and Semi-centre structures have the possibility to work at home thanks to the signing of an individual agreement that allows them to take advantage of 10 days per month of work from home, to be carried out at their residence or domicile, or at another location authorised in advance, thus contributing to the reduction of mobility.
The management of remote working is overseen through internal computer systems, which facilitate an annual statistical analysis.

"Top Employer Italia" Certification
As further confirmation of the Group's commitment in the field of HR to enhancing the value of its personnel, for the seventh consecutive year BPER Banca obtained the "Top Employer Italia" certification for 2025 related to data from 2025: this is attested by the Top Employers Institute, which every year identifies companies that offer excellent working conditions to their personnel, identify and develop the best talents and constantly strive to optimise their management and organisational processes.

Actions related to equal treatment and opportunities for all

In light of the substantial impacts on its workforce, the BPER Group is dedicated to guaranteeing equal pay and equal career opportunities. This commitment is demonstrated through the adoption of impartial, objective and inclusive performance evaluation criteria, which are based on competence, experience, performance and professional attributes. In compliance with the regulatory obligations set forth in Bank of Italy Circular No. 285/2013, the Group performs annual monitoring and specific analyses aimed at verifying the effective application of the principle of gender neutrality in remuneration policies, considering the role held, the complexity managed and individual merit.

As of 2022, a granular analysis model for salary data was introduced. The effectiveness of the implemented actions is guaranteed by a structured system, which encompasses regular analyses, governance tools, and verification processes. The process of identifying the necessary actions to tackle actual or potential adverse impacts relies on internal analyses, industry benchmarks, and listening tools. This is done with the objective of guaranteeing alignment between remuneration policies and the principles of fairness and inclusion. During 2025, the Group launched a project to investigate operational aspects, hypothesise implementation needs and understand the Bank's level of readiness with regard to the main areas impacted by the Pay Transparency Directive, currently being transposed into Italian law.

Several initiatives promoting equal opportunities were implemented to generate positive impacts for the Group's workforce.

Partnerships, memberships and commitments in the system
In 2025, the Group reinforced its commitment by participating in various national and inter-bank initiatives aimed at promoting inclusion. These include: membership of Parks - Liberi e Uguali, Valore D, support for Donne in Rete Contro la Violenza (D.i.re), signing the Women in Banking Charter promoted by ABI, and the Charter for Equal Opportunities and Equality at Work in collaboration with Sodalitas Foundation. BPER also takes part in the ABI working group on accessibility and Carta D, and has signed the Memorandum of Understanding between the Department for Equal Opportunities and ABI, aimed at preventing and combating violence against women and domestic abuse.
It was also confirmed that adherence to the Protocol, which allows for the suspension of the capital portion of mortgage and consumer credit loans for women on certified protection paths, has been upheld. This Protocol permits the extension of the repayment plan by up to 18 months. The Group also backed the D&I in Finance event, which is dedicated to promoting diversity and inclusion within the financial sector.

Inclusion of people with disabilities and inclusive culture
"BperAbility" projects continued, bringing together training and listening initiatives dedicated to colleagues with disabilities, with a specific focus on deaf, visually impaired and blind people. At the Parent Company, a Disability Manager was appointed to coordinate and supervise initiatives aimed at including individuals with disabilities. Furthermore, the guidebook titled "Inclusive Recruiting - The Power of Words", which is accessible on the company's intranet, has been published to encourage communication and HR practices that align with the principles of inclusion.
In July 2025, BPER launched the inaugural edition of "BPER Diversity Days". This event was developed in collaboration with the Politecnico di Milano, with the aim of bolstering a culture of inclusion. The initiative included a structured study programme focusing on various forms of diversity and disability. It tackled topics such as prejudice and discrimination, providing theoretical and practical tools that are beneficial in both professional and personal settings.

Training, information and protection channels
In 2025, training and awareness initiatives targeting the entire business community, the market, and stakeholders were enhanced. All staff members have access to programmes specifically designed to promote Diversity, Equity and Inclusion, and are educated on how to utilise the whistleblowing channel.
Since 2024, the "Guidelines for Combating Workplace Harassment" have been accessible as a practical resource to aid in the prevention and handling of inappropriate conduct. The management listening provided by the HR Business Partner represents an additional oversight and support channel for the emergence of any critical issues, for which please refer to the description in the Disclosure Requirement "S1-3: Processes to remediate negative impacts and channels for own workforce to raise concerns".

Strategic Plan for Gender Equality and Change Management Initiatives
As previously stated, the new "Strategic Plan for Gender Equality 2026-2027" has been approved. The previous plan, which concluded at the end of 2025, was segmented into four key areas - the development and retention of managers, fast-tracked progression for future managers, the inclusion by design of HR processes, and fostering an inclusive culture and change management. This represented a crucial stride in bolstering the Group's dedication to equality of opportunity.
Initiatives focused on management included diversity coaching for executive positions and training courses aimed at identifying and eliminating bias. Furthermore, both internal and external campaigns were conducted, as well as financial education initiatives in schools. These included "Insieme per le Donne", "Oltre il Rosa", "Donne al Quadrato" and "Present4Future", which also involved engagement with external stakeholders.

IDEM Gender Equality and UNI/PdR 125:2022 certifications
In 2025 the Group maintained the two corporate certifications obtained in 2024: the IDEM Gender Equality and the UNI/PdR 125:2022 certification, achieved by four Group companies - BPER Banca, Banco di Sardegna, Banca Cesare Ponti and Bibanca - confirming the implementation of structured systems of governance, monitoring and continuous improvement in the field of gender equality.

Collaboration between the Chief People Officer's department, the Communications Department, the ESG Strategy Unit, and the relevant teams involved on an ad-hoc basis, ensures effective tracking and development of initiatives to promote equal treatment and opportunities for all.

Health and safety initiatives and obtaining ISO 45001 certification

The BPER Group is dedicated to overseeing and reducing negative impacts, whilst enhancing positive ones related to working conditions, through specialised HR and Safety departments. These structures guarantee organisational consistency and the execution of policies, management systems, and contractual agreements.

With regard to the impact on occupational health and safety, the Group has continued to pursue its commitment to preventing, mitigating and managing it. On 19 June 2025, UNI ISO 45001 Certification was obtained, an international standard defining the requirements for an occupational safety and health (OSH) management system. At present, the certification applies exclusively to the Parent Company BPER Banca s.p.a.

BPER works to manage the impact of occupational accidents and illnesses through the systematic maintenance of its "Health and Safety Management System". With respect to Non Conformities or Observations detected during the year, the Group intervenes with specific corrective actions in order to remove the cause.

The certifying bodies require reports, routine inspections, and quarterly meetings with the Workers' Safety Representatives. Companies within the group annually update the Risk Assessment Document, internal policies, and Emergency Management Plans.

With regard to actions to mitigate significant risks related to its own workforce, the Group has adopted policies consistent with the Consolidated Safety Act and in 2024 introduced the new "Policy for the management of human resources". To minimise the risk of litigation, we employ out-of-court measures such as protected conciliation. In instances of deep-rooted litigation, we utilise settlement procedures to lessen the impact and fortify our relationship with the concerned party.

After the pandemic emergency passed, the BPER Group maintained certain precautions to protect workers' health and safety. In particular, remote work opportunities continued, with a focus on the fragile and super-fragile, distancing, appointments at branches for consultancy stations. Furthermore, the system envisages the identification and implementation of a process based on the definition of risk assessment criteria and the consequent implementation of prevention and protection measures. The action plan on health and safety in the workplace consists of the objectives envisaged by the aforementioned principles. For each identified risk (for example the risk of robbery or the risk associated with work stress), a description is provided of the prevention and protection measures adopted and of the measures to maintain the level of risk and those for improving work conditions.
In 2025, about 300 Safety and Security risk assessment inspections were carried out and a total of 3,141 health surveillance visits were conducted.

Specific courses were conducted in 2025 on the risks managed in the emergency management plans. Specifically, they regarded: general training of workers and Officers, special training of Managers, training and updating Employees responsible for fire safety on sites with low fire risk, Employees responsible for fire safety on sites with medium fire risk, Employees responsible for fire safety for sites with high fire risk, First Aid Officers, First Aid Update, Automated External Defibrillator AED operators, Disabled Workers, Update of Workers' Safety Representatives, Update for Workers, Officers and Managers.
The mandatory training courses required by the 2016 State-Regions Agreement and other specific industry regulations were also delivered.

The actions described are of a preventive nature and concern all employees working in the Group's production units in Italy, as well as workers (as defined in Art. 2 of Italian Legislative Decree No. 81/08), considered in the Occupational Health and Safety Management System, subject to internal audit.
The regular assessment of the progress of the improvement programme is conducted by the Delegates of the Employer, in collaboration with the relevant managers, in line with the scheduled activities and their corresponding deadlines.
The programme undergoes a review at least annually during the Management Review, where the objectives are simultaneously reassessed. This activity is indispensable for assessing the real effectiveness of the management system, i.e. its ability to make a real impact on the company's management and activities.
The review involves evaluating the actual accomplishments in comparison to the set objectives and performance results, and identifying the reasons behind these outcomes.

Attraction and retention of talent

In January 2025, the BPER Group initiated a strategic Employer Branding plan with the objective of reinforcing its status as the "best place to work" within the Italian market. Throughout the year, innovative projects were implemented in line with the latest trends in talent recruitment, thereby enhancing our collaboration with 11 top Italian universities.
Through 33 dedicated events, the Group met over 1,330 students via individual interviews and group activities, promoting dialogue and mutual understanding. The visibility of the initiatives was enhanced on social media channels, particularly LinkedIn, through the creation of genuine and engaging content. This included a reel featuring young employees, designed to highlight and promote the company culture.
The Group's Career Site has served as a reference point for advertising open positions, encompassing both internship opportunities and new hires. It utilises inclusive language and promotes the company's values.

These activities are designed to encourage the development and attraction of talent, stimulate intergenerational exchange, and strengthen the recruitment of junior staff. This aligns with our goals of social sustainability and the growth of human capital.

Skills development programmes

The BPER Group views the enhancement of its employees' skills and abilities as a strategic tool to encourage sustainable growth, promote inclusivity, and ensure equal opportunities for professional development. The guidelines in 2025 that guided development activities and projects were:
In 2025, the guidelines that oriented development activities and projects were:

- mapping of internal skills and fostering the exchange of experiences;
- enhancement of company talents;
- reinforcement of integration and dissemination of an inclusive culture;
- promotion of feedback as a lever for sustainable growth.

The People Transformation Department oversees the strategy for the Group's skill development. The initiatives outlined below contribute towards fostering a fair, inclusive, and growth-focused work environment. This aligns with our social sustainability objectives and the principle of valuing human capital.

Skill Mapping
In 2025, the BPER Group finalised a project to map internal skills, with the objective of gaining a structured understanding of the hard skills within the company and aiding the planning of development trajectories. Competencies were self-reported by employees through a questionnaire, by role, and then validated by managers, thus ensuring an accurate and shared survey process.

Updating the Roles Catalogue
In 2025, the ongoing process of updating the role system continued, enabling the Group to maintain alignment with the mapping of professional occupations. The initiative involved incorporating, reviewing, and updating a range of job descriptions, with regard to the skills required for each role.

Aptitude Assessment
Continuing the talent management project "Switch on your Sparkle", BPER Banca initiated a programme in 2025 to evaluate the managerial potential of promising young individuals. The activity entailed completing a questionnaire and carrying out an empowerment interview. During this process, the aptitude profile was shared with the participants and recommendations for training were given.

Conversations with the CEO
In 2025, BPER Banca, backed by the People Management Department, provided individuals under 35 with the chance to partake in roundtables with the CEO. These were organised at their offices in Modena, Milan, Genoa, and Naples. The initiative fostered direct dialogue and understanding of company strategies, enabling the CEO to gather ideas and proposals for improving processes and working methods.

Gender Operational Plan - Self-Development Initiative
As part of the Gender Operational Plan, the BPER Group initiated a programme specifically for approximately 1,500 female middle managers who are not in positions of responsibility. For a period of 12 months, the participants were granted access to a digital platform. This platform provided personalised self-development pathways designed to enhance behavioural skills and foster professional growth. The initiative, supported by a library of varied content (including articles, excerpts from books, and educational snippets), promoted continuous learning and the development of female talent. This contributed to the advancement of equal opportunities.

Individual and Group Coaching
In 2025, BPER Banca provided personalised coaching courses designed to strengthen and reinforce leadership abilities. The initiative not only facilitated the development of specific skills to enhance managerial performance, but also fostered a heightened awareness in managing one's own career progression.
Moreover, within the Academy for new managers, group coaching sessions were incorporated to facilitate the exploration and development of new managerial behaviours through peer feedback exchange.

Speak up & Feedback Culture
In December 2025, the BPER Group initiated the "Let's Give Feedback | Dialogue to Build" programme for all staff members, aiming to foster a culture of ongoing dialogue between managers and employees. The objective is to incorporate feedback into daily life, promoting transparency, cooperation and development. Digital training modules have been launched, providing tangible examples of how to request, provide, and receive feedback in a clear and respectful manner. Additional multimedia content will be released in the upcoming months to reinforce this practice.

The consistent tracking and monitoring of initiatives and programmes designed for skills development is maintained.

Resource training

The BPER Group views professional training and refresher courses as a strategic and unique aspect, designed to foster individual development and manage the risks of non-compliance. All employees within the Group are engaged in structured and ongoing training initiatives, tailored to address various professional and organisational requirements. The range of training provided is categorised into behavioural, technical, regulatory, digital, and business-related courses. These are delivered through dedicated programmes tailored for specific roles, job role families, or the entire workforce.

In 2025, the digital content of the MiFID and IVASS certification maintenance courses was consolidated, amounting to a total of 40 training hours for approximately 11,000 colleagues from BPER, Banco di Sardegna, and Banca Cesare Ponti. Role Academies specifically dedicated to the professional roles of: Personal Advisors, Small Market Players Relationship Managers (Poe), Small Business Relationship Managers, Online Branch Advisors (FOL), Newly Appointed Branch Managers, and New Managers, amounting to a total of approximately 1,600 trained colleagues. The credit skills course as part of the "Culture of Credit" project came to an end.

In accordance with the Business Plan, ongoing ESG training for ESG Managers, Chiefs and Senior Management was maintained, incorporating both face-to-face and webinar sessions. Regulatory and mandatory training covers the entire corporate population with specific content on privacy, cyber security, anti-money laundering, MiFID IVASS regulation (including ESG modules), consumer credit, conflicts of interest, transparency, Legislative Decree no. 231/01 and occupational health and safety, Artificial Intelligence (AI) and DORA regulation. For new recruits an online training path has been devised made up of 35 training modules concerning bank teller and personal detail handling procedures. The training activities are scheduled according to timelines set by the relevant departments and are tailored in terms of duration and content to meet the needs of the requesting organisations and suppliers, ensuring effectiveness and efficiency.

Training is provided in a blended and digital format, with monitoring conducted through a mix of automated tools and manual oversight activities. The dedicated online course management platform guarantees automatic monitoring of training activities, logging each user's access and generating reports on course usage. In addition to the automatic monitoring, a manual verification process is conducted, which includes the regular generation of frequency reports. If instances of low attendance arise, reminders are sent to the HR Business Partners responsible for the affected staff members. The platform also dispatches automatic notifications to those required to undertake courses, aiding in ensuring that training deadlines are adhered to. In instances of in-person classroom training or webinar sessions, attendance is recorded and uploaded after the event.
The People Transformation Department consistently oversees the training activities of BPER and the Group.

Assessment and development of skills

The BPER Group deems it of primary importance that career assessment and development processes be developed in such a manner as to be applicable to all employees. The BPER Group is committed to specifically assessing all resources at each reporting level, following specific methodologies according to their professional profile and organisational role. Assessment is a right acknowledged for every individual employed within the Group, as per the CCNL for the banking sector, and serves as a significant opportunity for dialogue between the appraisee (employee or manager) and an appraiser (usually their immediate supervisor or coordinator).
2025 saw the consolidation of a technical skills survey process, an important tool both for assessing and managing the Group's skills base and for supporting learning, re-skilling and up-skilling processes, thereby fostering the development of career paths. This process involves a phase of self-assessment by all personnel of the technical skills required for the role, and is then completed by a similar survey by the manager. The survey form is mutually visible and a useful tool for constructive discussion with respect to professional development.
In order to ensure the effectiveness of the entire assessment process on the Group and the process of technical competence detection, continuous monitoring is carried out at a centralised level in order to achieve the results.
Performance management is geared towards stimulating individual performance in a consistent and measurable manner, empowering resources at all levels, ensuring the recognition of merit and rewarding distinctive performance.
The process applies to all employees of the BPER Group and is annual. In fact, it is carried out throughout the year, with scheduled activities:

- in the first months of the year, the form containing the objectives set by the assessor and shared with the person assessed is created and defined. During the year, there are both moments for feedback that can be requested by all the actors involved, as well as interim interviews between the manager and employees;
- the performance assessment cycle is initiated in December - January (year n+1) by the head or coordinator of the resource, and subsequently by the head, followed by a discussion with the HR Business Partner to analyse the proposed assessments;
- the compilation of the assessment summary is closed in the first four months of the following year, with the manager delivering the professional assessment.

The People Transformation Department assesses the skills deficit and invests in skills enhancement to strengthen the Group's strategy.

Actions related to Privacy and Data Protection

With a view to improving its data protection policies, the Bank adopted the new Privacy Policy for customers in 2024 and updated the privacy notice for BPER Group employees. In line with the previous year, in 2025, privacy training courses were provided to all BPER Group employees, which were developed with the advice of the Group Data Protection Office in order to tailor the content to the needs of the users.
For further information regarding Privacy and Data Protection Measures, please consult the details provided in the Disclosure Requirement "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".

IT Security Initiatives and Training

To ensure comprehensive enforcement of the "Security Management Macro-Process Regulation" and to manage relevant risks effectively, including those associated with staff confidentiality, the BPER Group periodically adopts a three-year Strategic Security Plan. Furthermore, the Group advocates for ongoing education on ethical and sustainable practices, providing specialised courses on data privacy and cyber security. The company establishes internal analysis and evaluation procedures to identify the actual or potential negative impact on the workforce and determine the most appropriate actions for its mitigation. For further details regarding actions in the realm of Privacy and Data Protection, please refer to Disclosure Requirement "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".

S1-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

D&I: 30% women in leadership positions

Within the framework of the 2024-2027 Business Plan "B:Dynamic |Full Value 2027", the BPER Group has defined a D&I target related to internal roles of responsibility. The objective is aligned with principles specified in the "Diversity, Equity and Inclusion Policy", as well as the initiatives associated with Goal 5 "Achieve gender equality and empower all women and girls" of the Global Agenda for Sustainable Development (UN 2030 Agenda).

This objective confirms the Group's focus on the inclusion of strategic D&I targets and is in continuity with the previous BPER e-volution Business Plan, which envisaged a specific target related to the percentage of female executives and one relating to the total percentage of female managers and female middle managers, reached in 2024.
The target set is to reach at least 30% women in leadership roles by 2027. The target was defined to identify the BPER Group's progress with respect to the positioning of the least represented gender in leadership roles in organisational units. In defining the target itself, the Group relied on benchmark analyses of the national banking sector. However, no new listening activities were envisaged in 2025, as this target is in continuity with the targets previously defined by the Group for the purposes of business and sustainability planning in previous years. In fact, it should be recalled that over the years the Group carried out extensive listening activities aimed at identifying the needs of employees and the gender equality issues they deemed most urgent.

More specifically, the target is relative in nature, as it calculates the number of women in leadership positions of organisational units out of the total number of resources in leadership positions of organisational units at Group level. It refers to female organisational unit managers in the Group[122].
The reference value for measuring progress on the target is the figure at the end of financial year 2025, and is set on the basis of the percentage of women in leadership positions recorded in 2025. Although no interim targets have been set, MBOs linked to the Business Plan target are set out in the Remuneration Policies.
By 31 December 2025, over 30% of leadership roles were occupied by women.
The target applies to the 2025-2027 three-year period, with its first application since 1 January 2025.
Possible lessons and improvements can be noted within the monitoring process of the Business Plan objectives.

30% of FTEs affected by the up-skilling programme and >60% of employees trained on ESG topics each year

The BPER Group has defined two objectives in this regard within the Business Plan: one relating to the implementation of up-skilling plans to support the goal of re-skilling at least 30% of the workforce (30% of FTEs affected by the up-skilling programme), and another relating to ESG training activities (>60% of employees trained). The two targets are aligned with the objectives and guiding principles specified within the Group Policies, in particular the "Policy for the management of human resources" and the "ESG Policy". These objectives are educational in nature, aimed at supporting and maximising BPER Banca's commitment to sustainability issues. In particular, the target of 30% of FTEs affected by the up-skilling programme refers to the number of employees of the BPER Group and is measured through a counter of employees who have changed role/organisational unit.

122 The corporate scope of the target includes: BPER Banca, Banco di Sardegna, Banca Cesare Ponti, Bibanca, Bper Factor, Sardaleasing, Finitalia and excluding the positions of responsibility of Arca, BPER Bank Luxembourg and Modena Terminal.

The target was defined by processing input collected by Human Resources Management, as well as through the activation of dedicated academies.
As for the target of >60% employees trained on ESG topics each year, it refers to the number of BPER Banca employees who will participate in ESG training courses, and is therefore measured by a dedicated counter. The target is defined in the Business Plan, based on ongoing training activities as well as specific requests from the Structure responsible for ESG content.

Specifically, three webinars were conducted for ESG Managers, focusing on pertinent legislation, market-leading practices, and upcoming ESG challenges. The goal was to promote the spread of knowledge and the incorporation of ESG factors into business procedures.

For newly appointed Branch Managers and Central Office Managers, role-based academies were organised, including a 1.5-hour module on ESG issues, on topics such as Group Strategy, customer approach, product catalogue.

Finally, for the functions involved in the resolution processes of credit exposures, specific training courses in the ESG sphere were activated for more than 1,000 employees working in the BPER Group's corporate centres and credit functions in the two-year period 2024-2025, organised with CRIF Academy.

The two targets apply as of 1 January 2025, throughout the three-year period 2025-2027. The Business Plan did not establish any interim targets, nor the direct involvement of the workforce or employee representatives in the process of setting and monitoring these targets. As of 31 December 2025, more than 32% of FTEs were in up-skilling programme and more than 64% of employees were trained on ESG topics in 2025.

IT Security Targets

The Business Plan incorporates specific KPIs to oversee the implementation of the Strategic Security Plan, which directly engages employees. For further information on actions related to IT security, please refer to the description provided in Disclosure Requirement "S4-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities".

S1-6: Characteristics of the undertaking's employees

All metrics presented related to the S1 standard have been impacted by the acquisition of the Banca Popolare di Sondrio Group as of the second half of 2025; furthermore, these metrics have not been validated by an external body other than the party issuing the certificate of compliance. The own workforce data are headcount data.

Information on the number of employees by gender

Gender	31.12.2025 Number of employees	31.12.2024 Number of employees
Women	10,019	9,310
Men	12,281	10,222
Other	-	-
Not reported	-	-
Total employees	**22,300**	**19,532**

This is the consolidated figure of all Group Companies as at 31 December 2025 and corresponds to what is reported in the Financial Statements, with the exclusion of employees on leave, who are only considered for Sustainability Statement purposes.

Number of employees in countries where the undertaking has at least 50 employees representing at least 10% of its total number of employees

Country	31.12.2025 Number of employees	31.12.2024 Number of employees
Italy	21,882	19,495

Information on number of employees by contract type, broken down by gender

Employees	31.12.2025			31.12.2024		
	Women	Men	Total	Women	Men	Total
Permanent employees	10,007	12,269	22,276	9,226	10,162	19,388
Temporary employees	12	12	24	84	60	144
Non-guaranteed hours employees	-	-	-	-	-	-
Total employees	**10,019**	**12,281**	**22,300**	**9,310**	**10,222**	**19,532**
Full-time employees	7,724	12,147	19,871	7,120	10,100	17,220
Part-time employees	2,295	134	2,429	2,190	122	2,312

Employee turnover rate

	31.12.2025	31.12.2024
Number of outbound employees	1,418	1,527
Employee turnover rate	**6.36%**[123]	**7.82%**

The figure refers to the number of outbound employees as at 31 December 2025, excluding intra-group transfers. The turnover rate is calculated as the number of outbound employees as at 31 December 2025 (on a voluntary basis or due to dismissal, retirement or death in service) out of the total number of employees as at 31 December 2025.

S1-7: Characteristics of non-employee workers in the undertaking's own workforce

Characteristics of non-employee workers in own workforce

	31.12.2025	31.12.2024
Total non-employee workers	**381**	**209**
of which self-employed	18	12
of which internships	40	32
of which number of workers provided by undertakings engaged in employment activities (contract workers)	323	165

The figure refers to all Group companies, counting the number of non-employee workers as at 31 December 2025. The own workforce data (including non-employees) are headcount data.

The rise in temporary staff is due to a short-term requirement linked to the integration process following the acquisition of the Banca Popolare di Sondrio Group. Additional personnel are needed to maintain business continuity throughout these activities. This rise is therefore contingent and addresses a particular requirement associated with supporting the resources involved in alignments.

S1-8: Collective bargaining agreement coverage and social dialogue

Percentage of employees covered by collective bargaining agreements

	31.12.2025	31.12.2024
Percentage of employees covered by collective bargaining agreements	99.98%[124]	99.97%

123 The figure for terminated employees of Pirovano Stelvio s.p.a. includes seasonal workers.

124 The lack of full coverage by collective bargaining agreements is due to the presence of a foreign company (BPER Bank Luxembourg).

Collective bargaining agreement coverage and social dialogue

Coverage rate as at 31.12.2025	Collective bargaining agreement coverage		Social dialogue
	Employees - EEA (for countries with >50 empl. representing >10% of total empl.)	Employees - non-EEA (estimate for regions with >50 empl. representing >10% of total empl.)	Workplace representation (EEA only) (for countries with >50 empl. representing >10% of total empl.)
0-19%			
20-39%			
40-59%			
60-79%			
80-100%	Italy		Italy

The same result was found in 2024 (80-100% range).

In addition to the CCNL for the banking sector, the Group applies the CCNL for logistics, goods transport and shipping for Modena Terminal employees, and the ANIA (insurance) CCNL insurance contract for Finitalia, for Rent2Go the tertiary trade contract, and for Pirovano Stelvio the Federalberghi contract.
The rules laid down by Italian law (in particular Law 300/1970) are applied, as well as the agreements envisaged at sector level and second-level rules regarding workers' representatives. There are no arrangements for representation by a European Works Council (EWC), a Societas Europaea (SE) Works Council, or a Societas Cooperativa Europaea (SCE) Works Council, as there are no regulatory prerequisites.

S1-9: Diversity metrics

Gender distribution at top management level

Gender	31.12.2025		31.12.2024	
	Number of employees	Percentage of employees	Number of employees	Percentage of employees
Women	2	8.00%	3	11.11%
Men	23	92.00%	24	88.89%
Total employees	**25**	**100.00%**	**27**	**100.00%**

Consistently with what is applied for the purposes of the Remuneration Policy, the Group applies the definition of "top management" as per European Union Directive 36 of 26/06/2013, according to which it considers: "natural persons who exercise executive functions within an institution and who are responsible, and accountable to the management body, to which they do not belong, for the day-to-day management of the institution" with reference to the scope of the so-called Material Risk Takers (Banking Group scope) recognised as at 31 December 2025 and including the so-called "Managers with Strategic Responsibilities".

Total employees

	31.12.2025 (Number of employees)	31.12.2024 (Number of employees)
< 30 years	1,470	878
30-50 years	11,716	10,554
> 50 years	9,114	8,100
Total employees	**22,300**	**19,532**

S1-10: Adequate wages

The Group is committed to ensure equal professional opportunities and remuneration, through the use of neutral, objective and inclusive criteria for the assessment of performance, based on the recognition of skills, experience, performance and professional qualities. Market analyses and comparisons are constantly carried out in order to verify and guarantee equal pay in line with the role performed, the complexity managed and personal merit. In particular, all Group employees receive an adequate salary in line with the applicable benchmarks.

S1-11: Social protection

All Group employees are covered by social protection, through public programmes or benefits offered by the company against loss of income due to a major life event.

S1-12: Persons with disabilities

Persons with disabilities amongst its employees subject to legal restrictions on the collection

Gender	31.12.2025 (Percentage of employees)	31.12.2024 (Percentage of employees)
Women	2.57%	2.54%
Men	2.98%	2.79%
Total	**5.54%**	**5.34%**

Due to privacy considerations, the employees of Banca Popolare di Sondrio Suisse are not factored into the calculation of the percentage of disabled individuals within the workforce. In Switzerland, such information is considered highly sensitive personal data, warranting special protection. This is in accordance with the principle of data minimisation and privacy protection stipulated in the so-called DPA (Federal Act on Data Protection).

S1-13: Training and skills development metrics

Percentage of employees who participated in regular reviews

Gender	31.12.2025 Percentage of employees	31.12.2024 Percentage of employees
Women	93.22%	92.74%
Men	95.34%	93.88%
Total	**94.39%**	**93.33%**

The percentage of employees who participated in regular performance reviews is calculated using the total number of employees as the denominator, as required in Disclosure Requirement "S1-6: Characteristics of the Undertaking's Employees" and thus non-assessable employees are also included in the denominator[125] [126].

Average number of training hours by gender

Gender	31.12.2025 Average training hours	31.12.2024 Average training hours
Women	61.26	54.40
Men	55.24	50.06
Average number of training hours	**57.94**	**52.13**

In compiling this table, employees were taken into account and not the total workforce. Thus, external labour (self-employed workers, interns and agency workers) was excluded. Shadowing (on-the-job) is excluded from the calculation of training hours.

The average number of training hours displays a positive trend, primarily bolstered by the enhancement of mandatory online courses for staff and by focused monitoring, which has promoted a higher rate of training completion. On the whole, these levers boosted the participation in training, leading to a substantial enhancement in the indicator.

125 For this metric, the Banca Popolare di Sondrio Group's contribution was supplemented by taking into account the periodic reviews that were conducted throughout the 2025 calendar year. Given their particular frequency, only considering the last six months of the year would not have adequately valued the Bank's activity.

126 For the year 2025, the number of periodic audits carried out has not been defined by BPER Group management.

S1-14: Health and safety metrics

Occupational health and safety metrics

	31.12.2025		31.12.2024	
	Employees	Non-employees	Employees	Non-employees
Percentage of own workers covered by the health and safety management system	100.00%	100.00%	100.00%	100.00%
Number of fatalities as a result of work-related injuries and work-related ill health	-	-	-	-
Number of recordable work-related injuries	48	-	49	-
Rate of recordable work-related injuries	1.58	-	1.65	-
Cases of recordable work-related ill health	-	-	-	-
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	1,040	-	1,393	-

The method for calculating health and safety metrics encompasses all workers included in the health and safety management system. Accidents reported only include events that fall within the ESRS definitions: those occurring during service activities (travel, missions, off-site services) are included, while homework trips are excluded.

The accident rate is determined by correlating recorded incidents with the number of hours worked. However, instances of work-related illnesses and lost days are only taken into account if they fall within the specified categories and adhere to regulatory restrictions. The process also complies with the obligations of Legislative Decree No. 81/2008 on the protection of health and safety in the workplace.

Ultimately, the reduction in lost days can be attributed to both a minor decrease in commuting accidents - in line with the rise in flexible working days - and a more substantial decrease in workplace accidents. The latter can be attributed to the enhancement of risk assessment and management activities, as well as an increased awareness of health and safety issues. This is further validated by the attainment of ISO 45001 certification in June 2025.

S1-15: Work-life balance metrics

Percentage of employees entitled to family-related leave by gender

Family-related leave	31.12.2025			31.12.2024		
	Women	Men	Total	Women	Men	Total
Percentage of employees entitled to take family-related leave	100.00%	100.00%	**100.00%**	100.00%	100.00%	**100.00%**
Percentage of entitled employees who took family-related leave	60.05%	36.64%	**47.16%**	60.09%	40.50%	**49.84%**

The proportion of employees eligible for family leave and the corresponding proportion of those who have taken it are calculated based on the total employee population of the Group. The scope encompasses all group staff and the types of leave stipulated by internal rules and policies.

S1-16: Remuneration metrics (pay gap and total remuneration)

Gender pay gap

Pay gap	31.12.2025 Percentage	31.12.2024 Percentage
Pay gap	19.31%	17.16%[127]

127 This figure has been recalculated following the change in methodology. In the 2024 Consolidated Sustainability Statement, there was a pay gap of 14.54%.

It should be noted that in 2025 the calculation methodology was refined, therefore, the gender pay gap is calculated by considering the total overall compensation, i.e. the sum of the fixed remuneration in 2025 and the variable remuneration paid both in cash and in financial instruments (phantom stock or BPER Banca shares) in the year, including the main benefits without considering any objective pay differentiation factors. It should be highlighted that the figure for 2025 is also influenced by the alteration in the company's scope to which the calculation pertains.

Annual total remuneration ratio

Annual total remuneration ratio	31.12.2025	31.12.2024
Annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees (excluding the aforementioned individual)	65.84	63.73

For the most relevant personnel or MRT (material risk takers), i.e., those Group personnel whose professional activities have or may have a significant impact on the Bank's risk profile, as defined in the BPER Group's Remuneration Policies, the overall remuneration corresponds to the sum of the fixed remuneration actually received in 2025 and the variable remuneration on an accrual basis made up of the part of the bonus paid in cash (cash) and the part paid in financial instruments (BPER Banca shares) considering the portion actually "accrued" (vested and attributable) in the year. For the remaining personnel, the overall remuneration corresponds to the sum of the fixed remuneration and the variable remuneration actually received in 2025 (cash accounting method). The dataset coincides with the number of employees reported in ESRS S1-6 with the exception of one employee on leave without pay during 2025.
It should be highlighted that the figure for 2025 is also influenced by the change in the company's scope to which the calculation refers. In 2025, despite an increase in employee remuneration, there was a marginal rise in the indicator, primarily due to the revision of the CEO's pay-mix in favour of the short-term target variable component.

S1-17: Incidents, complaints and severe human rights impacts

In 2025 for the BPER Banca Group, there were no incidents and subsequent complaints of harassment in the workplace submitted through the established channels. No administrative sanctions were applied.
The BPER Group has not received any employment-related complaints regarding human rights from its own workforce. Therefore, no administrative sanctions were applied.

3.2 Workers in the value chain (S2)

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

IROs-PAT table

Sub-topic	PATs and related IROs
Working conditions - • Secure employment • Working time • Adequate wages • Social dialogue • Freedom of association, including the existence of work councils • Collective bargaining • Work-life balance	**Policies:** • ESG Loan Origination Policy **(I-23)**
Working conditions - Health and Safety	**Policies:** • ESG Loan Origination Policy **(I-24)**
Other work-related rights - Privacy	**Policies:** • Security Management Macro-process Regulation **(I-25)**

In the double materiality analysis, the BPER Group identified a significant potential positive impact associated with "Financing for companies that ensure suitable working conditions for their employees". This impact arises from the integration of ESG criteria into credit ratings, which steers financing towards companies with policies focused on occupational safety, regular contracts, and staff training. The workers in question are those employed by the financed companies, with the effects primarily felt in Italy and the EU countries where the Group conducts its operations.
Additionally, potential adverse effects have been identified, particularly concerning "Occupational accidents and illnesses among value chain employees" and "Instances of data loss for value chain employees (customers and suppliers) due to non-adherence to security requirements".

These impacts pertain to workers in the upstream value chain, including those employed by suppliers, and downstream, concerning those employed in financed businesses. With respect to the latter, there is a need for the Group to assess the individual counterparty/transaction according to its main characteristics, i.e. type of business, area of operation, presence of applicable regulations in the jurisdictions in which the client company operates, focusing on the areas of greatest potential impact. As far as suppliers are concerned, it should be noted that the "Code of Ethics" is also binding for this category: suppliers are sensitised to carry out their activities by following standards of conduct consistent with those set out in the Code.

For further details regarding the workers involved in the value chain mentioned in this disclosure, please refer to the Disclosure Requirement "SBM-2: Interests and views of stakeholders".

It is important to specify that certain economic sectors, or types of activities involving supply chains operating outside Europe, show a greater exposure to the risk of non-compliance with regulations in force in Italy and/or labour rights violations, and are therefore deserving of greater and more pronounced attention at the financing stage. However, an analysis of the BPER portfolio positioning does not reveal marked exposure to geographic areas (particularly those outside Europe, where the Group has no exposure to client companies) where significant risks of child, forced or compulsory labour persist, nor marked sectoral concentrations in sectors most exposed to significant social risks. No generalised or systemic impacts were found during 2025. Cases of individual worker accidents are not normally handled in the credit process, unless they lead to intervention by the judicial authorities, or in cases of negligence or liability on the part of the companies and/or their directors, resulting in degradation also from a credit point of view.

S2-1: Policies related to value chain workers

Relevant human rights commitments concerning workers in the value chain

Although the BPER Group does not have a policy specifically dedicated to human rights with structured processes and mechanisms to monitor the respect of workers' rights in the value chain, it considers the issue within its "Code of Ethics" and within its "ESG Policy". These documents draw inspiration from key international standards, such as the "United Nations Guiding Principles on Business and Human Rights", the "OECD Guidelines for Multinational Enterprises on Responsible Business Conduct", and the "ILO Declaration on Fundamental Principles and Rights at Work". They establish principles and guidelines to ensure responsible conduct, including the safeguarding of fundamental workers' rights.
For further details on the contents of the aforementioned Policies, please refer respectively to the Disclosure Requirement "G1-1: Corporate culture and business conduct policies" and the Disclosure Requirement "E1-2: Policies related to climate change mitigation and adaptation".

As of now, the Group does not have any specific processes or mechanisms in place that are aimed at involving workers in the value chain. However, it again confirmed its commitment to this issue in 2025 by promoting opportunities for dialogue and cooperation with various organisations working on key human rights issues independently of the development of business partnerships. Lastly, it is worth noting that there was no evidence of any breach of the "United Nations Guiding Principles on Business and Human Rights", the "OECD Guidelines for Multinational Enterprises on Responsible Business Conduct", or the "ILO Declaration on Fundamental Principles and Rights at Work" concerning the workers mentioned.

ESG Loan Origination Policy

The BPER Group delineates its stance on worker protection within the value chain, specifically regarding health and safety management, in its "ESG Loan Origination Policy". This Policy addresses ESG risk factors in lending activities, offering overarching principles and guidelines for assessment during the approval and monitoring of loans. For more details on the "ESG Loan Origination Policy", please refer to Disclosure Requirement "E1-2: Policies related to climate change mitigation and adaptation".

Security Management Macro-process Regulation

The BPER Group's "Security Management Macro-process Regulation" defines the basic principles and rules for protecting the confidentiality, integrity and availability of the Group's and its customers' data, information and ICT resources.

For more details on the contents of the document, please refer to the description in the Disclosure Requirement "S4-1: Policies related to consumers and end-users".

S2-2: Processes for engaging with value chain workers about impacts

To date, the BPER Group has not activated processes to directly engage the workers of funded undertakings (nor their legitimate representatives) in order to guide its decisions or activities aimed at managing the actual and potential impacts on them, with specific reference to the issue of workplace health and safety; moreover, there are no measures to better understand the point of view of workers who may be particularly vulnerable to impacts and/or marginalised.

In any case, as part of the actions aimed at obtaining analytical data relating to corporate clients belonging to the sectors identified by the "ESG Loan Origination Policy", information is also obtained relating to the processes of involvement of workers in the value chain, including any "whistleblowing" mechanisms.

S2-3: Processes to remediate negative impacts and channels for value chain workers to raise concerns

In order to limit exposure to the potential negative impact of occupational accidents and illnesses in value chain workers, the BPER Group has decided to focus its monitoring action on the health and safety of the funded undertaking's workers, in line with its banking activity and according to the indications described above. In this sense, the identification of the areas most at risk of labour rights violations and the targeting of analyses on this element within ordinary lending processes, or any due diligence on specific loans, mitigates the potential negative impact.
As of now, there are no available channels for workers in the value chain to express their concerns or needs.

However, in order to intercept as far as possible any early warning signals, the BPER Group has an ESG score provided by a third-party info provider in which, among others, elements related to employee relations such as the level of remuneration, the presence of ISO 18001 or 45001 certification, and the presence of whistleblowing mechanisms in funded undertakings are assessed. Furthermore, as part of the annual review of the "ESG Loan Origination Policy", the inclusion of the legality rating was incorporated as an aspect of counterparty evaluation. Any revocation or cancellation of such a rating is also viewed as a negative evaluation of the business.
Additional adverse impact mitigation initiatives pertain to the ordinary monitoring of credit quality and are part of the credit monitoring process.

There are no processes through which the Group supports or requires the availability of such channels in the workplace of value chain workers. However, through the client company's relationship manager, any tense situations with employees leading to, inter alia, work stoppages or disputes with a fiduciary impact can be reported for enhanced credit management.

The BPER Group envisages triggering the early warning mechanism, with possible consequences also in terms of worsening the classification of the counterparty, in the event of prejudicial events or seizures of the company.
In the event of a final conviction, the exposure is managed in order to end the relationship with the convicted party.
Furthermore, the Group operates under indirect supervision, utilising information gathered from specialised information providers, which also collate any relevant press reports.
Finally, the BPER Group acquires information on the presence of any whistleblowing channels within the funded undertakings; however, it is not in a position to monitor whether policies are in place in client companies to protect those who use such structures and processes from retaliation.

The efficacy of the mitigation measures outlined above is evaluated within the wider framework of routine audits of the Early Warning System's effectiveness and the monitoring activities related to the loan portfolio.

S2-4: Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions

There was no evidence of serious human rights problems and incidents related to funded undertakings in 2025.
In line with the above, as part of the regular updating of the "ESG Loan Origination Policy", and in accordance with the materiality analyses promoted by the competent functions, further exclusion criteria would be added to the Policy, if areas of particular risk of negative impacts on workers in the value chain are identified, for example in relation to specific geographical or sectoral areas identified as particularly risky.

For counterparties with evidence of violations of the minimum safeguard clauses, a periodic monitoring is in place and the detection leads to the triggering of specific evidence, resulting in the application of restrictive lending policies and management through an enhanced credit supply chain.
For businesses operating in sectors with a higher risk of infringing fundamental labour rights, either within their own workforce or along their value chain, the analysis of these businesses from an ESG perspective places greater emphasis on "social" issues. This includes considering potential factors related to working conditions such as occupational health and safety measures and checks, remuneration matters, and the existence of ethical codes of conduct and/or supplier guidelines.

Financing provided to counterparties through Sustainability Linked Loans, where KPIs are specifically related to areas of critical concern, is considered an element of risk mitigation.

Any further investigations are conducted in line with the principles of proportionality, avoiding excessive reporting obligations that surpass those stipulated in the Client Companies Act.

This action is overseen by the credit area and the relevant people.

Other actions related to security management in the value chain

The BPER Group promotes initiatives and training courses aimed at strengthening the culture of cybersecurity and mitigating cyber risks, ensuring the protection of workers in the value chain.

For further details on the initiatives promoted and implemented by the Group, please refer to the description provided under the Disclosure Requirement "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".

S2-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The BPER Group has not set any measurable targets for workers in the value chain, also in view of the fact that the impacts identified are mainly related to the occurrence of single episodes and not systemic in nature. Policies and any measures to manage significant negative impacts are periodically reviewed to ensure they align with the best industry practices.

3.3 Affected communities (S3)

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model (S3)

IROs-PAT table

Sub-topic	PATs and related IROs
Communities' economic, social and cultural rights - Adequate housing	**Policies:** • ESG Policy **(I-26)** • ESG Loan Origination Policy **(I-26)** **Actions:** • Improving housing in the footprint areas **(I-26)**
Communities' economic, social and cultural rights - Water and sanitation	**Policies:** • ESG Policy **(I-27)** • ESG Loan Origination Policy **(I-27)** **Actions:** • Project Financing for the health/hospital sector and structured finance interventions to support housing **(I-27)**
Communities' economic, social and cultural rights - Land-related impacts	**Policies:** • ESG Policy **(I-28, I-29, O-5)** • ESG Loan Origination Policy **(I-28)** • Group Regulations on the Process of Institutional Promotion and Donations **(I-28, O-5)** • Policy governing the relations of the BPER Group Banks and Companies with defence operators, weapons manufacturers and dealers **(I-28)** • ESG Investment Policy for the Management of the Group's Banking Book **(I-28)** **Actions:** • Donations and investment in communities **(I-28, O-5)** • Financial education and other educational projects **(I-28, I-29)** • Fight against compulsive gambling **(I-28, I-29)** • Actions/Initiatives on violence against women **(I-28, I-29)** • Enhancement of culture, artistic heritage and sport **(I-28)** • Other activities with a strong social impact - Third Sector crowdfunding **(I-28)** **Targets:** • Euro 20 million in contributions to local communities **(I-28, O-5)**

The business model of the BPER Group stands out due to its positive influence on communities, particularly through its backing of crucial infrastructure and social welfare services. These are deemed essential for collective development and overall well-being. The double materiality analysis highlighted substantial positive effects, including the enhancement of housing conditions in various regions through mortgage provision for property purchases and financial aid to housing associations. It also revealed the safeguarding of community health through project financing for the health and hospital sector, and the contribution to the socio-economic growth and financial literacy of communities. In addition, the opportunity of strengthening relations and

positioning in the footprint areas through donations and sponsorships within the communities was found material, while no negative impacts or material risks emerged.

Further reinforcing the Group's commitment to sustainability and inclusion are its membership of bodies and associations active on ESG issues, such as Global Compact, O.I.B.R., Impronta Etica, Fondazione Sodalitas, FEduF, Forum per la Finanza Sostenibile, Sustainability Makers, Associazione per la RSI, Valore D, D.i.Re and ABI working groups.
The BPER Bene Comune function oversees areas of the Third Sector, Public Administration and Social Economy since 2023, with the aim of increasing financing with a positive social impact, in line with the Business Plan objectives.
With regard to proprietary investments, the Group adopts an approach aimed at identifying and assessing potential ESG risks arising from financing and investments in companies operating in controversial sectors, with a low ESG rating, involved in serious events that have led, or may lead, to negative environmental, social or governance-related impacts, consistent with the "ESG Investment Policy for the Management of the Group's Banking Book".

Lastly, the approach to the community is the result of strategic choices consolidated over time, successfully pursued in recent years and renewed with the 2024-2027 Business Plan "B:Dynamic | Full Value 2027", which, by providing for contributions in donations and sponsorships, bears witness to and renews the ongoing commitment to the sustainable development of the areas in which the Group operates.

The Group mainly considers the affected communities present in the areas in which it operates (in Italy, in Luxembourg and, from 2025, in Switzerland following the acquisition of the Banca Popolare di Sondrio Group), recognising them as recipients of the products and services offered, as well as of the support initiatives at social, cultural and sporting levels. The interest of the affected communities is also a significant factor in the evaluation process for granting loans to sectors or executing transactions in line with the "ESG Loan Origination Policy". Through this framework, the Group aims to explicitly include all affected communities, even those indirectly impacted, in the scope of disclosure, ensuring a transparent and ESG-compliant approach.

S3-1: Policies related to affected communities

Relevant human rights commitments relating to the affected communities

The double materiality analysis showed that there were no negative impacts on the human rights of the affected communities. In this sense, the BPER Group has not currently defined any processes to remediate impacts on human rights in the affected communities, without prejudice to the safeguards present in the "Code of Ethics" and in the 231 Model of which the first is an integral part.
The Group also addresses the matter of human rights, pertaining to the entire community, within the "Code of Ethics" and the "ESG Policy". For further details, please refer to the Disclosure Requirements "G1-1: Business conduct policies and corporate culture" and "S2-1: Policies related to value chain workers"), although it does not have a Policy specifically related to human rights within which processes and mechanisms to monitor compliance with human rights principles relevant to the affected communities are set out. The Group considers the communities in the country that may be exposed to impacts through the financing activities of sectors with high ESG impact.

In 2025, the BPER Group confirmed its commitment to human rights, promoting opportunities for dialogue and collaboration with various organisations committed to fundamental issues in the field of combating gender violence, social inclusion of the weaker segments of society, the right to financial education, and the fight against pathological gambling, which are discussed below. The BPER Group is a signatory to the United Nations Global Compact and draws inspiration from the "United Nations Guiding Principles on Business and Human Rights", the "OECD Guidelines for Multinational Enterprises on Responsible Business Conduct", and the "ILO Declaration on Fundamental Principles and Rights at Work". These commitments are further emphasised in their "ESG Policy". Lastly, this year there was no evidence of instances of non-compliance with the "United Nations Guiding Principles on Business and Human Rights", the "ILO Declaration on Fundamental Principles and Rights at Work", or the "OECD Guidelines for Multinational Enterprises on Responsible Business Conduct" involving the affected communities.

ESG Policy

The document identifies the BPER Group's sustainability commitments through the integration of sustainability principles within the value chain, highlighting a constant commitment to reconciling economic, social and environmental objectives, generating value for the company, stakeholders and local communities.

For further details, please refer to the policy description provided in the Disclosure Requirement "E1-2: Policies related to climate change mitigation and adaptation".

ESG Loan Origination Policy

The Policy highlights the Group's approach of care and vigilance towards gambling, with particular reference to the affected communities. It also addresses the potential impact that certain financing operations may have on local communities.

For further details, please refer to the comprehensive policy description in Disclosure Requirement "E1-2: Policies related to climate change mitigation and adaptation".

Group Regulations on the process of institutional promotion and donations

The "Group Regulations on the Process of Institutional Promotion and Donations", updated in July 2025, outline the methods by which this process is conducted. Its objectives are:

- promoting the development of the territory by supporting projects and initiatives that are consistent with the BPER Group's business and development activities;
- creating and/or consolidating the relationship with the beneficiaries of the interventions and, through them, with individual members, from a banking and institutional point of view (collaboration, joint initiatives, mutual promotion of their role in the territory);
- disseminating and conveying the Group's image in the different areas of operation.

The relevant national legislation is mainly represented by Law 190 of 6 November 2012 and Legislative Decree 38 of 15 March 2017, in addition to the legislation in force from time to time.

The regulations apply to all companies in the reporting boundary with the exception of: Modena Terminal, BPER Real Estate, Arca Fondi SGR, Adras, Arca Holding, Sant'Anna Golf, Annia; it should be noted that the implementation of this Regulation will be requested, if applicable, by the Parent Company's owner function to the Companies of the Banca Popolare di Sondrio Group.

The Regulations envisage the exclusive recipients of contributions as the bodies and associations duly constituted pursuant to the law, whose activities do not conflict with the Group's ethical principles and have a social, non-private value, and whose activities have a positive impact on local communities in terms of cultural, moral, social and economic growth. No provision has been made for stakeholder engagement in the definition of the Regulations. The Communication Department is responsible for the implementation of the Regulations, which are available to all employees on the company intranet.

Policy governing the relations of the BPER Group Banks and Companies with defence operators, weapons manufacturers and dealers

The "Policy governing the relations of the BPER Group Banks and Companies with defence operators, weapons manufacturers and dealers" governs the relationships with defence operators and firms engaged in the manufacture and sale of armaments and military supplies. This is in accordance with the principles outlined in the Parent Company's "Code of Ethics".

The Policy applies to all companies in the reporting boundary with the exception of: Modena Terminal, BPER Real Estate, Adras, Arca Holding, Sant'Anna Golf, Annia; it should be noted that the companies of the Banca Popolare di Sondrio Group only started to implement this Policy as from the date of exercise of direction and coordination activities by BPER (i.e. 18 July 2025) and subject to the approvals of the relevant Corporate Bodies. It is worth noting that the Banca Popolare di Sondrio Group already had a Policy in place regarding financing within the armaments production and trade sector. This Policy outlines the principles and strategies adopted to manage financing in the armaments sector, through specific actions that align with the corporate structure. It also details how this integrates with the bank's internal policies.

With reference to Italian Law 185/90, the BPER Group has chosen not to provide an absolute prohibition, but to give itself rules to establish which operations can be considered as eligible for approval and which cannot; they are expressed in the choice logic adopted by the BPER Group on the following factors:

- type of counterparty;
- nature of the activities and/or financial services applied for;
- characteristics of the final recipient.

The counterparties potentially involved in the application of this Policy include:

- manufacturers or traders of "controversial" weapons that are banned or regulated under international Conventions or Treaties, (anti-personnel mines, cluster munition, biological, chemical or nuclear weapons, weapons of mass destruction banned under International Treaties);
- manufacturers or traders of conventional weapons and defence operators.

The following are excluded from the scope of the Policy:

- enterprises engaged in storage and commercial brokering in the field of arms, except as set out in Italian Law 220/21;
- manufacturers engaged in the production of and trade in only sporting, hunting and collectible arms, "common firearms" and "non-automatic short firearms" and their ammunition; this exclusion does not apply when intra-Community transfers and exports of these materials are destined for government bodies or armed forces or police forces.

The company's standard rules governing the processing and disbursement of loans and the provision of services apply to these two types of undertakings.

The financial activities and services falling within the scope of application of the Policy include:
- direct shareholdings of BPER Banca or its subsidiaries in Companies that manufacture or trade armament material;
- financing (of any kind, including "signature loans" and "general credit", also commonly referred to as "credit lines") for companies manufacturing or selling armament material;
- wire transfer collection and payment services, unconfirmed export documentary credit, payment of documented remittances or collection of documented remittances in favour of companies manufacturing or selling armament material;
- management of deposits and investments (including cash held in current accounts, asset management, treasury management, cash pooling) for companies manufacturing or selling armament material;
- investment services falling within the notion of financing within the meaning of Italian Law 220/21.

The BoD is responsible for approving the Policy. The Chief Executive Officer approves waivers pertaining to direct holdings while the Chief Financial Officer approves the "white list" of permitted countries, waivers/exceptions pertaining to operations of companies related to the armaments sector and, for the purposes of Law No. 220/21, assesses controversial/doubtful situations pertaining to this Law.
The regulatory framework includes Law No. 185/90, which regulates the export, import and transit of armaments, and Law No. 220/21, which prohibits the financing of companies producing anti-personnel mines and cluster munitions. In addition to these, there are existing EU regulations that prohibit the import/export of military goods and technologies, or those that could be utilised for internal repression, along with associated financial services. To ensure compliance with Law No. 220/21, the instructions of the Bank of Italy, COVIP, IVASS and MEF (July 2024), which impose enhanced controls on intermediaries, are also followed. This is subject to compliance with the regulations in force at the time.

The Group's approach seeks the correct balance between a number of general reference values: the promotion of human rights and peace, respect for the right to defence and the security of peoples and nations, and respect for the freedoms of enterprise and economic initiative within the rules of the legal system.
Group Companies are thus committed to accurately assessing the characteristics and behaviours of the counterparties they come into contact with, so as to avoid engaging in transactions that are incompatible with their reference values and principles. The extract of the Policy is available on the Group's website.

ESG Investment Policy for the Management of the Group's Banking Book

The Group wants to integrate ESG principles into its investments and management standards; this Policy therefore aims to define its general principles and "guidelines".

For further details regarding the contents of the Policy, please refer to the description provided in Disclosure Requirement "E1-2: Policies related to climate change mitigation and adaptation".

S3-2: Processes for engaging with affected communities about impacts

Sponsorship Management (SPM) Procedure/Portal, Self-certification form of the impact of the contribution received & partnerships with bodies and associations

The initiatives promoted by the BPER Group throughout the territory represent important opportunities to be close to the communities and to acquire greater awareness of their expectations and needs. BPER Banca receives requests for sponsorships and/or donations through the SPM Procedure/Portal from the registered associations and entities, thus directly engaging the affected communities or their legitimate representatives. The Sponsorship Office, which is responsible for this activity, then assesses requests in line with the Bank's objectives and the "Code of Ethics", and verifies their positive impact on the community.

This occurs through the following phases:
- registration phase: all external users register on the portal, entering information on the association/body and the legal representative, and uploading articles of association and tax documents;
- request entry phase: within its own dashboard, the external user can enter the contribution request according to the format provided by the procedure and submit it for further analysis;
- analysis, preliminary investigation (approval or refusal): the user can check the status of the application from the dashboard and receives an e-mail when the request is approved or refused.

The process is carried out continuously. The effectiveness of the interventions is evaluated through:
- returns in terms of visibility and positioning;
- media and social media coverage (measured e.g. through the number of post views, press coverage, etc.);
- self-certification form of the impact and visibility of the contribution received, aimed at measuring the impact produced by the initiative.

S3-3: Processes to remediate negative impacts and channels for affected communities to raise concerns

Currently, there are no dedicated channels for the community to report concerns and receive assistance. However, within the websites of the Group's companies, there are email contacts available to direct specific needs, such as requests for donations and sponsorships.

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

The BPER Banca Group is committed to the enhancement of its presence in the areas of operation through partnership initiatives, sponsorships and donations; the activities supported favour those areas attributable to the Group's system of values, in particular the development of cultural realities, the inclusion of the weakest groups of society, support for the younger generations and financial education[128]. The initiatives mentioned below are monitored over time by the promoting functions.
During the current year, there was no evidence of human rights problems and incidents related to the affected communities.

The actions described below are aimed at pursuing positive impacts for the affected communities and are also designed to support the achievement of one or more of the UN Sustainable Development Goals (SDGs), such as:

- Goal 1 - No poverty;
- Goal 4 - Quality education;
- Goal 5 - Gender equality;
- Goal 11 - Sustainable cities and communities;
- Goal 12: responsible consumption and production.

Improving housing in the footprint areas

In 2015, the BPER Group joined the initiative promoted by ABI - MEF to set up the Fondo di Garanzia Prima Casa (Consap) (First Home Guarantee Fund), initially envisaged to the extent of 50%.
In 2021, the "Decreto Sostegni Bis" extended the use of the Guarantee up to 80% also for the purchase of the first home by certain priority categories (as defined in the 2021 Bis Support Decree and the 2024 Budget Law, such as "large families", "single-parent families with minor children", etc.). For all priority categories, BPER Banca ensures the use of the Guarantee in accordance with the protocols and has created a special product dedicated to the Under 36 target, with certain characteristics (purchase of non-luxury properties, ISEE below Euro 40,000, no other property registered in the buyer's name).

Banks within the group develop these products for customers who fall into the aforementioned priority categories. These actions are developed continuously, also in line with the provisions of the Business Plan and the evolution of the regulatory framework.

Project Financing for the health/hospital sector and structured finance interventions to support housing

The Project Financing operations relate to the health/hospital sector, where BPER played a senior role in structuring operations with mainly institutional sponsors to support growth, the construction of important infrastructure for the local area and financial optimisation with a social purpose linked to the type of assets financed. In 2025, BPER solidified its positioning in both the healthcare and hospital sectors, along with the student accommodation sector.
Several projects were carried out during the year to build hospitals, nursing homes and student dormitories, financed in Italy through customer credit disbursements. Specifically, disbursements were made throughout the year for the refurbishment of a hospital, the expansion of pharmacy networks, and the construction of a 500-bed student accommodation.
On average, the duration of the loans granted is about six/seven years.

Donations and investments in the community

For the BPER Group, community support takes the form through the development of various initiatives, tailored to the needs of the regions. These initiatives are driven by charitable objectives and align with the principles of care and proximity, sustainability, and a focus on the younger generations.

The activity is conducted in accordance with the "Group Regulations on the Process of Institutional Promotion and Donations" and the "ESG Policy".

128 Please see the action "Donations and Investments in the Community" below for the pursuit of the opportunity to "Strengthen relations and positioning in the territory through donations and sponsorships within the territories".

In 2025, over 100 donations were sanctioned, primarily aimed at social inclusion, solidarity, education and training, culture, and social welfare. In the Business Plan for 2024-2027, charitable donations and community investments will provide a contribution of Euro 20 million to aid local communities.

Financial education and other educational projects

The main initiatives and training projects, always free of charge, related to the promotion of financial education in 2025 were:

- "B-education: ideas that count": BPER decided in 2025 to keep the Project's reference platform (www.ideechevalgono.it) active by making it a training hub open to the general public. Users can access 11 video lectures on topics such as Finance and Investment. There is also an area called "Thematic Insights" that refers to webinars, podcasts, short videos, magazines, i.e. material produced by BPER and published on the group.bper.it website to which the platform refers;
- "A City in MIND": BPER participates in the 8th edition of the competition "A City in MIND. Faccio scelte economiche sostenibili e smart!" launched in 2025 by the Triulza Foundation for primary and secondary schools in Lombardy, providing financial education training resources to assist teachers;
- "Choose your future": a financial education project carried out in 2025 in cooperation with Vik School, aimed at secondary schools, guiding girls and boys to reflect and discuss the importance of their own financial choices from a very young age;
- "Che Impresa Ragazzi": 37-hour School-to-Work Training Course promoted with FEduF with BPER employees as tutors. This involves activities that encompass the entire process of bringing a business idea to fruition, with a focus on the versatility and transferability of skills across various tasks and work environments;
- "App TEEN - Edutainment Content": within the app associated with the Teen account, dedicated to girls and boys aged 13 to 17, edutainment content was developed in 2025 through the use of banners pointing to pages that explore the content itself, alternating with entertainment content aimed at intriguing and informing boys and girls about the world of financial education;
- "EconomiAscuola": a series of digital lessons, realised in cooperation with FEduF and aimed at primary and secondary schools of I and II grade, dedicated to the topic of savings and the conscious use of money;
- "Fondamenti di educazione finanziaria. Formarsi per formare": a 5-hour training course certified on the ministerial platform S.O.F.I.A., developed in cooperation with Civicamente during 2025 and aimed at teachers of schools of all levels to facilitate the reading of the financial reality, distinguish risks and opportunities, link economy and sustainability;
- "GRANDE!": an educational project in collaboration with Librì Progetti Educativi involving primary school students, guided by their teachers, on a journey to learn the secrets of economics;
- "Oltre il Rosa - with BPER financial autonomy is put into practice": second webinar series in collaboration with economist Azzurra Rinaldi. A series of nine online meetings commenced in 2025, designed for everyone. These sessions are dedicated to providing practical tools for managing money, planning for the future, and making informed decisions;
- "Previmenti": 25-hour School-to-Work Training Course on supplementary pensions aimed at secondary schools through the educazionedigitale.it platform developed in cooperation with Civicamente. Born from one of the winning entries in the competition "B-Education: ideas that count", the initiative combines multimedia, interaction, play, synchronous and asynchronous activities such as webinars, podcasts and situational edugames;
- "Road To STEM": a training project realised in cooperation with Future Education Modena aimed at upper secondary schools, to offer boys and girls a general overview of the world of work with the aim of raising awareness of job opportunities in STEM disciplines;
- "Steam To Dream: A 26-hour School-to-Work Training Course, developed in partnership with Librì Progetti Educativi and targeted at secondary schools, is divided into five training modules. This programme enables students to engage with STEAM (Science, Technology, Engineering, Arts, and Mathematics) tools and subjects in an exciting and innovative manner. These subjects are more relevant than ever today, as they are closely tied to the professions of the near future, and thus, to career or university guidance. The platform provides interactive learning resources, activities, video lectures, and training webinars, all designed to enhance the STEAM approach, foster teamwork, and utilise new technologies to solve real-world problems;
- "Story Doing": an educational project on financial education, born from one of the winning entries in the competition "B-Education: ideas that count" and realised in 2025 in cooperation with Civicamente, to guide secondary school students to know, evaluate and plan their financial choices. Through an engaging situational game and comprehensive educational resources, the aim is to guide the younger generation in understanding the significance of financial management. It seeks to equip them with the essential skills for effective money management, thereby instilling greater confidence and security for their future;
- "Strumenti per una crescita consapevole" (Tools for a conscious growth): a digital training pathway developed in 2025 in cooperation with Civicamente and consisting of 5 units with assessment tests and in-depth resources, dedicated to secondary school students to accompany them in discovering the fundamental skills to face the world of work with awareness. The course certifies 10 hours of education/School-to-Work Training;
- "A step towards the future": a course developed in collaboration with Civicamente and aimed at students of all levels, which provides teachers with interactive and entertaining lessons to convey notions of economics, ethical finance and sustainability. In both lower and upper secondary schools, the course becomes more complex, featuring lessons, multimedia, and activities that introduce the essential principles of responsible money management. These contribute to 5 and 7 hours of civic education respectively. In kindergarten and primary school, the approach is deliberately simple and playful: children are introduced to

the first concepts of value, exchange and sharing through content designed to stimulate curiosity and awareness in a natural way through the picture book "Tarabaralla - the caterpillar baroness's treasure".

In addition to the above-mentioned projects, it should be noted that small financial education snippets, podcasts and webinars are accessible to all, provided through web and social channels.

Fight against compulsive gambling

Starting in 2013, the BPER Group, in consideration of its Corporate Social Responsibility towards the communities served, has implemented initiatives to inform, prevent and implement measures against the practice of compulsive gambling (CG).
The purpose of these initiatives was to develop a greater awareness on the issue of CG and the risks associated with this addiction, as well as the potential impacts on the financial position, social relations and health of people involved, with particular attention paid to the new generations.
Throughout 2025, BPER Banca arranged three Show Lectures titled "Play Our Game" in three Italian cities - Rome, Turin, and Pesaro. The objective was to raise awareness and educate secondary school students, both boys and girls. The initiative entails the creation of an interactive lecture-performance that guides young viewers in exploring the true mechanics of gambling, navigating between mathematical rules, misconceptions, and an understanding of the actual chances of winning.

The interventions on banking operations are aimed at all customers of the BPER Group, including employees.
Specifically, the following were realised:

- a "Compulsive Gamblers and Banking Services" handbook, produced with the aim of supporting the family members of compulsive gamblers, suggesting some simple monitoring and intervention actions related to the use of banking services;
- "Avoiding the Trap" guide on online gambling produced with the aim of providing more knowledge tools on the main critical issues related to the widespread offer of gambling (legal and illegal) online;
- the Webinar "Compulsive Gambling: Recognise, Intervene, Prevent" is aimed at the corporate population of the BPER Group to make them aware of this problem.

Among other activities carried out to counter this social phenomenon, the use of credit cards issued by the BPER Group on online gambling sites and at places (e.g. amusement arcades) classified in the "gambling" product category has been banned. Finally, in accordance with the "ESG Loan Origination Policy", the Group refrains from financing new customers who are significantly engaged in project activities aimed at: casinos, purchase and production of machines (e.g. slot machines) and promotion-related activities.

Actions/Initiatives on violence against women

BPER Banca backs initiatives aimed at combating economic abuse, acknowledging that financial independence is a crucial factor in guaranteeing autonomy and freedom of choice for women.
Since 2022, on the International Day for the Elimination of Violence against Women, BPER Banca promotes a fund collection campaign "Insieme per le donne" (Together for women) in favour of "D.i.Re – Donne in rete contro la violenza", which manages over 100 Anti-Violence Centers and more than 60 shelters. The 2024 campaign allowed more than Euro 220,000 to be disbursed in 2025 through 78 contributions to 57 D.i.Re-associated refugee centres throughout the country, and to provide support to 129 women and 187 daughters and sons. On 20 November 2025, the fourth annual fundraising campaign was launched. This campaign is dedicated to supporting women who, after enduring violence, are striving to establish an independent life but lack the necessary financial resources. The campaign successfully raised approximately Euro 100,000 in donations.

In 2025, BPER Banca initiated the second series of "Oltre il rosa" webinars, in partnership with economist Azzurra Rinaldi. This complimentary course, open to all, was designed to foster financial independence and awareness, and to combat the prevalent forms of economic abuse in our country. A series of 9 online meetings dedicated to practical tools for managing money, planning the future and making informed choices: from investments to retirement savings, from mortgages to insurance, the course aims to accompany users step by step, in clear and accessible language, to put financial autonomy into practice and transform knowledge into financial freedom.
The vademecum "Together against economic violence", produced in cooperation with D.i.Re, remains available online and in branches via QR code. This tool assists women in identifying and addressing economic abuse, recommending specific steps for the mindful use of banking services and fostering financial independence, all in accordance with regulations.

These initiatives and their outputs were conveyed through all BPER communication channels and thus concerned all stakeholders of the BPER Banca Group.

Enhancement of culture, artistic heritage and sport

The BPER Group's commitment to community development manifests in socially valuable initiatives, encompassing the promotion of culture, artistic heritage, and sport, in alignment with the Bank's social responsibility policies. These actions foster inclusion, stimulate the socio-economic growth of the region, and reinforce connections with local and national cultural heritage, thereby encouraging active community involvement.

In 2025, the Group backed significant literary awards and festivals, including the "Premio Strega", "Taobuk", and "Premio Rapallo BPER Banca". They also supported cultural events, exhibitions, and theatres. This involved engaging with citizens (students, readers, teachers, and the general public), customers, schools, foundations, cultural institutions, publishing houses, non-profit organisations, and local associations. BPER Banca has backed significant film festivals and exhibitions, aiding in the promotion of cinema through artistic mediums that enrich the national cultural landscape.

In support of its artistic heritage and in line with its "ESG Policy", the BPER Group backs social value initiatives such as the "Historic Palaces" Project. This project promotes the establishment of cultural centres in collaboration with the Real Estate Department. Additionally, the Group supports "La Galleria", its Corporate collection, which seeks to foster cultural and scientific development by forging strategic partnerships with the local community. This includes active engagement with local institutions through art exhibitions, free events for citizens, assistance with digitising archival documents, and involving students in educational programmes and workshops.

Finally, in 2025, BPER Banca reaffirmed its dedication to endorsing sport as a tool for inclusion, well-being, and societal development. Through sponsorships and partnerships, it has backed events, leagues, and tournaments targeting a broad and varied audience, with a special emphasis on young individuals and those with disabilities. The initiatives we support include the National Youth Finals of the Italian Volleyball Federation (Under 14-19), the Trophy of the Regions, the Modena Volleyball Summer Camps, the Anderlini Volleyball School, the youth teams of Modena Volleyball and Bergamo Volleyball, as well as the National Youth Swimming Criteria. These activities have seen significant growth in terms of participation and influence, aiding in the promotion of sporting values among younger generations.
Most of the initiatives supported are carried out on an annual basis, some may extend over longer periods depending on the type of event or project.

Other activities with a strong social impact - Third Sector crowdfunding

In line with the "ESG Policy", the BPER Group's support for societal development takes the form of the development of projects with a strong social impact, also through crowdfunding initiatives.

In fact, as part of the activities dedicated to the Third Sector and Public Administration, BPER Bene Comune launched the eighth call, "Il futuro a portata di mano" (The future at hand), in partnership with Produzioni dal Basso, the first crowdfunding and open innovation platform in Italy. In 2025, the call made it possible to co-fund 60% (through a donation) of five cultural and social projects involving young people in the target communities. Over the course of next year, the social impact assessment for these projects implemented in Northern, Central and Southern Italy will be presented. The reference context is support for the Third Sector engaged in the cultural and social sphere with the younger generations. The projects implemented in 2025 were carried out in continuity with previous years and are aimed at young people up to the age of 25.

In 2025, the initiative supporting the promotion of culture through the cultural project of La Galleria continued, making the funds raised through the free visits to the exhibitions in BPER's exhibition spaces available to Fondazione Vita Indipendente ETS.

S3-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Euro 20 million in contributions to local communities

In line with the "Group Regulations on the Process of Institutional Promotion and Donations", which aim, inter alia, to facilitate "the development of the territory by supporting projects and initiatives that are consistent with the BPER Group's business and development activities, within the context of preparing the 2024-2027 Business Plan, support for local communities has been planned with a total amount of Euro 20 million over the plan period. Not being a percentage target, the base 2025 value from which progress is measured is 0. The overall contribution estimation was determined based on the Bank's experience over the previous three years and the projects defined within the framework of the Business and Communication Plan.
Activities supporting culture, art, sport, associations and the Third Sector, will be implemented in Italy. In 2025, the total value surpassed Euro 7 million. This figure was calculated in line with the scope of the Plan objectives mentioned above and aligns with the projections.

3.4 Consumers and end-users (S4)

SBM-3: Impacts, risks and opportunities related to consumers/end-users and their interaction with business strategy

IROs-PAT table

Sub-topic	PATs and related IROs
Information-related impacts for consumers and/or end-users - Privacy	**Policies:** • Code of Ethics **(I-30, R-11)** • Data Protection Policy **(I-30)** • Security Management Macro-process Regulation **(I-30, R-11)** **Actions:** • Actions related to Privacy and Data Protection **(I-30)** • IT security initiatives and training **(I-30, R-11)** **Targets:** • IT Security Targets **(I-30, R-11)**
Information-related impacts for consumers and/or end-users - Freedom of expression	**Policies:** • Code of Ethics **(I-31)** • Regulation on the ABF and ACF Complaints and Appeals Management Process **(I-31)** **Actions:** • Initiatives on Freedom of Expression and Complaint Management **(I-31)** **Targets:** • Targets related to complaint management **(I-31)**
Impacts related to information for consumers and/or end-users - Access to (quality) information	**Policies:** • Code of Ethics **(I-32)** • Policy for governing the risk of non-compliance with product governance regulations **(I-32)** **Actions:** • Customer Satisfaction in terms of Information Quality **(I-32)**
Social Inclusion of consumers and/or end-users - Non discrimination	**Policies:** • Code of Ethics **(I-33)** • ESG Loan Origination Policy **(I-33)** **Actions:** • Products and services with social purposes **(I-33)** **Targets:** • Targets related to ESG-linked loan origination (I-33)
Social inclusion of consumers and/or end-users - Access to products and services	**Policies:** • ESG Loan Origination Policy **(I-34, I-35, I-36)** **Actions:** • Products and services with social purposes **(I-34, I-35, I-36)** • Actions related to the provision of insurance solutions **(I-37, O6)** • Website accessibility **(I-34)** • Innovation and digitalisation **(O-6, O-7)** **Targets:** • Targets related to the provision of financing with ESG characteristics **(I-34, I-35, I-36)** • Targets related to the provision of insurance solutions **(I-37, O6)** • Targets related to digitalisation**(O-6, O-7)**
Social inclusion of consumers and/or end-users - Responsible marketing practices	**Policies:** • Policy for governing the risk of non-compliance with Product Governance regulations **(I-38)** • Banking Transparency and Usury Policy **(I-38)** • Regulation of the Ethics and Governance process of Artificial Intelligence Systems **(I-38, I-39)** • Policy for governing the risk of non-compliance in relation to sustainability in the provision of investment services **(I-38)** **Actions:** • Responsible business practices and adequacy of the offer **(I-38)** • Accessibility to sites **(I-38, I-39)** • Innovation and digitalisation **(I-39)** **Targets:** • Targets related to the provision of financing with ESG characteristics **(I-38)** • Targets related to digitalisation **(I-39)**

The BPER Group bases its success on the relationship of trust established with its customers, characterised by fairness and transparency. All customers that may be materially impacted by the company, including impacts directly related to the company's own operations and value chain, are included in the scope of disclosure under ESRS 2 and have in fact been covered in the double materiality analysis, sometimes with specific focus on potentially vulnerable customer categories.

The Group excludes products from its offerings that are inherently harmful to people and/or increase the risks of chronic diseases. Also in line with the principles of the "Code of Ethics", the BPER Group is constantly committed to ensuring that the regulatory and organisational safeguards it has put in place, and which it systematically monitors and updates, are in place to prevent its customers from suffering any negative impact on their rights to privacy, personal data protection, freedom of expression and non-discrimination.

Fairness and transparency with respect to customers also depend on clear, accurate and easily understandable information. To this end, the Group draws up documents following the main guidelines provided by the regulations, with particular attention to the criteria on the structure and layout of the documents, syntactic simplicity and lexical clarity, adjusted to the level of financial expertise of the target customers and using the most appropriate communication channel, in order to allow the customer to clearly understand the characteristics and costs of the service, to easily compare products and make well-thought out and informed decisions.

The double materiality analysis unveiled substantial effects of both positive and negative nature. In particular, a real negative impact was identified related to the loss of sensitive data due to inadequate protection systems, with consequences for confidentiality and customer confidence. Simultaneously, there are tangible positive effects associated with safeguarding customers' freedom of expression in terms of reporting, access to high-quality information, and the supply of inclusive products and services. These support the reduction of inequalities and accessibility, and promote responsible business practices, encouraging fairness, transparency, and financial inclusion.

The analysis also noted the privacy risk associated with serious cyber security incidents (e.g. cyber crime) and the opportunities arising from enhancing the distribution of insurance products through digital solutions and adopting more usable omnichannel models through investments in digitalisation and automation to improve business efficiency and attract new customers.

It should be noted that the risk exposure analysis did not envisage a diversified approach according to the different customer categories, except for the occurrence of possible hardship situations for disabled persons.

S4-1: Policies related to consumers and end-users

With regard to customers, a number of policies represent the key factors useful for identifying the pillars of the fiduciary relationship with the Group, marking the ongoing commitment to correct behaviour and respect for all end-users. Therefore, the BPER Group's main policies that identify the general approach to customers are presented below, before going on to address specific subject areas.

Relevant human rights commitments concerning consumers and end-users

To date, the BPER Group does not have a policy specifically referring to human rights in which processes and mechanisms are set out to monitor the respect of human rights relevant to customers and end users; however, the Group considers the issue within its "Code of Ethics" and "ESG Policy", drawing inspiration from the main international standards, including the United Nations Guiding Principles on Business and Human Rights. Furthermore, within the "Data Protection Policy", the Group defines the requirements for processing personal data, regulating rules and safeguards to ensure their protection and safeguard the rights and freedoms of everyone, including customers.

In the absence of a Policy specifically referring to human rights, the Group does not to date have specific processes and mechanisms for engaging with customers. However, it again confirmed its commitment to this issue in 2025 by promoting opportunities for dialogue and cooperation with various organisations working – among other areas – on human rights issues independently of the development of business partnerships. Lastly, it is worth noting that during this financial year, there was no evidence of any breaches of the UN Global Compact principles or the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct that impacted our customers.

Code of Ethics

The "Code of Ethics" outlines, among other things, the principles of conduct in customer relations. It ensures behaviour characterised by professionalism, fairness, transparency, and respect for confidentiality.
For more information, please refer to the details provided in the Disclosure Requirement "G1-1: Business conduct policies and corporate culture.

Data Protection Policy

The BPER Group's "Data Protection Policy", updated in May 2025, sets out the requirements for the processing of personal data, defining rules and safeguards aimed at protecting the rights and freedoms of the Data Subjects. BPER Banca, acting as the Parent Company, has outlined the operational procedures that the group companies should adhere to. These procedures are in accordance with current laws and the ethical and sustainability principles outlined in the "Code of Ethics".

The Policy applies to all companies in the reporting boundary with the exception of: BPER Bank Luxembourg, Arca Fondi SGR, Adras, Arca Holding, Sant'Anna Golf, Annia; it should be noted that the companies of the Banca Popolare di Sondrio Group only started to implement this Policy as from the date on which BPER exercised its direction and coordination activities (i.e. 18 July 2025) and subject to the approvals of the relevant Corporate Bodies.

BPER Banca is in charge of the strategic direction of data protection for the entire Group, implementing it gradually and proportionately according to the specific needs of each individual company. The BoD has adopted an organisational model to effectively manage data protection and data subjects' rights. Every data controller is required to give clear instructions to authorised individuals on the proper handling of personal data.
For each data controller, the organisational privacy model consists of the following figures:

- Privacy Delegate: identified as the person responsible for the management and direction of the company - with the task of adopting the safeguards required by the legislation, in order to ensure and be able to demonstrate that personal data is processed in accordance with the legislation in force;
- Privacy Contact: in charge of carrying out operational, informative and liaison tasks in support of the Privacy Delegate and the Parent Company Offices in charge of managing the risk of non-compliance with regard to the processing and protection of personal data;
- DPO (Data Protection Officer): designated at Group level and entrusted with the functions and tasks set out in Article 39 of the GDPR, including those of informing and advising on obligations under the relevant legislation, monitoring compliance, cooperating with the supervisory authority and acting as a point of contact with data subjects.

Furthermore, the Policy is grounded in current legislation and significant external sources, including:

- Regulation (EU) 679/2016 (GDPR);
- the Provisions of the Data Protection Authority, both general and specific to the banking sector;
- the guidelines and recommendations of the European Data Protection Board.

Finally, the Policy is made available on the Group's official website and can be freely accessed. The Information Notice, in accordance with Articles 13 and 14 of the GDPR, is provided when the data is collected from the individual concerned. If the data is not collected directly, the notice is given within a reasonable timeframe, but always within one month or at the first point of communication with the individual.

Security Management Macro-process Regulation

The BPER Group's "Security Management Macro-process Regulation", updated in 2025, defines the basic principles and rules for protecting the confidentiality, integrity and availability of the Group's and its customers' data, information and ICT resources. The Regulation governs the roles, responsibilities and articulation of the macro-process, involving Corporate Bodies and Organisational Units of the Parent Company and Group Companies, with the aim of mitigating cyber and physical security risks, such as data loss and security incidents.

The Strategic Security Plan, devised by the Security & Business Continuity Unit - CISO, directs security initiatives. It ensures regulatory compliance, responds to emerging threats, and implements effective controls. Action plans and ongoing monitoring are anticipated, with regular reports being submitted to the Board of Directors to guarantee the efficacy of the implemented measures.

The regulations apply to all companies in the reporting boundary with the exception of: Adras, Arca Holding, Sant'Anna Golf, Annia; it should be noted that the companies of the Banca Popolare di Sondrio Group only started to implement these Regulations as from the date of the exercise of direction and coordination activities by BPER (i.e. 18 July 2025) and subject to the approvals of the relevant Corporate Bodies.

The Regulation also lays down requirements for personnel and third-party providers involved in information security. The Chief Information Security Officer (CISO) is tasked with the responsibility of implementing the Regulation.
Relevant regulations include supervisory directives (ECB, EBA, DORA, Bank of Italy), industry regulations (PSD, NIS) and international standards (NIST, ISO 9001, 27001, 27017, 27018, 22301). The Regulation is disseminated amongst the relevant corporate departments, approved by the appropriate authorities, and published on the company intranet. It is applicable to all consumers and end users.

The Regulation is preliminarily shared with BPER's functions (e.g. IT, control functions, Organisation, etc.) involved in various ways in the affected processes; it is initially submitted for approval to the Risk Control Committee and then submitted to the BoD. Following the approval resolution, it is published on the corporate intranet and disseminated via e-mail to the other Legal Entities for transposition. It refers to all consumers and/or end-users as a whole.

Regulation on the ABF and ACF Complaints and Appeals Management Process

The Regulation on the Banking and Financial Arbitrator and Arbitrator for Financial Disputes Complaints and Appeals Management Process outlines the rules, methodologies and articulation of the process in question, as well as the roles, responsibilities and tasks of the different Organisational Units of the Parent Company and Group Companies involved in various ways.
In line with the "Banking Transparency and Usury Policy", it details the methods and regulations designed to guarantee the correct execution of the complaints handling process.
The complaints received from customers must be dealt with promptly, and in any case within the time limits set out by the regulations in force and specified in the detailed internal rules, to be counted from the date on which the Company receives the complaint.

The regulations apply to all companies in the reporting boundary with the exception of: BPER Bank Luxembourg, Modena Terminal, BPER Real Estate, Arca Fondi SGR, Adras, Arca Holding, Sant'Anna Golf, Annia; it should be noted that the implementation of this Regulation will be requested, if applicable, by the Parent Company's owner function to the Companies of the Banca Popolare di Sondrio Group.

The highest management level responsible for the Policy's implementation is the Chief General Counsel.

In implementing the Policy, the BPER Group adheres to the primary Consolidated Texts of Banking, Finance and Insurance, the Payment Services Regulations (PSD2), the guidelines on complaints from the ESAs and Bank of Italy, provisions from CONSOB, and EU Regulation 2017/565 concerning intermediaries. This is in addition to any legislation that is in force at any given time.
A "Guide to Complaints", "ABF Practical Guide in Simple Words", "Form for Filing a Complaint" and "Guide to the Arbitration of Financial Disputes" are published on the Parent Company's website.

Policy for governing the risk of non-compliance with Product Governance regulations

The "Policy for governing the risk of non-compliance with Product Governance regulations" describes the guidelines that BPER Banca, in its capacity as Parent Company, has defined for the Group Companies in order to regulate the rules and procedures to be adopted for the governance of the commercial offer in the BPER Group, in compliance with the relevant regulations.

The Policy applies to all companies in the reporting boundary with the exception of: BPER Bank Luxembourg, Modena Terminal, BPER Real Estate, Arca Fondi SGR, Adras, Arca Holding, Sant'Anna Golf, Annia; it should be noted that the implementation of this Policy will be requested, if applicable, by the Parent Company's owner function to the Companies of the Banca Popolare di Sondrio Group.

The Policy provides, among other things, for monitoring and periodically sharing data on sales, customer composition, product range on offer, and customer satisfaction.
The aim of the Policy is to outline the lines to be followed by BPER Group companies, both as manufacturers and as distributors, in the development of products that support their commercial offerings.
The Policy applies to the following product areas: banking, insurance, financial products, bundled products, non-core products or services or related activities.
The initiatives proposed to enrich the commercial offer can take the form of the introduction of new products and services, the significant modification of products already in the catalogue, expansion of new sales channels, agreements for the distribution of third-party products. Commercial initiatives also include those envisaged in the 2024-2027 Business Plan, i.e. the set of Transformation Projects and Programmes developed as part of the Group Business Plan.

The Chief Retail & Commercial Banking Officer (CRCBO) is the highest management level responsible for the Policy's implementation.
The primary external regulations that the Policy refers to encompass not only the prevailing legislation, but also the pertinent guidelines from EBA, ESMA, IVASS and the Bank of Italy. This includes the Consolidated Banking and Financial Act, the European Financial Market Directives (MiFID II), and the incorporation of sustainability factors into product governance.

The Policy is developed on the basis of internal experience and expertise, within the internal and external regulatory framework of reference, and is disseminated to all Group Companies and published on the corporate intranet. Moreover, there are no exclusions envisaged in the Policy, which in fact covers all customers as a whole.

ESG Loan Origination Policy

The Policy addresses the governance of climate and environmental risks and other ESG risk factors in the Banking Group's lending activities by promoting fair and transparent responsible practices. For more information, please refer to the details provided in the Disclosure Requirement "E1-2: Policies related to climate change mitigation and adaptation".

Banking Transparency and Usury Policy

The Policy, which was updated in June 2025, outlines the guidelines that BPER Banca, acting as the Parent Company, has established for its group companies to ensure:

- transparency and fairness in relations with customers, in accordance with the rules and principles laid down in the relevant regulations, as well as the roles and responsibilities for the proper functioning of the procedures and controls supporting operations and preventing the risk of non-compliance;
- compliance with the limits on interest rates on financing transactions beyond which they are considered usurious (known as the "threshold rate") in accordance with the rules and principles set forth in the relevant regulations and on the basis of the principles and provisions of, inter alia, the current "Group Policy for the management of non-compliance risk".

The Policy applies to all companies in the reporting boundary with the exception of: Modena Terminal, BPER Real Estate, Arca Fondi SGR, Adras, Arca Holding, Sant'Anna Golf, Annia; it should be noted that the companies of the Banca Popolare di Sondrio Group only started to implement this Policy as from the date on which BPER exercised direction and coordination activities (i.e. 18 July 2025) and subject to the approvals of the relevant Corporate Bodies.

The transparency provisions apply:

- to all transactions and services governed pursuant to Title VI of the Consolidated Law on Banking (TUB) of a banking and financial nature offered by the Group Companies, including payment services and consumer credit also in the case of "off-premises" offers or through the use of "remote communication techniques", unless otherwise provided for;
- to customers - natural or legal persons - who have a contractual relationship or who intend to enter into a relationship with the intermediary, subject to the exclusions set out in the legislation; with regard to relationships with consumers or retail customers, the legislation provides for greater protection governed by the Consumer Code.

They do not apply to investment services and activities and services that are components of financial products subject to the transparency rules of the Consolidated Law on Finance, except in the case of consumer credit transactions governed by Title VI, Chapter II of the Consolidated Law on Banking.
Consistent with the Policy, the activation of the principles contained therein is attributed to the BoD, the Chief Compliance Officer, the Chief Retail & Commercial Banking Officer, the Distribution and Marketing Planning Department, the Supervisory Reporting Unit and the Complaints Office.
For Group companies, the Policy identifies similar commercial and supervisory reporting functions.
The main external regulations to which the Policy refers include the Consolidated Banking and Finance Act, the Consumer Code, the Bank of Italy Transparency Provisions, Law No. 108 of 1996 "Provisions on Usury", Law No. 24/2001 on usury, as well as the legislation in force from time to time.
The Policy is made available to employees on the company intranet and is applicable to all customers of the BPER Group as a whole.

Regulation of the Ethics and Governance process of Artificial Intelligence Systems

The Regulation of the Ethics and Governance process of Artificial Intelligence Systems was prepared to handle issues related to AI (Artificial Intelligence). In particular, it describes:

- the general definition of the process, and supporting tools, that all of the organisational units of the BPER Group, without exclusion, must follow for the development of AI Systems and for the adoption of "buy AI" systems, including POC, and for the management (monitoring) thereof during their entire life cycle (from the definition of business requirements, to performance monitoring after release into production, to decommissioning), so that they comply with the standards required by the internal and external regulatory framework;
- guidance on the BPER Group's internal regulatory requirements to be complied with to ensure that the output of all AI Systems is in line with the BPER Group's moral and ethical values;
- identification of all parties that need to be involved during the development of AI systems, according to business, governance and IT perspectives.

Furthermore, the document defines the activities to be carried out in order to manage AI-related risks and opportunities, ensuring compliance with the European AI Act Regulation.

A multidisciplinary team, comprising the Business, Organisation, CFO, Chief Data Officer (CDO), and IT departments, assesses each AI system. This primarily involves evaluating the business case and specifically defining the value component. This information is subsequently reported to the Board of Directors over time.
The Regulation establishes that each AI System must have a dedicated Monitoring System; this System serves to ensure the monitoring of AI System risks and the continuous verification of and compliance with ethical and compliance requirements.

The regulations apply to all companies in the reporting boundary with the exception of: Adras, Arca Holding, Sant'Anna Golf, Annia; it should be noted that the implementation of this Regulation will be requested, where applicable, by the Parent Company's owner function to the Companies of the Banca Popolare di Sondrio Group.

The highest organisational level responsible for the document's implementation is the CDO, to whom the "AI Factory" Office, which has operational responsibility for the implementation of the Policy, reports.

The document recalls the EU Artificial Intelligence Regulation (1689/2024) and the EU Data Protection Regulation (GDPR 679/2016), along with international technical standards for AI and IT governance, including ISO/IEC standards on concepts, risk, bias and governance implications, as well as the ITIL Framework v.4.
All internal functions concerned have been informed and involved in the definition of the Policy, and these functions also have access to documentation through internal tools. The Policy and controls in place concern customers as a whole.

Policy for governing the risk of non-compliance in relation to sustainability in the provision of investment services

The Policy describes the general guidelines and principles for the integration of sustainability risks and the consideration of adverse sustainability effects in the provision of Financial Advisory and Portfolio Management services; for more details, please refer to the description provided in the Disclosure Requirement 'E1-2: Policies related to climate change mitigation and adaptation".

S4-2: Processes for engaging with consumers and end-users about impacts

The BPER Group has implemented numerous measures to safeguard against impacts concerning consumers and end users. These include, for instance, issues related to freedom of speech and access to high-quality information. In particular, BPER Banca considers the views of customers through the following actions, which are useful for guiding the Bank's strategies and decisions.

La Piazza
The branded community "La Piazza" has been online since 2017, with the aim of having an active listening solution to give voice to the suggestions and ideas of customers and thus build an increasingly customer-centric relationship. "La Piazza" consists of more than 5,700 "active" customers, mainly Family customers and a smaller number of Personal customers. Users are engaged within the community to participate and give feedback on different types of surveys. The surveys can cover a variety of topics and be useful in different areas involving the Bank. Questionnaires, either quantitative or qualitative, are administered to the identified target group and their answers are compiled into insights. The community is therefore a quick and efficient tool to engage directly with customers, with an average redemption per survey of around 25%.

"Voice of Customer" and Customer Satisfaction Surveys
The "Voice of Customer" feature plays a crucial role in assessing the quality of services by tracking customer satisfaction.
Listening to customers is structured in two strands:

- a transactional one, linked to the customer's interactions with the bank, which arises from the activation of triggers against which satisfaction is gauged;
- a relational one, the objective of which is to listen to the entire contactable customer base on a sampling basis with a monthly frequency.

Processes related to listening to customers
In 2025, the BPER Group implemented several measures to manage the impact of customer satisfaction, with reference to needs, expectations, benefits, service quality and timeliness of responses, also promoting alternative solutions.

The Group's strategies are centred around actively engaging with customers through a structured customer satisfaction monitoring system. This system is viewed as a strategic tool for enhancing service quality and competitiveness.
The perceived quality monitoring system involves all Group customers.
For the retail sector, the Net Promoter Score (NPS) is utilised. This score measures the disparity between promoters and detractors, and is gathered through monthly email surveys. Furthermore, the "Voice of Customer" initiative incorporates "real-time" customer experience surveys, initiated following particular interactions associated with six products (accounts, cards, policies, mortgages, loans, instalment products) and five channels (branch, ATM, Self-Service Checkout, Smart Web, online branch). The metric employed for these surveys is the Net Satisfaction Score (NSS), which computes the disparity between satisfied customers (grades 9-10) and dissatisfied customers (grades 0-6).
For Private customers, a single annual telephone survey was carried out in September, October and November, using the CSAT (Customer Satisfaction) metric, based on an average rating from 0 to 100.
For Corporate and Large Corporate clients, we conducted telephone surveys twice a year (in May/June and September/October/November), utilising the CSAT metric specifically for these customers.
Clients of the Financial Advisor and Financial Advisor service models were annually surveyed over the phone in October, utilising the CSAT metric once again.

The outcomes of the listening activities are disseminated through the "BVoice" Business Intelligence application, which is updated daily and available to both the network and central functions. The monthly NPS report is incorporated into management reports and additional analysis is distributed to aid strategic decision-making. Operations are overseen by the Customer Analytics and Service Models Office, which is part of the Customer Governance Unit within the Marketing Department. This is all under the purview of the Chief Retail & Commercial Banking Officer (CRCBO).

The office guarantees:

- the robustness of the system: regularity and systematicity of customer involvement is a key element for the effectiveness of the process;
- the involvement of all Group functions, including those outside the CRCBO area;
- the dissemination of results to guide the company's approach and management choices.

S4-3: Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

Processes to remediate negative impacts and privacy issue reporting channels

In order to safeguard against the impact of "loss of customer data due to inefficient data protection systems, and non-compliance with privacy rules and protocols", the BPER Group maintained its commitment to the protection and safeguarding of personal data, whether they relate to its customers, employees or any other type of data subject. In accordance with Article 37 et seq. of the GDPR, all Banks and Group Companies have appointed a Data Protection Officer (DPO).
The Group Policy and Regulations oversee the handling of personal data, which also includes authorised individuals and third parties acting on behalf of the companies. The Group implements the principles of privacy by design and by default, assessing products and services beforehand to guarantee regulatory compliance. Persons in charge of processing are formally designated as "authorised".

All individuals are given a privacy notice that adheres to Articles 13 and 14 of the GDPR. This notice details the type and purpose of the data collected, options for consent regarding marketing and profiling (where applicable), and the option to withdraw consent. The disclosures are published on the institutional websites of Group companies.
The Compliance Function guarantees the appropriateness of internal procedures to prevent breaches of regulatory and self-regulatory standards. This includes the Data Protection Officer (DPO), an individual with specialised data protection expertise, who is responsible for ensuring compliance with and enforcement of privacy regulations.

For managing complaints, BPER Banca provides a Guide to Complaints in the "Transparency" section of its website. Customers are encouraged to first get in touch with their local branch. If the proposed solution does not meet expectations, they can submit a written complaint through various methods such as post, email, fax, or hand delivery. The relevant Complaints Offices initiate the investigation immediately upon receipt of the report.
The Regulation of the Complaints Management Process stipulates their monitoring, which includes spot checks on data recording, adherence to response times, and the execution of corrective actions. The results are reported to the Corporate Bodies and functions involved.
Should a personal data breach occur, the Group implements technical and organisational measures to rectify the incident and minimise its adverse effects. The actions taken are tailored to the severity and nature of the breach.

Customers are notified about the existence of the process via contractual documents, privacy statements, information leaflets available in branches, and dedicated sections on our websites. The aim of the Group is to guarantee complete customer satisfaction, whilst preventing any form of retaliation.

Processes to manage negative impacts and channels on complaints

Complaint handling is a key tool to preserve customer relations. Indeed, their careful analysis can highlight potential areas for improvement in the products and services offered, providing opportunities for recovering dissatisfied customers and regaining their trust.
On the websites of various Group companies (BPER Banca, Banca Cesare Ponti, Banco di Sardegna, Bibanca, BPER Factor, Sardaleasing, Finitalia, Banca Popolare di Sondrio, Banca della Nuova Terra), customers can find useful tools for their support. Complaints are acknowledged by means of an interlocutory e-mail and registered in the appropriate IT procedure, which highlights the deadlines for feedback. Finally, in the event of complaints concerning personal data breaches, the BPER Group takes technical and organisational measures to remedy and mitigate the possible negative effects.

At the bottom of the complaint acknowledgement there is a disclaimer informing the customer of the possibility of recourse to appropriate bodies if they are not satisfied. In any case, the Group's ambition is to ensure full customer satisfaction; therefore, any retaliation would be counter-productive. Consequently, every action is geared towards preventing them.

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.

The BPER Group reaffirms its dedication to responsibly managing customer relationships, adopting practices that prioritise the protection of fundamental rights and service quality. The initiatives that have been put into place include measures to ensure privacy and data protection, the delivery of specialised training on IT security, the establishment of dedicated systems for managing complaints and protecting freedom of speech, as well as steps to guarantee the accessibility of services, promote digital innovation, and uphold fair business practices. Special attention is given to ensure the clarity of information, the provision of suitable insurance solutions, and the offering of products with a social purpose.

Lastly, it should be highlighted that there is no evidence of report of any human rights issues or incidents linked to the Group's customer relationships for the year 2025.

Actions related to Privacy and Data Protection

With a view to improving its data protection policies, the Bank adopted the new Privacy Policy for customers in February 2024 and updated the privacy policy for BPER Group employees. These actions were undertaken and completed in 2024.
In 2025, privacy training courses were provided to all BPER Group employees, which were developed with the advice of the Group Data Protection Office in order to tailor the content to the needs of the users. The legal entities included in the training activity are the same as those covered by the Policy.

In addition, when preparing new banking products, the Group Data Protection Office and the Privacy and Compliance Lab Office are involved to assess the privacy and data protection measures to be taken. In order to confirm or rule out the existence of a personal data breach, the aforementioned Office engages the Security Department to identify possible remedial actions and minimise the recurrence of the breach.

The management of data breach events is defined in the "Data Breach Management" Regulation, which describes the methods for reporting and detecting a personal data breach, the responsibilities identified for its resolution and for assessing the impact on the rights and freedoms of data subjects.

Specifically, the process consists of the following sub-processes:

- reporting: identifies events that qualify as incidents or breaches, which are also presumed to be potential data breach events;
- detection: ensures the acquisition of the elements necessary to confirm (or exclude) the existence of a personal data breach;
- management, resolution and closure: manages personal data breaches until they are closed;
- impact assessment: verifies the actual existence of a personal data breach and identifies the impacts that a data breach event may have on the rights and freedoms of data subjects;
- notification and communication of data breaches: identifies the cases in which notification of a personal data breach to the Data Protection Guarantor and/or data subjects is required;
- actions to be carried out if the Company acts as a Processor: this aims to regulate the activities to be carried out if the Company acts as a Processor and not as a Controller.

In order to keep the Bank's compliance with data protection regulations under review, in 2025, the Internal Audit Department began audits on "Verification of Privacy Compliance in IT and Information Security" and "Customer Relationship Management", which were concluded at the end of the first half of the year.

IT Security Initiatives and Training

In order to fully implement the "Security Management" Macro-process Regulation and to ensure the reduction of material negative impacts and risks also related to the issue of confidentiality, the BPER Group periodically adopts the three-year Strategic Security Plan.

The Strategic Security Plan for 2025-2027 continues to build upon previous successes, further developing and improving the goals already achieved. This plan adopts an integrated approach to mitigate cyber threats, enhancing our capabilities in protection, detection, response, and resilience. It includes security initiatives such as threat detection, data protection, resilience, platform security, governance, and physical security to counter evolving threats, all in compliance with external sector regulations.

The aforementioned Plan is applicable at the Group level, encompassing Italian and foreign banks, ancillary services undertakings, credit finance firms, and the SGR. The goals of the Operational Plan 2025, which is structured into six primary areas and includes 40 technological and organisational initiatives designed to mitigate potential threats and strengthen security measures, were successfully accomplished as planned.

In addition to the initiatives of the Operational Plan, the CISO role involves continuous monitoring and oversight of vulnerabilities, cyber fraud, and all security events/incidents.
The results of security processes are monitored through KPIs included in the Business Plan.

The intervention approach applied can be defined as dual in that, from an operational point of view, it bases its principles on the processes outlined in the "Security Management Macro-process Regulation" and, from a planning point of view, it is implemented in the context of the Strategic Security Plan, acted upon with the Operational Plan.
The Regulation governs various areas, including security strategy, protective measures, management of digital and physical incidents, combating fraudulent activities, logical and physical access control, remedial actions, CCTV surveillance, and operational problem-solving.
The security processes involve first-level controls and monitoring by second- and third-level control functions. The planned action for mitigating major risks is the implementation of the 2025-2027 Strategic Security Plan.

Awareness-raising initiatives on IT security continued in 2025 with training courses for all Group employees on defence against spear phishing, fraud through false invoices, prevention of ransomware incidents and multi-factor authentication; specialised courses on broken access control, injection, insecure design, security misconfiguration and vulnerable and obsolete components were also distributed to employees in the IT area.
Sessions for senior management were introduced and a Board induction on cybersecurity was conducted; during 2026 these initiatives will be rescheduled for all top management on other topics of interest. The internal "BSecurity" community facilitated the spread of a security-conscious culture within the company. The legal entities included in the training activity are the same as those covered by the Policy.

Initiatives on Freedom of Expression and Complaint Management

In the course of 2025, again with a view to improving operational efficiency in this area, the IT system called Legal Work - for the management of legal files and complaints - was further refined. This platform is used by the Group's Legal Structures to manage legal files, including complaints, ABF and ACF appeals, complaints to Supervisory Authorities, passive and active non-lending related cases, mediations, criminal proceedings and investigations.
The Legal Work IT system is used by the complaints departments of the Group companies falling within the banking scope (BPER Banca, Banca Cesare Ponti, Banco di Sardegna and Bibanca) and of the financial credit companies (BPER Factor, Sardaleasing, excluding Finitalia which is not aligned in terms of IT).
This IT intervention, inherently focused on internal efficiency, does not incorporate a bespoke monitoring process. No serious human rights problems and incidents were reported in connection with customers in 2025.

Customer Satisfaction in terms of Information Quality

The process of continuous and daily dissemination and sharing of the results of customer listening activities enables the central offices to monitor the customer satisfaction of their segment/area of responsibility and to identify corrective actions to improve the NPS, as detailed in Disclosure Requirement "S4-2: Processes for engaging with consumers and end-users about impacts.
Customer satisfaction monitoring is part of the more general process of identifying the target market, which is the prerequisite for ensuring that product distribution is consistent with customer characteristics, needs and objectives.

Therefore, the reference policy is the "Policy for governing the risk of non-compliance with product governance regulations". For more details on this, please refer to the Disclosure Requirement "S4-1: Policies related to consumers and end-users". The reports and application enable the identification of strengths and weaknesses that have surfaced from customer feedback at BPER, Banco di Sardegna, and Banca Cesare Ponti banks.

Products and services with social purposes

The actions implemented by the BPER Group with reference to its customers, whether Retail or Corporate or Third Sector, are described below. These actions are implemented by Group companies and focus on the downstream value chain, with specific reference to:

- products and services with social purposes for retail customers;
- disaster loans;
- products and services with social purposes for enterprises;
- BPER Bene Comune.

The Group has defined its objectives and time horizons in relation to the above actions in line with the Business Plan.

Retail customers
With reference to retail customers, the Group's attention is focused on the development of products with social purposes which, in addition to allowing true accessibility with a view to financial inclusion, also have a strongly innovative nature.
Products on offer include mortgages for people under 36 for the purchase of a first home with a Consap guarantee, the Teen Account and Teen Debit Card for minors, the GRANDE! Savings Deposit for children, the BPER Card Pay Up Teen for secure

purchases, and study loans such as the Honour Loan and Guaranteed Future. The offer is completed by the Barrier-Free Loan for people with disabilities, the fifth of salary/pension-backed loans with transparency protocols and the innovative product QuiCash. The Group also invests in digitalisation and omnichannel service models, continually assessing the effectiveness of initiatives to guarantee quality, transparency, and customer satisfaction.

Corporate
In relation to businesses, the Group has reinforced its dedication by advocating for financial inclusion and bolstering economic growth. This has been achieved through collaborations with national and European entities and institutions, such as the SME Guarantee Fund, EIB and EIF. The offer comprises tailored solutions like Fin PMI, Fin PMI Women's Entrepreneurship, Fin PMI Start Up, Fin PMI Microcredit, Fin PMI Resto al Sud (a scheme discontinued by the Ministry from 15 October 2025) and Fin Cultural (exclusively for companies operating in the cultural and creative sectors, available until 1 September 2025). It also includes products aimed at investment and digitalisation, such as EIB-backed Mortgages (Mutui BEI), Government-backed financing for SMEs under the Sabatini Law (Fin Sabatini), and agreements for cooperatives like the BPER-Coopfond Agreement. Initiatives like the FIN JOB Loan, designed to boost employment, and the Special Credit for tax requirements, round out the offerings. The efficacy of the solutions is gauged through the volume and quantity of transactions, affirming the Group's dedication to fostering sustainable and competitive business growth.

Disaster loans
BPER strengthened its position in the territory also through cooperation with local, national and EU bodies and institutions during 2025.
The Group has updated and supplemented its offer of dedicated disaster loans, i.e., loans to support the financial needs of customers (both retail customers and businesses) who have suffered direct (material) damage as a result of a natural disaster.

In addition, BPER has activated a special ceiling for loans to support companies that have suffered damage in the Bank's areas of operation. The purpose of these loans is to partially support financial requirements pending the possible definition of structured operations as well as possible public benefits for the repair, restoration, and repurchase of assets damaged by the calamitous event.

The effectiveness of the solutions is gauged through the volume and quantity of transactions, reaffirming the Group's dedication to assisting customers and the overall economy in regions impacted by disasters.

BPER Bene Comune
In line with the "ESG Policy", the BPER Group supports community development by proposing projects, products and services with a social impact. In this regard, the Bank created BPER Bene Comune in 2023, an organisational unit capable of offering specific skills, relations and services to Public Administration and Third Sector entities. Through its proximity proposals and logic, BPER Bene Comune supports the non-profit and public sector in meeting the primary needs of their areas and communities.

To this end, BPER Bene Comune has renewed its range of services and consolidated its structure, while at the same time activating important new relationships with organisations working for the development of a more inclusive economy. One such example is support for the Third Sector Forum for the Cantieri ViceVersa project, acting as a facilitator of dialogue and interaction between non-profits and the financial-insurance world. An important development is also the constant exchange set in motion with CSVNet at national level and with local Service Centres for Volunteering, as well as Dioceses and the most significant networks of associations.
BPER Bene Comune gradually consolidated its market positioning thanks to a number of initiatives, for example its presence in the context of Milan Civil Week in May.
Subsequently, it launched a crowdfunding call for cultural and social projects. Furthermore, BPER Bene Comune guaranteed its support and presence at the event at the Fundraising Festival, at the Philantropea event promoted by Italia Non Profit and at "More Fundraising More Culture" in Rome. Significant emphasis was also given to donation research, bolstered by renewed support for the Donation Observatory of the Italian Donation Institute. This was further demonstrated through participation in events held in Milan and Pietrelcina (BN), which were dedicated to presenting the results of the research.
In 2025, a partnership was established with ARCI APS, providing BPER Bene Comune with the opportunity to participate in some of the major events within the national network, such as SABIR and Strati della Cultura.

As part of the initiatives designed to foster collaborative practices and participatory processes between public and private social sectors, the BPER CIVIC HUB has been established. This is an open digital platform intended to share expertise and delve into a wide range of topics and tools. These include shared administration, co-design, the regeneration of spaces, and the promotion of civic-mindedness. With this in mind, BPER Bene Comune participated in the 42nd ANCI Assembly by promoting, in collaboration with ANCI Emilia-Romagna, a workshop entitled "Competencies and alliances for shared administration: banks, local authorities and the Third Sector for the development of territorial ecosystems".

Moreover, the focus on combating inequalities and economic fragility made it possible to confirm the Bank's offer with services with a high social impact, such as Honour Loans for students, social microcredit for people in economically fragile conditions, and the signing of protocols with Anti-usury Foundations to combat and prevent usury and over-indebtedness, aimed at the

financial inclusion of those most at risk. Among the actions that have been continued, it is worth noting the financial education activity for the Third Sector and for people in economically vulnerable situations, which has been carried out in agreement with some voluntary organisations and local CSVs.

With specific reference to financial education initiatives for organisations of the Third Sector, these are focused on increasing skills in the management of financial flows, while those in favour of people in economic fragility are aimed at facilitating relations with banks and more aware access to credit.
The Bank has worked to create and propose products and services for all categories of customers, including the vulnerable and those, such as the Third Sector, whose mission is to work for the most fragile. The actions described refer to the financial year 2025; the continuity of actions will be evaluated in 2026.

The main products and services BPER Bene Comune has mainly designed for the Third Sector are listed below.

- "Third Sector Current Account" for Third Sector Entities listed in the National Single Register of the Third Sector ("Registro Unico Nazionale del Terzo Settore - RUNTS")
- "Current account for Religious Institutions", reserved for religious institutions such as parishes, dioceses, CARITAS groups, confraternities, diocesan foundations, associations of different religious faiths, etc.
- "Current account for Social enterprises", dedicated to non-profit organisations registered as companies, such as social cooperatives, social enterprises, mutual aid societies and amateur sports club. This current account is also targeted at Benefit corporations and B-corps, in light of their commitment in social impact reporting;
- "Non-Profit Current Account" for non-profit entities other than companies and not listed in the RUNTS register (various associations, recognised or not, Foundations, NGOs, amateur sports clubs, Pro Loco associations, Trade Unions, Political Parties, etc.).

In addition, in agreement with the Associative Networks (and similar) on these account lines, agreements are in place for welcome-fee reductions for entities belonging to the network.

In addition, the following products are worth mentioning:

- BPER Bene Comune prepaid card with IBAN: is the card designed for organisations and associations of the Third Sector to reimburse expenses and credit sums to their volunteers, members and/or associates quickly, safely and easily;
- Non-Profit Loan: short-term financing to support the liquidity and investment needs of non-profit organisations;
- Advance on Funds for the Not-for-profit sector: in order to support the organisations in their public and private fundraising and management activities, advance credit lines have been created designed for entities that have a temporary need of cash while they are waiting to receive "5x1000" tax donations or funds originating from the public or private tenders they are awarded.
- Loans in agreement with Cooperfidi Italia: loans in agreement with Cooperfidi Italia allow Third Sector organisations to benefit from conditions reserved specifically for them and to make use of the guarantee issued by the Confidi to facilitate access to credit;
- Fundraising solutions: fundraising-focused tools and initiatives have been set up for the Third Sector to increase fundraising for projects with a social purpose, such as solidarity money transfers, partnership fundraising campaigns, crowdfunding, charitable donations and the sponsorship of the Fundraising Festival and the event "more Fundraising, more Culture";
- FRI Social Economy: The measure provides subsidies in the form of Facilitated Financing, with resources coming from the FRI Fund - Fondo Rotativo Imprese (revolving fund for companies) managed by CDP (Cassa Depositi e Prestiti), to which bank financing is associated on the basis of the specific MISE (now Ministry of Enterprise and Made in Italy)-CDP-ABI Agreement.

Lastly, as regards the Public Administration, BPER Bene Comune implements its actions for the benefit of the community by providing instruments and support for Public Administrations in the digitalisation of its processes and optimisation of its payment systems, thus achieving positive outcomes and impacts for citizens. A great deal of attention is paid to the public sector in terms of financial advances that enable the implementation of local social programmes.

Actions related to the provision of insurance solutions

In 2025, the BPER Group launched a significant project to upgrade its insurance applications and sales channels (so-called Portal), which continues through 2026 and has already achieved important successes. The CRCBO area is in charge of the project's implementation and progress. The objective is twofold: to simplify the insurance proposition for the branch and to expand the possibility for customers to get to know the insurance catalogue through remote offering and underwriting via digital channels. The project will result in an increasing number of customers becoming involved across the nation. There are also numerous working groups, involving both the Bank and partner insurance companies, that scrutinise the existing insurance catalogue. Their aim is to assess the development of innovative products to cater to the emerging coverage needs of our customers. Within the same venues, decisions are also made regarding the potential removal of outdated products from the catalogue. This is considered in terms of guarantees and insured amounts, and is related to the pre-set commercial budget objectives.

Accessibility to websites

The matter of digital accessibility forms part of the Bank's strategy to promote diversity and inclusion.
In line with the overarching principles outlined by the Group in the "ESG Policy", BPER is dedicated to providing an inclusive and seamless digital experience for all customers, as well as key stakeholders including investors, analysts, and partners. The objective is to ensure digital platforms are accessible and user-friendly for all, fostering equal opportunities and minimising barriers, in accordance with the principles of sustainability and social responsibility.
The main actions prepared with the primary objective of making a positive contribution to improving social outcomes for consumers and/or end-users are:

- website accessibility: increased usability of content for people with physical and cognitive disabilities, with customisation tools (enlarging text, removing animations) and tools such as AccessiWay for testing and improving accessibility;
- accessible by design: design of websites and functionalities with an accessible approach, tested with real users through AccessiWay and accompanied by declarations of conformity. The design and layout of the site's graphics and content have been created with accessibility considerations in mind;
- inclusive education: creation of school kits within the project GRANDE! with QR codes for audio tracks and inclusive publishing criteria for children with learning difficulties;
- provision of financial education webinars for women and adults.

The effectiveness of website accessibility actions is inherent in improving the usability of websites.

Innovation and digitalisation

For the BPER Group, digitalisation serves as a strategic tool for social sustainability. It facilitates wider access to banking services, minimises physical and operational obstacles, encourages financial inclusion, and guarantees consistent interaction between the bank and its customers throughout all life stages.
The journey is steered by a responsible, inclusive, and quantifiable approach, centred on the amalgamation of technological innovation, human supervision, accessibility, and consideration of the varying digital inclinations of customers.

The objectives include reducing the digital divide through extended accessibility of services and principles of accessible-by-design; improving autonomy, security and transparency in the use of services; enhancing continuity of relationships through the integration of digital channels and human advice; enabling fair and responsible access to credit; promoting digital awareness; and supporting the financial resilience of SMEs in managing flows and access to liquidity.

Digital transformation is guided by yearly planning of releases (major and minor), alongside a dedicated governance system for managing significant impacts. This is aided by real-time dashboards focusing on key performance indicators (KPIs), such as customer digitalisation, digital transactions, and sales through FEQ and Smart Desk. The journey is ongoing, with yearly milestones that align with the Business Plan for 2024-2027.

The departments involved include the Digital Business Department, teams dedicated to digital channels and the online branch, functions responsible for improving customer experience and engagement, Data & Analytics, Security and Customer Protection, Compliance, and Commercial Functions. Coordination is guaranteed through cross-functional tables that establish priorities, objectives, and checks.

The implementation of accessibility principles and the "accessible-by-design" approach can greatly diminish the digital divide, making services more user-friendly for customers with limited digital knowledge or specific requirements. This is achieved through interfaces, processes, and functionalities that are designed to be easily understood and used independently.
Digital features are tracked via real-time dashboards, which enable the evaluation of operational and commercial performance, as well as the monitoring of the digitalisation journey. This is based on KPIs associated with the adoption and activation of digital services, the proportion of operations transferred to self-service equipment (ATM/CSA), and digital sales processes managed through FEQ and Smart Desk, both in-person and remotely.

The initiatives encompass the entire customer base of the Retail e-business, and extend across the entire value chain, from service provision to customer relations and support. This includes relevant operational and governance processes where applicable. The activities are continuous and involve incremental releases.

Digitalisation at BPER is not a technological acceleration as an end in itself, but a governed, inclusive and measurable path that generates concrete social value: equal access to financial services, inclusion of people and businesses with different digital skills, continuity of relationships even in more fragile areas, economic resilience of businesses, security and conscious use of digital. The main initiatives and their social impacts are summarised below.

Self-service credit cards
In 2025, the process for applying for credit cards directly via the app was improved, enabling customers to independently acquire Prime, Premium, and Prestige cards through a completely digital process. The integration of the Electronic Credit File (EFC) and the implementation of a new creditworthiness evaluation system ensure a more consistent, transparent and expedited assessment, both in-branch and through the app. This significantly reduces processing time and enhances the overall experience. This evolution has enhanced customer independence and minimised the necessity for physical travel, whilst making the credit evaluation process more equitable and the access to sophisticated payment tools simpler and more transparent.

Digital loan with PPI
The Smart Loan was further simplified and made more intuitive, with an enhanced digital process that in 2025 was enriched with the possibility of integrating the optional Payment Protection Insurance (PPI) Policy. This policy safeguards the customer against circumstances such as unemployment, accidents, or illness. It enables the customer to independently complete the application through an app or with assistance from the online branch. The service bolsters the protection of the most vulnerable, encourages more responsible use of credit, and diminishes operational obstacles that frequently impede customers with less advanced digital or banking abilities.

Digital mortgage with online branch
The entire mortgage application process has been digitalised and transformed into an omni-channel platform. This allows customers to simulate their instalments using an app or website, conduct video consultations with online branch advisors, and complete the FEQ procedure. From 2025, with the introduction of the new BMe digital identity, prospective customers can complete their requests remotely, eliminating the need to visit a branch, through remote identification. The initiative fosters the inclusion of those residing far from the branches, minimising geographical and logistical obstacles, and provides continuous and expert support throughout every stage of the application process.

Digital Wealth
In 2025, the digital offer dedicated to asset management was expanded: via app and web, customers can subscribe to PICs and funds, accessing the entire Arca Fondi SGR range. Product information sheets include ESG indicators, risk profiles, and details on investment objectives, enabling more informed decisions that align with the investor's profile. This development bolsters financial education, enhances the accessibility of asset management, and encourages increased transparency and accountability in managing one's assets.

Insurance - Cover and Travel Policy
In 2025, the app was enhanced with features that provide a more detailed view of active and terminated policies, display coverage, guarantees and premiums, and manage the registration number of car policies. The Travel Policy, exclusively available online, provides modular and customisable coverage for travel within Italy and overseas. The expansion of digital services has made access to insurance products easier, even for customers who are less familiar with this sector. It offers immediate, customisable protection and significantly cuts down on bureaucracy.

Hey BPER and Human Collaboration
The Hey BPER platform signifies the advancement of the "human + digital" approach, enabling customers to engage with a consultant through a call, chat, video call, prearranged appointment, or remote screen sharing. The online division increasingly offers specialised advice, courtesy of dedicated, sector-specific teams. This model strengthens the continuity of relationships even in the absence of physical branches, offers support to less digital customers and helps to reduce the territorial digital divide, ensuring proximity and qualified assistance.

Evolution of the online branch
The online branch model combines the digital aspect with a specialised human touch, minimising the gap between the bank and the customer, and ensuring the relationship's continuity, even from a distance. In 2025, the model was improved by incorporating specialist teams for mortgages, insurance, and small businesses, along with extending service hours. This enhancement has improved the accessibility of time, personalisation of advice, and quality of relationships, providing extended support to customers with special needs.

Teen account and switch 18
The Bank continues to advocate for a secure financial education programme for 13-17 year olds, incorporating parental controls, adjustable spending limits, and automatic blocking of sensitive categories. Upon turning 18, the customer transitions to the BPER On Demand Under 35 account, whilst maintaining the same IBAN and login details. The service guides young individuals through a gradual and secure financial transition, mitigating risky behaviour and guaranteeing responsible entry into digital adulthood.

Security and customer protection
In 2025, new features were introduced to enhance digital security: caller ID to recognise online branch calls, customisable operating limits and automatic beneficiary verification for ordinary and instant Sepa transfers. These measures aid in reducing fraud, bolstering trust in digital platforms, and promoting more responsible and mindful customer oversight.

Enterprise ecosystem
2025 saw the consolidation of a digital model dedicated to business, designed to improve business continuity, cash management and administrative simplification. The approach is centred around listening and collaborative design with professionals, small and medium-sized enterprises, and corporate clients.

Below are the main 2025 initiatives in the field of Enterprise Ecosystem.

On Demand Business Account
The first fully self-service business account was launched, allowing digital opening in just a few simple steps. It includes document uploading via an app, instant set-up of operational functions, and streamlined management of delegated authorities. The solution alleviates administrative pressures and fosters enhanced operational independence for micro-businesses and professionals with limited time or resources.

Business Smart Banking
The platform has been expanded with useful functions for day-to-day business management: qualified electronic signatures also for legal entities, digital upload of documents, advanced information on business portfolios and automated verification of signature powers. Innovations minimise operational mistakes, accelerate processes, and enhance the organisational effectiveness of businesses.

Liquidity solutions: Invoice Advance and POS Transaction Advance
Businesses can now swiftly secure liquidity through a completely digital invoice advance process, while the Point of Sale advance guarantees a continuous flow for retail and food service operations. These solutions strengthen financial stability and aid sectors marked by daily fluctuations in flow.

New Corporate Platform
The new platform, designed for corporate clients, introduces a multi-bank and multi-business environment, featuring a contemporary interface and sophisticated cash management and flow control capabilities. The initiative enhances financial manageability, streamlines treasury procedures, and supports intricate administrative structures.

Business e-money
In 2025, the card offering was revamped with new bespoke solutions for businesses, insurance coverage for business travel, and premium services. Dashboards also allow timely control of business expenses. The set of innovations improves mobility, travel management and expenditure control.

Human Collaboration for the Enterprise Segment
An advanced model of remote consultation sits alongside digital channels, providing support during critical stages and offering specialised assistance for even the most complex operations. The service minimises operational time and risks, specifically aiding companies with lower levels of digital maturity.

Self Banking
In 2025, the fleet of automated equipment was augmented with an additional 186 new Smart - Self-Assisted Tills, 250 advanced ATMs, and 210 cashless branches. New features include app access to CSAs for corporate users, management of high denomination banknotes, instant credit transfers, and cardless withdrawals. These advancements enhance the autonomy and efficiency of operations, minimise queues in branches, and foster improved inclusivity for customers.

Responsible business practices and adequacy of the offer

The Bank ensures the responsible development and management of the product catalogue, in terms of developing products and services in line with its customers' needs. For this reason, the development of the commercial offer is based on the analysis of customer needs and characteristics.

Product Governance regulations call for monitoring the commercial offer with the aim of:
- verifying that the distribution of products is consistent with the type of customers;
- assessing product profitability;
- verifying possible disservices/defects through complaint analysis reports;
- adapting the product according to changes in the market environment, competitive positioning and evolving customer needs.

Periodically, on the basis of an annual plan shared by the Process Owner, during meetings with the Product Management areas and the Product Governance and Pricing Committee, evidence is given of sales data also in relation to the target market. In addition, the Complaints Report highlights the main operational or product disservices reported by customers. The objective is to identify and share possible corrective actions on the offer.

In terms of the adequacy of the offering, the Bank ensures that its products and services align with the characteristics and needs of its customers. The commercial offer is developed in the annual Product Plan, prepared on the basis of the strategic guidelines shared with the Product Management areas and validated by the Product Management and Pricing Committee. The guidelines are underpinned by portfolio analysis, market benchmarks, product ownership data, and, where available, insights gleaned from customer feedback activities such as Customer Satisfaction surveys, panel communities, and Net Promoter Score. The scheduling of activities for product and service implementation adheres to specific time horizons for each initiative, while the analysis of customer needs and traits is conducted continuously, on a yearly basis.

S4-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

IT Security Targets

Within the Business Plan, KPIs are foreseen to measure the degree of completion of the Strategic Security Plan. There are two targets:

- hardening IT systems;
- increased data security to prevent unauthorised data leakage (Data Loss Prevention) by acting on exit points, such as e-mail.

The objectives are articulated in qualitative terms and measured through the following KPIs:

- KPI 1: systems compliant with Hardening Policies (IT asset measurement unit). The baseline considered is 25% with a target of 50% by 2025. This target was achieved, with 50%;
- KPI 2: Data Loss Prevention (DLP) implementation; (unit exit point). The baseline considered is 10% with a target of 20% by 2025. This target was achieved, attaining 30%.

These targets are expressed in absolute terms, while KPIs are expressed in percentage terms. The baseline year is 2025 and the targets apply to the three-year period 2025-2027.

The scope of both initiatives concerns the Group IT system.

The initiatives are guided by a logic of raising security levels in areas that are less mature for BPER. This assessment emerges from the regular security maturity assessment that the company carries out with the help of external advisors.
All the targets were shared with the BoD during the approval of the overall Strategic Plan. No discussions were held with additional parties to define the target.

Periodic progress reports are carried out, during which any changes are evaluated on the basis of changes in the context. Any change is validated by the BoD.

The process for setting the targets included in the Strategic Plan is based on the analysis of the problems that have arisen during the constant monitoring and management of security (incidents, lack of coverage, frauds, data loss, etc.), the prevention and resolution methods, the reports/recommendations received from the Supervisory Authorities and internal control functions, and the future developments of the company in both technological and strategic terms.

The targets are monitored through the evaluation of the relevant KPIs by a periodic table coordinated by the organisation, which updates the status and progress by asking the relevant structure to report back.
The continuous improvement of corporate security, also achieved through the achievement of targets, is based on monitoring, analysis and lessons learned.

Targets related to complaint management

There are no specific targets in the area of freedom of expression for customers, more specifically concerning complaint management; however, the general guideline is to minimise the number of complaints and promptly activating, where necessary, specific corrective actions to avoid the recurrence of the issues complained of by customers.

Complaint management is monitored annually by means of the Report submitted to the Board of Directors, in which the complaints received are reported in terms of number and type.
In parallel, response processing times are monitored on a monthly basis, with a check on compliance with response deadlines for all complaints received in the previous month. Furthermore, we conduct daily monitoring of outstanding complaints to ensure they are addressed within the legally mandated timeframes.

Targets related to the provision of financing with ESG characteristics

Consistent with the "ESG Loan Origination Policy" and the strategies of the 2024-2027 Business Plan, which envisaged concrete targets and actions based on a number of relevant drivers, a target is included that refers to the identification of a ceiling of more than Euro 7 billion of ESG disbursement within the Plan's time horizon.
The target is financial in nature and is measurable and monitored systematically; it consists of the provision of financing in the three components E-environmental, S-social and G-governance to retail and corporate customers and the Third Sector. The distribution of funding foresees progressive growth over the years.

Not being a percentage target, the base value from which progress is measured is 0. The target applies to the three-year period 2025-2027. The objective aligns with previous planning and thus does not encompass the integration of Banca Popolare di Sondrio.

BPER devotes constant attention to the evolution of market trends and customer expectations in order to define a coherent product and service offer.
In 2025, ESG disbursements reached Euro 3.9 billion, showing significant progress already in the first year of the plan cycle. The monitoring process is carried out every quarter, guaranteeing continuous oversight of disbursement progress and alignment with the targets set out in the Business Plan.

Targets related to offering insurance solutions

Within the 2024-2027 Business Plan, with the goal of achieving national leadership in bancassurance, targets have been set in this area, including the penetration index (i.e. the total number of insurance products in relation to the total number of customers), the target value for which is set for 2027 at around 25%. The year 2025 concluded with a value of 19%, whereas in 2024, the penetration index stood at a baseline value of 15%.
In order to align common business goals, the process of outlining expected outcomes involved the insurance companies that the Bank represents as a distributor. The process of reporting commercial activity is conducted via a computerised exchange between the companies and the group on a daily basis, as stipulated in the distribution agreements.

Targets related to digitalisation

Digitalisation is aimed at generating value for customers by enhancing accessibility, user-friendliness, and service continuity. Digital adoption goals are formulated in accordance with sustainability principles and customer protection, without imposing commercial practices that are not tailored to the specific needs or digital abilities of various user groups.
This approach demonstrates the Group's dedication to encouraging responsible, inclusive, and informed use of digital services. This is seen as a tool to broaden access to financial services, safeguard customers who may struggle with digital platforms, and minimise operational and informational obstacles.

The aim of digitising retail customers is intimately connected to the Group's policies on financial inclusion, customer protection, responsible innovation, and transparency.
It forms part of the strategic sustainability priorities outlined in the 20242027 Business Plan, aiding in the roll-out of straightforward, secure, and accessible services.
The scope of application includes all retail customers active in Italy, with the exclusion of categories for which digital activation would not be appropriate or safe, namely: persons with limited digital autonomy, such as persons with support administration; persons with situations not suitable for activation, such as pending successions; customers without suitable devices to access digital channels; and customers over 75, to protect less inclined segments and prevent possible commercial pressure. These exclusions adhere to the principles of responsibility, protection, and mindful use of digital resources.

By the close of 2025, the Group had attained a digitalisation rate of 71% among retail customers, affirming the success of the measures implemented to simplify access to digital services and enhance customer experience. The goal for 2026 is set at 74%, based on a precise estimation of the customer base that could potentially be digitised. This value is derived from the regular review process of the targets, necessitated by the fact that the indicator is based on the number of the bank's active customers. This is a dynamic component that fluctuates over time due to new customer acquisitions, customer attrition, and changes in eligibility criteria or the propensity to use digital channels. The minor adjustment of the 2026 target, compared to the previously estimated values, represents a routine methodological update. This is intended to ensure a suitable alignment between the potential for digitalisation, observed customer behaviour, and the trajectory outlined in the 2024-2027 Business Plan. It is worth noting that the value may be subject to further revisions throughout the year, as the current monitoring scope does not encompass the customers of Banca Popolare di Sondrio. Their future inclusion will necessitate an update of the estimates and corresponding targets.

The digitalisation KPI is determined by comparing customers who have a contract that allows access to digital channels with the entire active retail customer base, following uniform Customer Relationship Management (CRM) guidelines. This ensures homogeneity and consistency over time.

Monitoring is conducted daily via real-time updated dashboards. These integrate the progression of the active customer base, the trend of digital contracts, and shifts in customer behaviour. This allows for early identification of any deviations from the anticipated path, enabling prompt corrective action to be taken. The reassessment of objectives occurs annually, unless exceptional events significantly alter the customer base or the inclination towards digitalisation. Operational oversight is maintained by digital specialists, often referred to as "semi-directors", alongside receptionists and digital network officers, all under the coordination of the Digital Business Department.

Setting targets is the outcome of a collaborative process involving the Digital Business, Planning and Control, Business and Markets, HR, and governance functions (Compliance and Security). This ensures that the targets are sustainable, coherent, and fully aligned with the strategic priorities of the Group.
The performance in 2025 aligns with the forecasted growth trajectory, affirming a positive trend for the medium term. The rise in digitalisation signifies notable enhancements within the 30-60 age group and a gradual decrease in the digital divide, achieved through more user-friendly processes and simplified features. Overall, the trend is fully aligned with the defined targets.

Digitalisation at BPER is a structured, inclusive and quantifiable journey that creates tangible social value. It enhances the fairness of access to financial services, simplifies daily operations, boosts security and fosters awareness in the use of digital channels, all while maintaining a continuous relationship with customers. This is not just a simple technological advancement, but a strategic tool for sustainability and protection that supports the customer on their financial journey, adopting a responsible, forward-thinking and long-term focused approach.

4. GOVERNANCE INFORMATION

4.1 Business conduct (G1)

IROs-PAT table

Sub-topic	PATs and related IROs
Corporate culture	**Policies:** • Code of Ethics **(I-40)** • Organisation and Management Model **(I-40)** • Antitrust Policy **(I-40)** • Policy for governing the risk of money laundering and terrorist financing **(I-40)** • Company Policy for the governance of tax compliance risk **(I-40)** **Actions:** Development of initiatives and training activities on • Code of Ethics and 231 Model **(I-40)** • Antitrust and Protection of Competition **(I-40)** • Anti-Money Laundering and Anti-Terrorism **(I-40)** • Fiscal Transparency **(I-40)**
Protection of whistleblowers	**Policies:** • Code of Ethics **(I-41)** • Organisation and Management Model **(I-41)** • Whistleblowing **(I-41)** **Actions:** • Management of the Whistleblowing Reporting Process and Training **(I-41)**
Management of relationships with suppliers, including payment practices	**Policies:** • Code of Ethics **(I-42)** • Regulation on the purchasing process and accounts payable cycle **(I-42)** **Actions:** • Management of relationships with suppliers **(I-42)**
Corruption and bribery - Prevention and detection including training	**Policies:** • Anti-Corruption Policy **(I-43)** **Actions:** • Actions for Prevention and detection of corruption and bribery **(I-43)**

G1-1: Business conduct policies and corporate culture

Corporate culture is a fundamental element for the BPER Group, which is committed to ensuring the integrity of those who work within it. It is essential to identify, assess, prevent and manage behaviour that is not in line with the Group's values, in order to ensure the quality of credit, the protection of all stakeholders and the strengthening of fiduciary relations with them.

To this end, the Group has defined internal regulations, management systems and tools to establish and strengthen a working environment based on transparency, accountability and trust, as well as able and suitable to guarantee the protection of whistleblowers.
The approach with which the Group promotes and manages its corporate culture is mainly founded on the structuring of a body of internal regulations based on: "Code of Ethics", "Organisation and Management Model" (OMM) according to Italian Legislative Decree 231/2001, "Antitrust Policy", "Policy for governing the risk of money laundering and terrorist financing", "Policy for the governance of tax compliance risk", "Regulation of the Whistleblowing Reporting System Macro Process" and "Anti-Corruption Policy".

In order to prevent and remediate possible impacts generated by those who operate within the Group and/or in the name and on behalf of BPER, the internal rules are periodically checked and updated; they are also made known through the implementation of specific training activities, a fundamental action to concretely apply the rules on which the Group's culture is based.

Code of Ethics

On 27 November 2025, BPER Banca's "Code of Ethics" was updated. In particular, it:

- describes the set of rights, duties and responsibilities that the Bank assumes towards the subjects with whom it interacts to achieve its business purpose (customers, employees and/or collaborators, shareholders, suppliers, Supervisory Bodies, Institutions, Independent auditing firm); it is therefore a standard whose rules of conduct must be taken into account in day-to-day work and whose first pre-condition is compliance with the laws and regulations in force, including rules internal to the Bank;

- is meant to set ethical standards of reference and rules of conduct to guide the Bank's decision-making processes and conduct;
- requires a consistent behaviour from the management and all the persons to whom it is addressed, i.e. actions that are not, even only in spirit, dissonant with the company's ethical principles;
- contributes to implementing the Group's social responsibility policy, in the awareness that the Group's decisions and actions have direct and indirect effects on society and that paying attention to social and environmental issues helps minimise the exposure to compliance and reputational risks, reinforcing the sense of belonging in its stakeholders.

Among the values expressed in the "Code of Ethics", accountability (Art. 11) especially stands out, which is also expressed in the commitment to achieve social and economic growth in the footprint areas where the Bank has its roots.

The "Code of Ethics" is an integral part of the 231 Organisation and Management Model pursuant to Italian Legislative Decree 231/01 (detailed below) and constitutes the first tool for preventing all offences.

The Parent Company BPER, aware of the importance of the correct application of the principles set out in Legislative Decree no. 231/01 by its Subsidiaries, communicates to them the principles and guidelines to be followed for the adoption of the Organisation, Management and Control Model pursuant to Legislative Decree no. 231/01, transmitting among other things the "Code of Ethics", which is an annex to the General Section of the Model.
For the independent implementation of their own Model, Legal Entities, under the guidance of their respective Boards of Directors and their own accountability, must also consider the nature and type of business they conduct, as well as the size and structure of their organisation.

The "Code of Ethics" serves as the essential guide to ensure behaviour characterised by integrity, fairness, and responsibility in dealings with employees and customers. It advocates for equal opportunities, the safeguarding of individual dignity and safety, along with respect for privacy and adherence to regulations. For employees, it guarantees an inclusive environment, devoid of discrimination and favouritism, promoting professional development based on abilities and merit. For our customers, it guarantees transparency, high-quality service, and equitable access to products and information, cultivating relationships founded on trust. The Code forbids associations with parties engaged in unlawful activities and demands rigorous adherence to the regulations concerning legality and fair competition. It also steers the clarity of communications, the responsible management of complaints, and the implementation of fair and inclusive business practices. The implementation of the principles is overseen through dedicated monitoring and control systems to ensure consistency between stated values and actual behaviour.

The Code is approved by the Board of Directors. Each corporate structure oversees and guarantees the compliance of its actions and activities with the principles and values of the "Code of Ethics", which conforms to the principles indicated in the "Guidelines of the Italian Banking Association for the adoption of Organisational Models for the administrative liability of banks", adopted in February 2004, and subsequent updates.
It is further inspired by the principles of sustainability set out by international organisations and institutions such as the European Union, the Organisation for Economic Co-operation and Development and the United Nations, working to promote and respect universally recognised human rights, as set out in the Universal Declaration of Human Rights.

Given the purpose of ethically steering BPER business, the "Code of Ethics" is binding for shareholders, members of the Corporate Bodies, Top Management, employees, including executives, as well as for all External Parties that operate directly or indirectly on the Group's behalf (for example, financial agents, financial advisors, collaborators in any capacity, consultants, suppliers). These persons are required to observe and, to the extent of their competence, enforce the principles contained in the "Code of Ethics", compliance with which forms an integral part of their contractual obligations under the Civil Code.

Contracts with External Parties include an explicit reference to compliance with the principles of the "Code of Ethics", with the caveat that failure to do so may constitute a breach of the contractual obligations undertaken.

The Supervisory Body appointed pursuant to Articles 6 and 7 of Italian Legislative Decree No. 231/01 monitors compliance with the Code within its competence. In particular, it is responsible for:

- checking compliance with the "Code of Ethics", so as to reduce the risk of committing the crimes identified in Italian Legislative Decree No. 231/01;
- promote and coordinate the updating of the Code of Ethics, also through own proposals;
- promote and monitor initiatives aimed at fostering the communication and dissemination of the "Code of Ethics" to all parties required to comply with the relevant provisions and principles;
- suggest an ethical education plan;
- comment on any alleged violations of the Code of Ethics it becomes aware of, reporting any potential infringements to the competent Corporate Bodies.

The "Code of Ethics", as well as the General Section of the 231 Model, are made available on the Bank's website, so that they are brought to the attention of all those with whom the Bank has business relations. In particular, its updates are brought to the attention of all recipients (internal and external) through appropriate communication and dissemination activities. A copy of the Code of Ethics, together with the link to the page on which the document may be viewed on the company intranet, is also given to each board director, statutory auditor, employee or external staff member at the time of their respective appointment, hiring or entering into a business relationship.

In promoting a corporate culture based on ethics, integrity and good governance, the BPER Group provides its employees with adequate communication channels for reporting illegal, improper or suspicious behaviour within the Group.

Reports can be submitted through the channels and procedures outlined in the "Whistleblowing Reporting System" that the Bank has adopted.

Organisation and Management Model

Italian Legislative Decree 231 of 8 June 2001 introduced an administrative liability regime in the Italian legal system for legal persons, companies and associations, including non-legal entities, which is in fact comparable to criminal liability, in addition to the liability of the natural person who has materially committed certain criminal offences.

Adopting the OMM is not a legal requirement, but rather a strategic decision made by BPER Banca and its group companies. This is done with the aim of ensuring transparency and fairness, thereby safeguarding its reputation, shareholders, and employees. The Model, last updated on 27 November 2025, is approved by the BoD.
At the instigation of the Parent Company, many Group Companies have decided to adopt the Model: as at 31 December 2025, the BPER Group Companies with their own Organisation and Management Model pursuant to Legislative Decree no. 231/01 are: BPER Banca, Banco di Sardegna, Bibanca, Banca Cesare Ponti, BPER Real Estate, Sardaleasing, BPER Factor, Finitalia, Modena Terminal and Arca Fondi SGR. It is worth noting that Banca Popolare di Sondrio, Factorit, and Banca della Nuova Terra each have their own 231 Model.

The Companies that adopted the Organisational and Management Model also appointed their own Supervisory Body (pursuant to articles 6 and 7 of Legislative Decree No. 231/01), to constantly supervise the appropriateness and effectiveness of the Model and its compliance, as well as propose its amendment and update, where necessary; said Body is able to perform its duties in an autonomous and independent manner, as well as with the appropriate expertise and professionalism, and operates according to its own statute which forms an integral part of the Organisational and Management Model. As envisaged in its Articles of Association, the Supervisory Body reports on the results of its activities and on the operation of and compliance with the Model, except in cases of particular gravity, in a special six-monthly report to the Board of Statutory Auditors and the BoD.

The adoption and implementation of the Model, in addition to realising a possible exemption from administrative liability, pursues the following objectives:
- to inform the addressees of the Model and to make the same aware of the correct conduct required and the need to comply with internal and external regulations;
- to effectively prevent the offences envisaged by the Decree from being committed;
- to fully implement the values stated in the respective "Code of Ethics".

From an organisational perspective, it is believed that adopting the Model can also support achieving the following:
- contributing to the prevention of the commission of offences of various nature;
- increasing the effectiveness and the efficiency of business operations to achieve the company's strategies;
- improving competitiveness in the domestic and international market;
- improving the internal work environment.

The Model also promotes personnel training and the empowerment of individuals, enhancing the contribution of human resources (employees and collaborators) to monitoring operational compliance with internal and external rules and encouraging behaviour based on principles such as honesty, professionalism, seriousness and loyalty.
In short, the 231 Model makes it possible to both protect the company's assets, avoiding the application of fines and prohibitory sanctions, and to achieve organised management of the Group's companies based on the principles of proper administration, favouring the achievement of economic development objectives.

In particular, BPER Banca's Model and the provisions and prescriptions contained or referred to therein must be complied with, to the extent of their specific competence in the performance of the tasks and functions assigned by the Bank, by the following persons:
- members of the Corporate Bodies, such as the BoD, the Board of Statutory Auditors and the Supervisory Body;
- employees (personnel belonging to the first, second and third professional categories, managers, executives);
- seconded employees of Group Companies, limited to any activities carried out within the Bank;

- collaborators who, although not employees, work for BPER and are under the Bank's control and supervision (e.g., financial agents, financial promoters, interships, workers on a temporary contract or project, contract workers).

The following are instead not recipients of the Model[129]:

- shareholders, because it is impossible to subject them to the training, controls, procedures and reporting obligations set out in the Model itself for persons identified as recipients. They are however recipients of the Bank's "Code of Ethics", which they must respect in their relations with the Company;
- "External Parties" which, by virtue of contractual relations, provide services to the Bank for the performance of specific activities; in the context of such relations with the Bank, they must in any case undertake to observe the principles enshrined in the Bank's "Code of Ethics".

Provision is made for the involvement of personnel in the constant updating of the Organisation and Management Model, in order to collect any proposals for the variation and implementation of its contents. For this purpose, BPER Banca has implemented an internal IT process to manage information flows, including those related to the Supervisory Body. This process requires all contributors to actively participate and cooperate.
For the purposes of the Model's effectiveness, it is the BPER Group's objective to ensure proper knowledge and dissemination of the provisions and principles contained or referred to therein to all its recipients. This objective concerns all present or future resources of the company.

The BoD of BPER Banca and the Group Companies, with the help of the corporate structures, shall inform all recipients of the existence and content of the Model. In particular, the Model is formally communicated to the recipients via publication on the company intranet.
Contracts with External Parties include an explicit reference to compliance with the principles of the "Code of Ethics", with the caveat that failure to do so may constitute a breach of the contractual obligations undertaken.
Any reports relating to breaches of the Model and/or the "Code of Ethics" should be swiftly sent to the Supervisory Body for the necessary checks, following the communication channels and procedures outlined by the specific Whistleblowing system (for further details on this, please refer to the section below).

Antitrust Policy

The "Antitrust Policy", updated in June 2025, aims to promote a culture of competition and the prevention of antitrust offences, defining the Group's commitment to conduct business activities in a manner that guarantees free competition and consumer protection.
In particular, the Policy:

- describes the guidelines that the Parent Company has defined to ensure compliance with antitrust regulations, also in consideration of the principles and provisions of, inter alia, the "Group Policy for governing the risk of non-compliance";
- illustrates the cases that may be relevant for the purposes of compliance with Italian and EU antitrust law;
- defines the risk profiles for antitrust purposes identified as sensitive for the BPER Group and the related principles of conduct, including the identification of roles and responsibilities of the Functions of the Parent Company and the other Group Banks/ Companies deemed to be impacted.

Training and information for Policy recipients are guaranteed through dedicated documentation published on the company's intranet. The AGCM (Italian Competition Authority) Guidelines require that the Antitrust Compliance Programme include the definition of processes suitable to reduce risk, allowing for the timely detection of any conduct capable of entailing antitrust offences and, on this basis, the prompt adoption of appropriate remedial measures. To this end, the reporting process in place (Whistleblowing) guarantees the possibility for the resources of the various Group Companies as well as third parties to make reports with reference to specific events/behaviours observed that could entail the risk of incurring antitrust offences, to request precise clarifications on specific issues, up to and including reporting possible violations when more serious cases occur. For further information, please see the section on Whistleblowing.

In the conduct of its business, the BPER Group is required to prevent avoid restrictive agreements on competition, abuse of a dominant position, unlawful concentrations and unfair business practices. To this end, it defines principles and strategic lines of antitrust governance, identifies sensitive areas and related principles of conduct, and implements a continuous monitoring system, aimed at promptly intercepting any anti-competitive offences that may arise and updating the monitoring programme (so-called Antitrust Compliance Programme, hereinafter also Programme) if changes in the companies' activities or in the regulatory environment are detected, with consequent impacts on the risk exposure of the Parent Company and the other Group Companies.

129 For the purposes of this Model, External Parties include, by way of non-limiting example: self-employed workers, professionals, consultants, suppliers, auditing firms, business partners, persons and/or entities that enter into agency agreements with the Bank (other than financial agents).

The Policy applies to all the Companies within the scope of the Report; it should be noted that the implementation of this Policy has been initiated by the Companies of the Banca Popolare di Sondrio Group only as from the date of the exercise of direction and coordination activities by BPER (i.e. 18 July 2025) and subject to the approvals of the relevant Corporate Bodies.
The Chief Compliance Officer (CCO), who leads the Antitrust Programme, is accountable for executing the Policy that has been approved by the Board of Directors of the Parent Company. The Policy and the related Compliance Programme are drafted in compliance with the AGCM Guidelines of 25 September 2018, updated in 2025 by Resolution No. 31466, and with national (Law No. 287/1990) and European (Articles 101 and 102 TFEU, EU Regulation No. 720/2022) legislation.

Policy for governing the risk of money laundering and terrorist financing

In December 2025, the "Policy for governing the risk of money laundering and terrorist financing" was revised. This document is designed to ensure complete adherence to existing regulations and to effectively prevent banks and companies within the banking group from inadvertently becoming involved in money laundering and terrorist financing activities. The Policy, accessible to all employees via the company intranet, also defines:

- the preconditions of the process for governing and managing the risk of money laundering and terrorist financing, i.e. the process whereby risk is identified, measured, assessed, assumed, monitored and controlled;
- the roles and responsibilities of the Corporate Bodies and Organisational Units involved in managing the aforementioned money-laundering risk.

The document addresses the main areas which the anti-money laundering and counter-terrorism legislation is structured into, including:

- customer due diligence;
- obligations to retain data and information and to send aggregated data to the Financial Intelligence Unit for Italy (FIU);
- active cooperation required of the Group's banks and Companies through the reporting of suspicious transactions;
- personnel training obligations.

The prohibitions and thresholds relating to the use of cash and bearer negotiable instruments are also outlined.

With specific regard to aspects of countering the financing of terrorism, the requirements for the freezing of funds and economic resources, as well as the related disclosure and reporting obligations, are set out. This also pertains to programmes aimed at countering the proliferation of weapons of mass destruction, as well as to efforts to counteract the activities of countries that pose a threat to international peace and security.
As required by the regulations in force, BPER Banca prepares the Anti-Money Laundering Function Report annually. It contains the self-assessment exercise of the risk of money laundering and terrorist financing; this report also highlights the Group's training objectives, defined by the Anti-Money Laundering Function in cooperation with the HR Department.

As at 31 December 2025, based on the combined provisions of Legislative Decree No. 231/07 and the Bank of Italy Order of 26 March 2019, the Legal Entities of the Group currently subject to anti-money laundering regulations are:

- Banks under Italian law (the Parent Company BPER Banca and its subsidiaries Banco di Sardegna, Bibanca and Banca Cesare Ponti, Banca Popolare di Sondrio and Banca della Nuova Terra);
- non-banking Companies under Italian law (Arca Fondi SGR, BPER Factor, Finitalia, Sardaleasing, Factorit and PrestiNuova);
- the Bank incorporated under Luxembourg law (BPER Bank Luxembourg) and the Bank incorporated under Swiss law Banca Popolare di Sondrio (SUISSE), although not subject to Italian regulations, are nevertheless indirectly affected by the application of the provisions focused on the Parent Company, aimed at standardising the system of internal controls, direction and coordination by the Parent Company.

The BPER Group's organisational model envisages that the exercise of the Anti-Money Laundering Function, in implementation of the principles expressed in the "Group Internal Control System Policy", is exercised, for all the Italian entities directly subject to the regulations, to a structure operating at the Parent Company, appointing in any case a Function Contact Person, pursuant to Bank of Italy Circular 285/2013 and Bankit Measure of 26 March 2019.
The head of BPER's Anti-Money Laundering Function - identified as Chief AML Officer (CAMLO) - is also in charge of the Group Anti-Money Laundering Function, the Company Delegate and Group Delegate for reporting suspicious transactions (SOS for short), the Group SOS Officer and the Compliance Officer of the Group and of the Group's individual Italian Banks.
The Parent Company and the other Group Companies subject to anti-money laundering regulations, in compliance with the provisions of current anti-money laundering legislation, and in particular of the Bank of Italy Provision of 1 August 2023 amending the "Provisions of the Bank of Italy on organisation, procedures and internal controls for anti-money laundering purposes" of 26 March 2019 (the so-called "Bank of Italy Provision"), have also appointed their own Representative responsible for anti-money laundering, as well as a Group-level Representative responsible for anti-money laundering, in accordance with the statutory requirements.

The corporate Anti-Money Laundering Function for BPER Banca and for all Group Legal Entities that have outsourced this role to the Parent Company is defined in internal regulations (Policy, Regulations and Manuals) and in the terms set out in the

Provisions on the organisation, procedures and internal controls aimed at preventing the use of intermediaries for the purposes of money laundering and terrorist financing published by the Bank of Italy on 26 March 2019 and subsequent amendments and additions.

The Anti-Money Laundering Function continuously carries out checks within its remit, as part of the evolution of the Group's distribution model and commercial offerings. In accordance with corporate regulations, it intervenes in areas of interest from the preliminary stages of various project initiatives. Collaboration with the relevant organisational and business structures primarily involves identifying elements that could potentially indicate a risk of money laundering and designing appropriate measures to mitigate this risk.

In 2025, the BPER Group persisted with its strategic programme to strengthen the ICT Risk Management and Cyber Security framework. This involved the implementation and development of various projects, including those centred on Artificial Intelligence, as outlined in the 2024-2027 Business Plan. These initiatives were designed to aid in the management of compliance with internal regulations by employees and to streamline the reporting activity to the authorities, conducted by the Anti-Money Laundering Function.

The IT tools adopted by the Banks and Group Companies under Italian law include:

- the "Gianos" application for customer risk profiling and management and the detection/reporting of potentially suspicious transactions;
- the Multi-Report Electronic Questionnaire for customer due diligence and monitoring, also available on the digital channel to intervene in predefined situations, assessed by the Anti-Money Laundering Function as low risk, where the information and data pertaining to the customer's profile are not up-to-date;
- the NAUI (Nuovo Archivio Unico Informatico - New Single Electronic Archive) for recording and storing information;
- an internal software dedicated to remote control of financial flows from customers;
- checking, in real time, the names included in the Bank's databases or involved in payment/transfer transactions in order to exclude their inclusion in "black lists" and any political exposure of customers.

Policy for the governance of tax compliance risk

The "Policy for the governance of tax compliance risk" defines rules and processes for managing the risk of non-compliance with tax regulations, in the context of the "Group Internal Control System Policy" and the "Group Policy for governing the risk of non-compliance".
The Policy oversees the functioning of the Tax Control Framework (TCF), a system influenced by both international and domestic best practices, with the objective of ensuring efficient management of tax risk. The TCF is closely associated with compliance with the Italian collaborative tax regime, embodying the principles and operational rules outlined in the Tax Strategy approved by the Parent Company's Board of Directors.

The Policy applies to all companies in the reporting boundary with the exception of: BPER Bank Luxembourg, Adras, Annia and St. Anna Golf; it should be noted that the companies of the Banca Popolare di Sondrio Group only started to implement this Policy from the date of the exercise of direction and coordination activities by BPER (i.e. 18 July 2025) and subject to the approvals of the relevant Corporate Bodies.
Considering the regulatory nature, the Group's compliance functions with regard to tax regulations are carried out by the specialised supervision, identified in the Financial and Supervisory Reporting Department which, for these purposes, is functionally dependent on the Chief Compliance Officer.

The BPER Group has undertaken to implement and include, in the context of the internal control and risk management system, a specific system for the detection, measurement, management and control of tax risk (the aforementioned TCF), in line with OECD guidelines and the domestic regulations implementing them. Furthermore, in order to strengthen transparency towards tax authorities, it adheres to the Italian cooperative compliance regime. In addition, in order to protect its interests and its shareholders, it upholds - also in litigation - interpretative positions that are considered sound and reasonable, even if not shared by the tax authority within the framework of prior dialogue envisaged in the collaborative compliance regime. In the event of a disagreement with the domestic tax authority on transfer pricing and cross-border issues, the Group reserves access to unilateral institutions and international double taxation resolution instruments.

The Tax Control Framework is monitored in order to allow the identification of any gaps or errors in the functioning of the control system and the consequent activation of the necessary corrective actions. TCF monitoring is ensured in particular with regard to:

- fiscal risk management in compliance with the rules and procedures contained in the TCF;
- the effectiveness of the risk mitigation measures outlined in the TCF.

On an annual basis, a Report prepared by the Financial and Supervisory Reporting Department is sent to the BoD via the Control and Risk Committee.

The Report contains, inter alia, the results of the periodic review and audits carried out on tax compliance, the planned activities, the related results and the measures put in place to remedy any shortcomings revealed in the monitoring. The Report highlights any needs for updating the Tax Strategy and Tax Control Framework.

In the case of conflicting episodes, internal regulations provide the possibility of direct reporting to the competent manager who, having assessed the situation, will proceed with any necessary corrections, working with the institutes set out in the relevant tax legislation. Should there be any uncertainty in interpretation, the Tax Unit Offices will evaluate the impact on business operations and the possibility of reviewing the position.

The safeguards of the Policy include the information provided to all its recipients through the dissemination of appropriate documentation published on the company intranet.

Whistleblowing

The Whistleblowing Reporting System is an important way of promoting corporate culture, as it encourages reporting unlawful conduct through dedicated channels that guarantee confidentiality and protection from retaliation for all those involved in the process.
The System incorporates the provisions of Italian Legislative Decree 24/2023, which broadened the range of reporting parties and extended the regulatory scope of whistleblowing reports also to violations pursuant to Italian Legislative Decree 231/01 and Organisation, Management and Control Models. The transposition of the above-mentioned regulatory provisions was an opportunity to update the IT "Whistleblowing Communication" procedure, which now integrates all types of reports. In particular, if the Whistleblowing Officer receives a report concerning conduct potentially attributable to what is called a "predicate offence" as referred to in Italian Legislative Decree No. 231/01 or a breach of the Organisation and Management Model and/or of the "Code of Ethics", the Regulation of "Whistleblowing Reporting System" macro-process prepared in compliance with the relevant regulations in force - states that the report, together with the relevant information, must be promptly forwarded to the Supervisory Body of the Bank/Company pursuant to Italian Legislative Decree No. 231/01, to which the report refers for the performance of the necessary verification activities.
The Group has implemented an organic system for managing reports of unlawful conduct and has identified a Whistleblowing Officer, responsible for managing the reports received through the appropriate channels.

The Whistleblowing Officer in BPER is the Chief Audit Officer (CAO) of the Parent Company, who performs this role for all the Banks and Companies to which the relevant regulatory framework applies; in BPER Bank Luxembourg and in Arca Fondi SGR, the Whistleblowing Officer is identified in the respective Audit Managers; for Modena Terminal s.r.l., on the other hand, the role is assigned to a person external to the BPER Group.

The Internal Whistleblowing Reporting System, as part of sustainability reporting within companies, is adopted by:
- Italian Banks: BPER Banca, Banco di Sardegna, Bibanca, Banca Cesare Ponti;
- credit finance companies: Sardaleasing, BPER Factor, Finitalia;
- other Group Companies: BPER Real Estate, BPER Bank Luxembourg and Arca Fondi SGR.

In 2025 Modena Terminal s.r.l., following the adoption of the Organisation and Management Model pursuant to Italian Legislative Decree no. 231/2001, came under the scope of application of Italian Legislative Decree no. 24/2023 and equipped itself with a Whistleblowing System, compliant with the regulations, the management of which was outsourced to a company outside the BPER Group.

The Companies of the Banca Popolare di Sondrio Group equipped with an internal whistleblowing reporting system have retained (and will retain until the merger date) the following organisational structure:
- Banca Popolare di Sondrio, has maintained its own Whistleblowing System; the person in charge of the system is identified as the pro-tempore Head of the Compliance Function of Banca Popolare di Sondrio, while the preliminary analysis of the reports is entrusted to the Internal Audit Service of Banca Popolare di Sondrio;
- Banca della Nuova Terra has continued to outsource the management of the Whistleblowing System to Banca Popolare di Sondrio;
- Factorit has continued to outsource the Whistleblowing System to Banca Popolare di Sondrio.

The Whistleblowing Manager of the BPER Group Companies, which have not outsourced their whistleblowing system to the Parent Company, regularly sends a report to the Parent Company. This report includes any whistleblowing complaints received, the results of the investigations conducted, and an annual report on the effective operation of the adopted whistleblowing system.

The following are eligible to make a whistleblowing report: permanent or fixed-term employees, contract workers, interns and collaborators, financial advisers authorised to offer their services outside their offices, financial agents, debt collectors, suppliers, self-employed professionals and consultants working for the Group, shareholders, and persons with administrative, management, control, supervisory or representative functions.

The Recipients of the "Code of Ethics" are required to report any violation, including well-founded suspicions of violations of national and European Union regulations (administrative, accounting, civil or criminal offences), of the Organisation and Management Model, labour contracts, internal regulations or the same "Code of Ethics", of which they become aware as part of their duties. Failure to comply with the reporting obligation is expressly sanctioned.

Compliance with the Model as well as the effective performance of the Supervisory Body's duties is facilitated by a complex flow of information to the Supervisory Body itself. This includes an important obligation for all addressees of the Model and of the "Code of Ethics" to report any conduct that infringes the provisions thereof.
The Supervisory Body assesses the reports received by using, according to their nature, the internal structures of the Bank to carry out in-depth analysis of the facts being reported; the Supervisory Body can directly listen to the author of the report or the parties mentioned in it; at the end of the preliminary inquiry, the Supervisory Body provides the necessary input for preparation of the disclosure by the Whistleblowing Officer - containing the outcomes of the verifications carried out and an opinion on the potential violation committed by the reported party - that the Whistleblowing Officer will submit to the competent Corporate Functions/Bodies that are required to take organisational/disciplinary measures. If necessary, the Supervisory Body requests the Bank to implement the appropriate measures on the Organisation and Management Model and/or the "Code of Ethics".

More specifically, with regard to the process of handling and assessing reports, the Whistleblowing Officer intervenes, where appropriate with the cooperation of:
- resources of the Internal Audit Function or belonging to other Control Functions;
- other resources in Group Functions according to the specialised subjects covered;
- professionals outside the Group.

In order to have the necessary expertise for the correct assessment of the report, he/she:
- makes a preliminary assessment of the alert received;
- assesses the admissibility of the alert;
- ensures having provided the whistleblower with an acknowledgement of report receipt within seven days of its receipt;
- maintains communications with the whistleblower;
- carries out in-depth investigations by analysing the documentation provided at the time of the report, supplemented with data/information acquired in the course of the preliminary investigation.

The reports must describe the alleged illicit conduct in detail and must be based on precise and consistent factual elements. In 2025, 26 reports were received at Group level through whistleblowing channels: of these, 10 were assessed as out of scope with respect to the objective and subjective criteria of the discipline. The 14 reports falling within the scope of application of the rules had the following results: for 4 reports, the in-depth investigations carried out confirmed the validity of the aspects reported, which were promptly communicated to the competent corporate functions and managed in accordance with the Whistleblowing regulations; 10 reports were dismissed due to the absence of elements capable of substantiating the actual or potential unlawful conduct. The 2 reports that the Whistleblowing Officer of Banca Popolare di Sondrio received in the latter half of 2025 were dismissed by him due to a lack of evidence supporting any actual or potential illegal activity.

In compliance with the Company Whistleblowing Regulation, anonymous reports shall not be taken into consideration for whistleblowing purposes, due to lack of traceability. Reports received anonymously will therefore not be managed according to the process defined in the Regulation. Consequently, the protections envisaged for the whistleblower, as defined by the Whistleblowing System, will not apply. The Bank does not tolerate direct or indirect acts of retaliation, discrimination and penalisation for reasons directly or indirectly connected to reports that have been made in good faith, without prejudice to legal obligations and the protection of the rights of persons accused wrongly or in bad faith. The Bank provides for sanctions against those who violate the measures for the protection of the reporting subject and against those who maliciously or negligently make reports to the Supervisory Body that turn out to be unfounded.

The procedure to be followed in making a whistleblowing report is disclosed to employees through dedicated internal rules, available on the company intranet. In order to ensure that all recipients of the Regulation are properly informed, this information is also available on the institutional website of BPER and of each Group Bank and Company to which the regulations apply.
As part of the initiatives taken by BPER to promote the knowledge and purpose of whistleblowing and thus the potential use of the whistleblowing channel - also to promote greater risk awareness - the Internal Audit Department oversaw the design and content of a training course. Attendance on the course has been made mandatory for all colleagues, with a completion deadline of 31 December 2025.

In implementing the regulatory provisions on whistleblowing, the Group has set up adequate safeguards to protect the whistleblower and those involved in the report in various capacities, divided into two categories:
- protection from retaliation: the BPER Group ensures measures to protect whistleblowers and other persons involved in whistleblowing from any retaliation and discrimination in relation to the report made, ensuring that the report is not prejudicial to the existing relationship. Any act of retaliation or discrimination against whistleblowers is forbidden and, if it

occurs, may lead to disciplinary proceedings against the whistleblower and to sanctions and/or administrative proceedings by the authorities, in accordance with the provisions of the applicable legislation. The whistleblower may consider making an external report if they fear any possible retaliation;
- protection of confidentiality and processing of personal data: the BPER Group guarantees the confidentiality of the personal data of the whistleblower and of all persons involved in the report. In particular, the identity and any other information - from which the identity may be inferred even indirectly - may not be disclosed to persons other than the Whistleblowing System Officer and those authorised to process the whistleblower's personal data for the purpose of following up the report.

The company to which the whistleblower belongs is obliged to maintain the confidentiality of the whistleblower, unless:
- the whistleblower has given consent to disclosure;
- disclosure of the whistleblower's identity is indispensable to ensure the defence of the person against whom the disciplinary charge is brought, in the context of disciplinary proceedings initiated against the whistleblower;
- disclosure is required by external regulatory obligations (e.g. as part of investigations initiated by the judicial authorities or within the scope of legal proceedings).

Each Bank and Group Company to which the whistleblowing legislation applies is a data controller, in accordance with data protection legislation, in relation to the report and the subsequent activities carried out.

Anti-corruption Policy

Bribery against public or private parties is one of the areas of greatest concern for the BPER Group, as it can generate risks of an operational, compliance, business continuity and reputational nature, such as financial damages connected with sanctions, falls in reputation ratings, de facto or legal exclusion from markets and/or the possibility of contracting with the Public Administration. These risks could directly and negatively affect the implementation of corporate strategies, the achievement of the related objectives and, in general, the Group's stability and integrity. Therefore, it is necessary to define a consolidated internal management system to prevent, detect and mitigate the risk of corruption and comply with Anti-Corruption regulations and voluntary commitments applicable to its activities.
To effectively safeguard against these risks, the Group has, since November 2022, implemented an "Anti-Corruption Monitoring Model". This is designed to establish a system of controls and checks to mitigate the risk of non-compliance with anti-corruption measures. The Model adopted consists of the "Anti-Corruption Policy" (also known as the "ABC Policy") and an associated Anti-Corruption Programme. For more details on the Model and the Anti-Bribery Programme, please refer to the description in the Disclosure Requirement "G1-3: Prevention and detection of corruption and bribery".

The Policy applies to all the Companies within the scope of the Report; it should be noted that the implementation of this Policy has been initiated by the Companies of the Banca Popolare di Sondrio Group only as from the date of the exercise of direction and coordination activities by BPER (i.e. 18 July 2025) and subject to the approvals of the relevant Corporate Bodies.
The "Anti-Corruption Policy" applies to all members of the strategic supervision, management and control bodies, employees, agents, financial advisors and occasional collaborators of the BPER Group and, transversely, to all the Group's business activities, in compliance with the local regulations in force at any given time. All recipients of the Policy and those who interact with them in any capacity are expressly required to adhere to the fundamental values of integrity, transparency and responsibility and to promote a sound culture of regulatory compliance, where corruption is never allowed. It establishes the rules, general principles and actions to prevent and manage the risks connected to corrupt phenomena that, in any form or manner, involve the BPER Group. The goal is to promote and spread awareness within the Group about risks and internal controls (risk culture) in relation to anti-corruption. Therefore, the Policy:
- formalises and articulates the BPER Group's commitment to the fight against corruption, in compliance with anti-corruption regulations in force at any given time or in any specific place;
- defines operating standards for the identification, prevention and management of potential episodes of corruption to protect the Group's integrity and reputation;
- clearly defines the anti-corruption principles for the parties concerned, both inside and outside the Group, promoting ethical values at a consolidated level;
- defines the framework and strategic guidelines of the Group's Anti-Corruption Monitoring Model.

This Policy details the anti-corruption supervision framework, which encompasses the following roles:
- Group Anti-Corruption Officer;
- Local Anti-Corruption Contact Person (who, unless stated otherwise, is the same as the Compliance Contact Person) for each Group Company that has delegated the Compliance Function to the Parent Company;
- Local Anti-Corruption Officer, for each domestic and/or international group company that has not delegated the Compliance Function to the Parent Company.

These figures are appointed respectively by the Board of Directors of BPER Banca and by the Group Companies, when the Policy is approved, and must possess the requisites and necessary skills required by the role covered. The Group Anti-Corruption

Officer, the local Anti-Corruption Contact Persons and the local Anti-Corruption Officers constitute the Compliance Function for the Prevention of Corruption (CFPC) and guarantee its independence.
The CFPC reports directly to Top Management on critical issues relating to acts of corruption or violations of the Anti-Corruption Monitoring Model.

The risk assessment for corruption is conducted and regularly updated by the Compliance Function of the Parent Company, based on:

- the specific information flows received from the Group Companies, through the local Anti-Corruption Contact Persons;
- the specific information flows received from the Group Companies - through the local Anti-Corruption Officers - and the results of the risk assessment procedures carried out at local level;
- reports received from personnel;
- situations that emerged as a result of independent verification activities.

This evaluation offers the FCPC a thorough overview of the business aspects or activities that are most susceptible to corruption risk, whilst verifying the effectiveness of current controls. The results are periodically communicated to the Parent Company's Top Management and, if necessary and/or appropriate, to the Board of Directors in order to agree on corrective and improvement actions and, if necessary, to review the Anti-Corruption Monitoring Model.

In the event of anomalous situations and/or possible violations of the Organisation and Management Model pursuant to Italian Legislative Decree 231/01, the Group Anti-Corruption Officer and the local Anti-Corruption Officers make an ad hoc disclosure to the Supervisory Body.
Within the context of the anti-corruption regulatory framework, in order to determine rules and principles that refer to a context that is as comprehensive, harmonised and effective as possible, the "Anti-Corruption Policy" takes into account international standards and first-level EU and national regulatory sources, as well as implementing regulations, in force at any given time.

In addition to the legislation in force at the time, with reference to the international regulatory framework, the Policy considers:

- UNI ISO 37001 standard. The requirements of ISO 37001, albeit voluntary, can constitute a sound best practice of reference;
- G-20, "2015-16 G20 Anti-Corruption Implementation Plan", 2014;
- Transparency International, "Business Principles for Countering Bribery, a Multi-Stakeholder Initiative led by Transparency International", 2013;
- International Chamber of Commerce, "ICC Rules on Combating Corruption", 2023;
- The Wolfsberg Group, "Wolfsberg Anti-Bribery and Corruption Compliance Programme Guidance", 2023;
- United Nations Organisation (UN), "United Nations Convention Against Corruption", adopted through resolution 58/4 of 31 October 2003;
- Council of the European Union, "Council Framework Decision 2003/568/JHA of 22 July 2003 on combating corruption in the private sector", 2003;
- Council of Europe, "Criminal Law Convention on Corruption" and "Civil Law Convention on Corruption", 1999;
- Organisation for Economic Cooperation and Development (OECD), "Convention on Combating Bribery of Foreign Public Officials in International Business Transactions", 1997.

The "Anti-Corruption Policy" can be publicly accessed through the BPER Banca and Group Companies' website, and internally via the corporate intranet. Its distribution is facilitated by various forms of communication and a Group Directive that guarantees its implementation by all member organisations.

The BPER Group actively promotes the reporting of any act of corruption committed, attempted or alleged or any deficiency found in the internal management system adopted by the Group for the prevention and mitigation of corruption risk (i.e. Anti-Corruption Monitoring Model).
Reports can be submitted through the channels and methods outlined in the "Regulation of the Whistleblowing Reporting System Macro Process" (so called Whistleblowing Regulation), adopted by the Bank.
As described above, the BPER Group has procedures in place to promptly, independently and objectively investigate incidents concerning business conduct, including cases of corruption and bribery.

G1-2: Management of relationships with suppliers

The BPER Group is committed to respecting payment terms, with the aim of concretely supporting the financial sustainability of suppliers. Internal policies provide a clear and transparent framework, ensuring that all contractual agreements are formulated in accordance with the principles of fairness and transparency.

In order to ensure that deadlines are met, advanced digital tools allow accurate planning and continuous monitoring of operations to avoid delays caused by operational inefficiencies. The management of administrative processes has been simplified thanks to well-defined internal procedures and an automated invoice management system.

The "Regulation on the purchasing process and payables cycle" outlines how the service provision of suppliers is checked (e.g. in terms of compliance with deadlines and delivery methods, quantity delivered, quality of the good/service, price of the good/service, etc.) and compared with what was contractually agreed, also including the related accounting aspects, as well as the authorisation of payment.
In particular, the verification of the receipt of goods and/or services is the responsibility of the original requester: it is carried out upon the delivery of the purchased goods, or during the performance of the service, at the end thereof or, where contractually envisaged, during the progress of the work.
Finally, with regard to the material impact on payment practices, please refer to the description in the Disclosure Requirement "G1-6: Payment practices".

Generally, the relationship with suppliers is governed by the "Code of Ethics", as previously outlined. Furthermore, to ensure full respect for the rights of the individual, the Group is committed to respecting and enforcing labour legislation, with particular attention to protection against child labour. Moreover, in compliance with the principles of fairness and objectivity, it is committed to listening to the requests of its suppliers and all other stakeholders, without prejudice and with an attitude aimed at ensuring an open dialogue lacking any defensive intentions or aimed at the exclusive defence of its own position and work.

As highlighted in the "Code of Ethics", inclusion in the Register of Suppliers and the criteria for selecting suppliers for the assignment of orders are subject to objective and transparent assessments of their professionalism and corporate structure, quality, price, service and delivery methods, with priority, all other things being equal, given to companies based in the local area of operation. Adherence to these principles is guaranteed by the adoption and compliance with appropriate internal procedures regarding procurement and supplier selection. Suppliers are sensitised to carry out their activity by following standards of conduct consistent with those set out in the "Code of Ethics".

The risks relative to the supply chain are carefully governed through preliminary analysis and document requests that enable each supplier to be assessed as extensively as possible. The reputational risks in this area are mapped together with the designated office and monitored periodically.

The issue of supplier protection through the provisions of the Group's policies on workplace health and safety is also an element of great attention in the selection and management of suppliers.

The Procurement Centre Unit manages the procurement cycle for the Group's companies, as outlined in the "Regulation on the purchasing process and accounts payable cycle". It selects suppliers who can provide the best balance between cost and service quality, while also meeting the company's expectations for social and environmental responsibility.

New evaluation criteria were introduced in 2023 for selecting the Group's suppliers and supplies; they also take ESG-related elements into account. In particular, these criteria are applied in the following application forms:

- Tender forms: Minimum Environmental Criteria (MECs) have been introduced for each goods sector that are required for supply tenders for the procurement of goods and services;
- Vendor Management Form: the new BPER vendor register approval process involves the completion of a questionnaire with a section dedicated to ESG elements, where data and certifications are provided that contribute to the overall evaluation of the supplier;
- Contract Management Form: the process of creating, formalising, executing and managing the contracts with a view to maximising the operational and financial performance of a company by means of a correct and transparent formalisation of relations with the supplier.

In 2025, as part of the 2024-2027 Business Plan, a new project was undertaken dedicated to the evolution of ESG criteria in the procurement and supplier management processes that had been introduced under the previous plan. In this context, an analysis was conducted to identify suitable evolutionary measures that will be tangibly implemented from 2026 onwards. In the 2025 project, the following activities were carried out: analysis of the current supplier selection and evaluation process and gap analysis with respect to current regulatory frameworks, definition of an extended ESG assessment based on quantitative analysis of BPER's current supplier list, analysis for the streamlining of Purchase Requests (RDA), supplier selection and contractualisation processes.

G1-3: Prevention and detection of corruption and bribery

The "Anti-Corruption Monitoring Model" is the corporate governance system adopted by the Parent Company for the management and monitoring of corruption risk. It is formalised through the following documentation:

- "Anti-Corruption Policy" which, as previously described, defines the principles, strategic guidelines and steering guidelines for corruption risk management, the structure of the Anti-Corruption Monitoring Model, the areas sensitive to corruption risk (i.e. Risk Areas) and the related principles of conduct;
- Anti-corruption Programme, in which the processes underlying the risk areas that are directly exposed to corruption risk are identified (i.e. sensitive processes); instructions regarding risk assessment procedures are provided; specific mitigation, control and monitoring controls are envisaged; the breakdown of roles and responsibilities, the system of powers and delegations and the related authorisation system are detailed; tracking procedures are defined.

The implementation of the Model at a consolidated level aims to guarantee a consistent ethical approach and to systematically prevent instances of corruption. In this context, the FCPC routinely evaluates gifts and invitations that are received or given by Group entities. The legal entities included in the training activity are the same as those covered by the Policy.
In conducting and supervising investigations following reports of corruption, the Group Anti-Corruption Officer has the power to investigate any case of suspected or actual corruption, to request and review all documents and to bring such evidence to the attention of the Chief Executive Officer or another competent member of the BoD and, if necessary, to the attention of the competent authorities.

The Compliance Function for the prevention of corruption periodically reports the results to the Top Management of the Parent Company and, if necessary and/or appropriate, to the BoD in order to agree on corrective and improvement actions and, if necessary, carry out a periodic review of the Anti-Corruption Monitoring Model.

BPER Banca has also issued the document "Control Function Information Flows - Corporate Bodies", which, in line with the "Group Internal Control System Policy", represents the operational articulation of the principles of cooperation and coordination between the control functions (corporate and non-corporate) and between these and the Corporate Bodies, both of the Parent Company and of the Group Companies. The Parent Company's Organisational Units are responsible for technically directing the corresponding functions envisaged in the Group Companies, defining the methodologies, processes, reporting and tools with the Parent Company's Organisational Function that enable taking a unified approach to managing the controls to be activated to safeguard against risks.

The Supervisory Body is the recipient of specific information flows, as indicated in the "Articles of Association of the Supervisory Body", an integral part of the Model.
For more details on how the Group communicates its Anti-Corruption Policy, please see the Disclosure Requirement "G1-1: Business conduct policies and corporate culture".

With regard to dealings with the Institutions, the BPER Group governs the channels of communication with Public Administration at all levels; in this respect, it has identified the relevant specific authorised Company Functions which may take on commitments with regard to Public Administrations, performing their duties with integrity, independence, fairness and transparency. In order not to hinder their institutional activities, relations between BPER Banca and Public Administration are based on the utmost collaboration, so as to preserve the proper scopes of mutual independence, avoiding any action or attitude that might be interpreted as an attempt to improperly influence decisions.
Particular attention is paid to the collaboration with the Legal Authorities and the relative authorised bodies, in the event of inquiries against the Bank or its customers.

Finally, the functions most exposed to risk include: Labour Law & Litigation, Procurement Planning & Analytics, Sponsorships, Asset Management RE, Product Governance & Partnership Management, Equity Investments, M&A Financial Services, Legal, Tax, Financial Reporting and Supervisory Reporting, Safety, Finance.

Ex-post controls were carried out on most of the anti-corruption sensitive processes; in particular, on: (i) gifts, hospitality expenses and entertainment expenses; (ii) charities, sponsorships and other donations; (iii) relations with third parties; (iv) purchase, management and disposal of real estate of the Parent Company and the other Legal Entities of the Group supervised. Ex-ante monitoring activities were also carried out on an ongoing basis by the CFPC (e.g., pre-clearance activities on the benefits received/provided by all Bank and Group departments) and the periodic information flows envisaged. A half-yearly summary was reported to the Top Management of BPER Banca regarding the authorised/refused requests for approval of benefits relating to the area of competence, and a periodic report was made to the Chief Executive Officer and/or the BoD of the Parent Company.

In 2026, it is planned to continue the activities planned for 2025 including:

- updating the Anti-Corruption Policy;
- training dedicated to the functions and owners of processes assessed as sensitive for anti-bribery purposes;
- ex-post controls being planned on anti-corruption sensitive processes;
- ex-ante monitoring activities, through the continuous activity of the CFPC and the planned periodic information flows;
- the half-yearly summary, provided to the Top Management of BPER Banca, of the authorised/refused requests for approval of benefits relating to the area of competence;
- the periodic report to the Chief Executive Officer and/or the BoD of the Parent Company.

The actions involve all BPER Group companies and the contents of the Policy apply to all members of the strategic supervision, management and control bodies, employees, agents, financial advisors and occasional collaborators of the BPER Group and, across the board, to all the Group's business activities, in accordance with local regulations in force at any given time and to all persons who interact with the aforementioned recipients in any capacity.

The company intends to carry out the actions in the time horizon of one year.

In continuity with what was carried out in 2024, in 2025, the strengthening of anti-corruption prevention and contrast measures continued through training initiatives aimed at consolidating and/or strengthening the level of risk culture within the Group (in particular, the so-called "training pill" relating to the update of the Anticorruption Programme for all BPER Group staff, with a specific focus on Top Management (Executive Management Committee (EMC) presentation), Induction to the Board of Directors, a classroom dedicated to Banco di Sardegna). Anti-corruption training activities are intended for all personnel. Specifically, training courses on this subject are recognised as compulsory within the general training activities of the BPER Group. It is also possible, where necessary, to address training needs related to specific risk categories.

The BPER Group promotes values of integrity and business methods free from the risk of corruption among all its stakeholders, investing in training programmes for members of its strategic supervision and control bodies and for the personnel and policies distributed internally and to third parties.
As for specific training programmes, their main purpose is to ensure that company personnel understand:

- the corruption risks to which they and the Companies of the BPER Group are subject;
- the internal Policy adopted by the Group for preventing and combating corruption;
- the aspects of the management system for the prevention of corruption relevant to their specific role;
- any necessary preventive and/or reporting action to be taken by them in relation to any risk of corruption or suspected corruption.

Personnel are trained, in a manner commensurate with their roles and duties, on the policies and procedures adopted to manage corruption risk in the identified risk areas. The training activity also includes information on the contact details of the persons from whom advice or guidance on corruption matters may be sought (i.e. Group Anti-Corruption Officer, local Anti-Corruption Contact Person and, if any, local Anti-Corruption Officer) and an express reference to all relevant internal documentation.
Each Group Company undertakes to provide its personnel, also through the Anti-Corruption Programme, appropriate information with reference, at least, to:

- the concept of corruption;
- reasons why corruption is so problematic and worthy of attention today;
- the description of the consequences, both personal and at Group level, following involvement in corrupt phenomena;
- explicit mention of the zero tolerance principle adopted at Group level;
- details of the channels and modalities referred to in the Whistleblowing Reporting Process, including the guarantee of confidentiality and non-retaliation.

G1-4: Incidents of corruption or bribery

During 2025, to the best of the Group's knowledge and in accordance with the provisions of the Group's internal anti-corruption regulations ("Anti-Corruption Policy" and "Anti-Corruption Programme"), no incidents of corruption or bribery involving the Group's personnel and business partners were detected. Consequently, there are no reported sanctions or convictions imposed for violations of laws against corruption and bribery.

G1-6: Payment practices

The management of payment deadlines is governed by the "Regulation on the purchasing process and accounts payable cycle", which was approved in January 2026.
The Group's payment practices provide for payment terms mostly within 60 days from the invoice date and there are no differentiations according to the type and size of supplier.

In 2025, the average duration for invoice payments was 27 days, down from 31 days in 2024. This figure represents the mean number of days between the actual payment date and the date the invoice was issued, irrespective of the agreed payment terms. With reference to the methodological approach adopted, it is important to emphasise that for the calculation of the indicator relating to the financial year 2025, a broader scope-defining criterion was used compared to 2024 (in relation to which the average time was measured in 46 days): the new methodology provides for the inclusion of invoices already accounted for as settled at contractual maturity, and therefore automatically debited on the due date, and the exclusion of a limited number of invoices with a delay of more than 365 days, as this delay is due to specific circumstances of an exceptional operational and/or administrative nature.

The calculation scope includes, in addition to the Parent Company, Banco di Sardegna s.p.a., Banca Cesare Ponti s.p.a., Bibanca s.p.a. and the Companies of the Banca Popolare di Sondrio Group; for the latter, it should be noted that the data refer only to the second half of 2025, the period corresponding to the actual inclusion in the Group's scope of consolidation.

Based on the same parameters, it was calculated that in 2025, 88% of payments were made punctually, this includes invoices that were paid no later than two days overdue. It is worth noting that the two-day criterion has been established considering the period between the date the transfer is dispatched and the date it is received by different banking institutions.

As at 31 December 2025, there were no outstanding legal proceedings due to late payment.

Other actions related to business conduct

Development of initiatives and training activities on Code of Ethics and 231 Model

The main actions related to corporate culture and connected to the "Code of Ethics" include the annual training plan and the dissemination plan. In particular, there is a specific course dedicated to the "Code of Ethics", as part of the annual training plan for employees; furthermore, in addition to what has been described above, in order to promote the full application and dissemination of the Code, it may be the subject of specific dissemination campaigns to customers and other stakeholders. On the other hand, with reference to the 231 Model, the main actions are its regular updating and the related training plan.

Training on the contents and updates of the Model is implemented after its adoption. The competent functions define the programme of training courses, ensuring that it is relevant to the roles and responsibilities of the recipients. The Training Plan is prepared annually and is a cyclical and recurring process, as is the plan to disseminate the Code to the Group's stakeholders.

The Supervisory Body monitors the definition and delivery of the plan of training courses on the subject of Italian Legislative Decree No. 231/01, for all the persons identified, in accordance with the provisions of the 231 Model and Article 9 of its Articles of Association.

Attendance at training courses is compulsory for the Legal Entities governed by the Model, as it is a fundamental component of it. In particular, training activities are organised:

- for newly recruited employees (in addition to the information provided on the subject at the time of recruitment);
- for all recipients on the occasion of significant changes to the Model;
- by role and/or Organisational Unit, oriented on prevention protocols relating to the processes in which they are - even potentially - involved, to be established according to organisational, legislative and risk perception changes.

The current training offer on the subject of the 231 Model and "Code of Ethics", in line with previous provisions, includes induction sessions aimed at Corporate Bodies and Top Management, two compulsory web learning courses, a compulsory thematic course for new recruits, apprentices and other figures identified at any given time, as well as "catalogue" courses for other employees. Top Management is trained through meetings and training initiatives organised by the Bank, or through participation in specific external training and refresher courses. In terms of Model recipient training, Top Management is defined as the members of the Corporate Bodies and employees holding the position of Heads of Organisational Units of the Bank.

The training is subdivided into two parts: a "general" part and a "specialist" part, the latter being of an eventual and/or partial nature.
"Specialist" training is only provided to persons involved in risk activities and/or prevention protocols, limited to what is their responsibility.
Among other things, the Supervisory Body may boost such training activities and - subject to validation by the Compliance Function - expresses an opinion on the plan proposed by the competent internal functions, also with specific reference to the relevance of the courses in question with respect to the roles and responsibilities of the recipients.

The plan of training activities is presented to the BoD and the Board of Statutory Auditors by the Function responsible for training. The Supervisory Body may call for further training measures than those planned if deemed appropriate or necessary.

Development of Antitrust and Competition Protection initiatives and training activities

In order to better implement the "Antitrust Policy", making its contents widely shared, as well as permeating the internal regulatory system with the rules of fairness envisaged by the Policy, the Group implements the following actions:

- promotion/training activities through the training module to raise employees' awareness on issues concerning the Protection of Competition (issued in November 2023); this training is mandatory for all Group employees, regardless of their role and/or office;
- ongoing reinforcement of detailed internal regulations relating to the corporate processes impacted by the regulations on the Protection of Competition, applicable to the Legal Entities of the Group from time to time impacted (e.g. process for managing Relations with the Authority; Procurement and Accounts Payable process; Whistleblowing Reporting System macro-process; Risk Based Pricing process; Ius Variandi process; Business Plan definition process; Delegated Powers management process).

According to the Group, the maximum dissemination of the expected rules of conduct in antitrust matters and the associated risks is the best way to make the Antitrust Policy effective and efficient.

The main actions implemented relate to the provision of specific training on the protection of competition, with the provision for further customisation on the basis of those who oversee the processes most exposed to antitrust risks.

To this end, a training programme is defined for all levels of the company, including mechanisms for assessing the skills of personnel and timely follow-up in the event of identified gaps. The Human Resources Management Department defines and manages a periodic training plan, which is mandatory on joining the company and in the event of regulatory changes, to disseminate the necessary knowledge and skills in the Antitrust field, contemplating the use of a varied panel of formats (e.g. induction for Top Management, online training courses and in-person lectures, etc.) in order to ensure that the different levels of the organisation are reached in a "tone from the top" perspective. The Compliance Function supports tailoring the training programme to the actual characteristics of the Parent Company and the Group, as identified in the risk identification and assessment phases. A parallel process of skill mapping & monitoring is envisaged, again with the contribution of the findings emerging from the Compliance activity, focused on the continuous identification of any shortcomings in terms of knowledge and skills necessary for Antitrust risk management, and the consequent activation of specific and targeted training modules.

With respect to 2024, with a view to strengthening the level of risk culture within the Group, an Induction Training session addressed to the Board of Directors of the Parent Company was held. The induction, led by the Chief Compliance Officer in their role as Group Antitrust Officer, was designed to introduce the Board of Directors to the Antitrust Compliance framework. This included an overview of external regulations, with a particular emphasis on the processes and procedures within the BPER Group.
The legal entities included in the training activity are the same as those covered by the Policy. Participation in training courses is documented.

Development of Anti-Money Laundering and Anti-Terrorism initiatives and training activities

The provision of training activities to Group Personnel is a regulatory obligation under Article 16 of Legislative Decree No. 231/2007, known as the "Anti-Money Laundering Decree", which is also referred to in the "Policy for governing the risk of money laundering and terrorist financing".
Indeed, the implementation of targeted training initiatives by the Group's staff is a crucial tool for promoting awareness and understanding of the risks associated with money laundering, terrorist financing, and the proliferation of weapons of mass destruction programmes.

The Legal Entities of the Group currently subject to anti-money laundering related actions are: the six Italian-law Banks (the Parent Company BPER Banca and its subsidiaries Banco di Sardegna, Bibanca and Banca Cesare Ponti, Banca Popolare di Sondrio and Banca Nuova Terra) and the seven Italian-registered non-banking companies (Arca SGR, BPER Factor, Finitalia, Sardaleasing, Factorit and PrestiNuova). The Bank incorporated under Luxembourg law (BPER Bank Luxembourg) and the Bank incorporated under Swiss law Banca Popolare di Sondrio (SUISSE), although not subject to Italian regulations, are nevertheless indirectly affected by the application of the provisions focused on the Parent Company, aimed at standardising the system of internal controls, direction and coordination by the Parent Company.
Anti-money laundering and counter-terrorism training is carried out annually according to the schedule defined in the specific Anti-Money Laundering Function Report, in cooperation with the HR Department.

In particular, the Parent Company requires compliance with the following measures:

- compulsory training for all employees and collaborators, so as to ensure the acquisition of an adequate knowledge of the relevant regulations, of the related responsibilities and of the correct use of the procedures adopted for the compliant application of the provisions of the Law;
- specialised training for the employees of the central offices functionally in charge of controlling money laundering risk through the provision of appropriate high-profile training by external institutions identified by the Anti-Money Laundering Function in agreement with the HR Department;
- continuous updating of the training material used in the training activities provided to staff in correspondence with legislative and regulatory developments;
- monitoring of the actual attendance of employees and collaborators at the training courses provided.

In order to apply the above mentioned guidelines:

- the Group's Italian banks adopt training programmes in line with the training objectives defined by the Parent Company within the framework of the programme drawn up by the Anti-Money Laundering Function and report on them;
- the Group's non-banking Companies transpose the Parent Company's guidelines, define their programmes according to their operational specificities and request the Anti-Money Laundering Function's prior opinion on compliance and consistency with the guidelines set out in the Policy;

- foreign Group Companies and other Group Companies that have not outsourced the Anti-Money Laundering Function to the Parent Company transpose the guidelines defined by the Parent Company and identify the subjects in respect of whom specific training courses should be provided, establish training programmes and transmit them to the Parent Company Anti-Money Laundering Function, for the purpose of detecting any risks of non-compliance.

Development of initiatives and training activities on fiscal transparency

In the area of fiscal transparency, too, training is a key lever to flesh out the expected rules of conduct. For this reason, meetings and training sessions were organised internally within the Tax Unit of the Parent Company during 2025, aimed at office managers and key support resources, to disseminate the culture of fiscal transparency and to train resources in the correct use of the IT platform called "Tax Risk Map".
The main recipients of the training sessions were the heads of the Tax Unit Offices. Training was also extended to some staff members involved in specific and sensitive subject areas.

Targets relating to business conduct

Although no specific targets are set for business conduct, the BPER Group monitors any potential risks associated with specific sectors/areas of operation in order to supplement the relevant policies where necessary. The Group ensures the monitoring process of policies and actions taken in the manner described above. A specific level of ambition has not yet been established; consequently, no qualitative-quantitative indicators to assess progress have been established.

CONSOLIDATED FINANCIAL STATEMENTS

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Consolidated Balance Sheet

(in thousands)

Assets		31.12.2025	31.12.2024
10.	Cash and cash equivalents	11,681,192	7,887,900
20.	Financial assets measured at fair value through profit or loss	2,585,291	1,602,655
	a) financial assets held for trading	1,020,166	664,625
	c) other financial assets mandatorily measured at fair value	1,565,125	938,030
30.	Financial assets measured at fair value through other comprehensive income	6,995,048	5,694,010
40.	Financial assets measured at amortised cost	167,539,122	113,550,499
	a) loans to banks	8,324,017	7,681,231
	b) loans to customers	159,215,105	105,869,268
50.	Hedging derivatives	779,557	649,437
60.	Change in value of macro-hedged financial assets (+/-)	(83,799)	-
70.	Equity investments	869,937	302,494
90.	Property, plant and equipment	3,132,924	2,502,191
100.	Intangible assets	1,608,239	710,763
	- of which: goodwill	575,706	170,018
110.	Tax assets	1,690,772	1,776,893
	a) current	242,663	392,729
	b) deferred	1,448,109	1,384,164
120.	Non-current assets and disposal groups classified as held for sale	345,782	41,020
130.	Other assets	7,505,895	5,873,570
	Total assets	**204,649,960**	**140,591,432**

(in thousands)

Liabilities and shareholders' equity		31.12.2025	31.12.2024
10.	Financial liabilities measured at amortised cost	175,298,947	120,453,180
	a) due to banks	10,095,677	5,047,675
	b) due to customers	150,762,018	104,250,319
	c) debt securities issued	14,441,252	11,155,186
20.	Financial liabilities held for trading	316,687	224,294
30.	Financial liabilities designated at fair value	3,467,869	2,712,050
40.	Hedging derivatives	101,261	226,324
50.	Change in value of macro-hedged financial liabilities (+/-)	(43,704)	(81,843)
60.	Tax liabilities	644,338	72,289
	a) current	249,286	15,184
	b) deferred	395,052	57,105
70.	Liabilities associated with assets classified as held for sale	403,081	5,067
80.	Other liabilities	5,010,770	3,801,815
90.	Employee termination indemnities	127,638	124,929
100.	Provisions for risks and charges	1,727,574	1,489,047
	a) commitments and guarantees granted	186,208	104,906
	b) pension and similar obligations	262,326	115,916
	c) other provisions for risks and charges	1,279,040	1,268,225
120.	Valuation reserves	289,707	216,411
140.	Equity instruments	1,793,575	1,115,596
150.	Reserves	5,358,543	5,285,033
155.	Advanced dividends (-)	(196,357)	-
160.	Share premium reserve	4,589,105	1,244,576
170.	Share capital	2,953,572	2,121,637
180.	Treasury shares (-)	(41,547)	(32,035)
190.	Minority interests (+/-)	1,030,454	210,413
200.	Profit (Loss) for the year (+/-)	1,818,447	1,402,649
	Total liabilities and shareholders' equity	**204,649,960**	**140,591,432**

Consolidated Income Statement

(in thousands)

Items		31.12.2025	31.12.2024
10.	Interest and similar income	5,180,136	5,013,543
	of which: interest income calculated using the effective interest method	4,873,153	4,732,879
20.	Interest and similar expense	(1,371,617)	(1,636,667)
30.	**Net interest income**	**3,808,519**	**3,376,876**
40.	Commission income	2,671,648	2,297,982
50.	Commission expense	(290,347)	(257,811)
60.	**Net commission income**	**2,381,301**	**2,040,171**
70.	Dividends and similar income	62,764	41,821
80.	Net income from trading activities	280,877	95,428
90.	Net income from hedging activities	(3,685)	1,773
100.	Gains (Losses) on disposal or repurchase of:	51,988	70,672
	a) financial assets measured at amortised cost	39,940	65,218
	b) financial assets measured at fair value through other comprehensive income	10,984	5,437
	c) financial liabilities	1,064	17
110.	Net income on other financial assets and liabilities measured at fair value through profit or loss	(176,383)	(136,110)
	a) financial assets and liabilities designated at fair value	(200,245)	(137,023)
	b) other financial assets mandatorily measured at fair value	23,862	913
120.	**Net interest and other banking income**	**6,405,381**	**5,490,631**
130.	Net impairment losses/write-backs for credit risk relating to:	(465,225)	(331,967)
	a) financial assets measured at amortised cost	(465,379)	(331,758)
	b) financial assets measured at fair value through other comprehensive income	154	(209)
140.	Gains (losses) from contractual modifications without derecognition	(1,524)	(1,321)
150.	**Net income from financial activities**	**5,938,632**	**5,157,343**
180.	**Net income from financial and insurance activities**	**5,938,632**	**5,157,343**
190.	Administrative expenses:	(3,266,893)	(3,131,773)
	a) staff costs	(1,970,710)	(1,897,878)
	b) other administrative expenses	(1,296,183)	(1,233,895)
200.	Net provisions for risks and charges	(55,007)	(58,653)
	a) commitments and guarantees granted	3,296	18,417
	b) other net provisions	(58,303)	(77,070)
210.	Net adjustments/write-backs to property, plant and equipment	(188,437)	(173,340)
220.	Net adjustments/write-backs to intangible assets	(210,899)	(161,251)
230.	Other operating expense/income	478,804	399,805
240.	**Operating costs**	**(3,242,432)**	**(3,125,212)**
250.	Gains (Losses) of equity investments	25,718	52,360
260.	Valuation differences on property, plant and equipment and intangible assets measured at fair value	1,386	(30,054)
280.	Gains (Losses) on disposal of investments	(485)	(457)
290.	**Profit (Loss) from current operations before tax**	**2,722,819**	**2,053,980**
300.	Income taxes on current operations for the year	(842,353)	(615,470)
310.	**Profit (Loss) from current operations after tax**	**1,880,466**	**1,438,510**
330.	**Profit (Loss) for the year**	**1,880,466**	**1,438,510**
340.	Profit (Loss) for the year pertaining to minority interests	(62,019)	(35,861)
350.	**Profit (Loss) for the year pertaining to the Parent Company**	**1,818,447**	**1,402,649**

	Earnings per share (Euro) 31.12.2025	Earnings per share (Euro) 31.12.2024
Basic EPS	1.105	0.991
Diluted EPS	1.089	0.968

Consolidated Statement of Other Comprehensive Income

(in thousands)

Consolidated Statement of Other Comprehensive Income		31.12.2025	31.12.2024
10.	**Profit (loss) for the year**	**1,880,466**	**1,438,510**
	Other comprehensive income, after tax, that will not be reclassified to profit or loss		
20.	Equity instruments measured at fair value through other comprehensive income	(164,387)	45,789
30.	Financial liabilities designated at fair value through profit or loss (changes in own creditworthiness)	7,077	(38,834)
40.	Hedge of equity instruments measured at fair value through other comprehensive income	(276)	(6,483)
50.	Property, plant and equipment	11,313	14,307
70.	Defined benefit plans	4,630	(423)
90.	Share of the valuation reserves of equity investments carried at equity	5,262	(1,018)
	Other comprehensive income, after tax, that may be reclassified to profit or loss		
120.	Foreign exchange differences	327	-
130.	Cash flow hedges	(1,168)	1,118
150.	Financial assets (no equity instruments) measured at fair value through other comprehensive income	65,795	50,624
200.	**Total other comprehensive income after tax**	**(71,427)**	**65,080**
210.	**Other comprehensive income (Items 10+200)**	**1,809,039**	**1,503,590**
220.	Consolidated other comprehensive income pertaining to minority interests	59,416	35,984
230.	**Consolidated other comprehensive income pertaining to the Parent Company**	**1,749,623**	**1,467,606**

Consolidated Statement of Changes in Shareholders' Equity as at 31 December 2025

(in thousands)

	Balance as at 31.12.2024	Changes in opening balances	Balance as at 1.1.2025	Allocation of prior year results		Changes during the period									Shareholders' equity as at 31.12.2025	
				Reserves	Dividends and other allocations	Changes in reserves	Transactions on shareholders' equity							Other comprehensive income as at 31.12.2025	Group	Minority interests
							Issue of new shares	Purchase of treasury shares	Advanced dividends	Extraordinary distribution of dividends	Changes in equity instruments	Derivatives on treasury shares	Stock options	Changes in participatory interests		
Share capital:	**2,145,552**	**-**	**2,145,552**	**-**	**-**	**-**	**831,935**	**-**	**-**	**-**	**-**	**-**	**-**	**239,884**	**-**	**2,953,572**	**263,799**
a) ordinary shares	2,145,552	-	2,145,552	-	-	-	831,935	-	-	-	-	-	-	239,884	-	2,953,572	263,799
b) other shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share premium reserve	**1,246,347**	**-**	**1,246,347**	**-**	**-**	**-**	**3,344,529**	**-**	**-**	**-**	**-**	**-**	**-**	**14,928**	**-**	**4,589,105**	**16,699**
Reserves:	**5,431,001**	**-**	**5,431,001**	**558,159**	**-**	**(421,353)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**452,112**	**-**	**5,358,543**	**661,376**
a) from profits	4,760,291	-	4,760,291	558,159	-	(305,170)	-	-	-	-	-	-	-	452,112	-	4,798,943	666,449
b) other	670,710	-	670,710	-	-	(116,183)	-	-	-	-	-	-	-	-	-	559,600	(5,073)
Valuation reserves	**219,309**	**-**	**219,309**	**-**	**-**	**173,086**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(71,427)**	**289,707**	**31,261**
Equity instruments	**1,115,596**	**-**	**1,115,596**	**-**	**-**	**-**	**(58,000)**	**-**	**-**	**-**	**735,979**	**-**	**-**	**-**	**-**	**1,793,575**	**-**
Advanced dividends	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(196,357)**	**-**	**-**	**-**	**-**	**-**	**-**	**(196,357)**	**-**
Treasury shares	**(32,035)**	**-**	**(32,035)**	**-**	**-**	**(25,176)**	**28,164**	**(17,200)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(41,547)**	**(4,700)**
Profit (Loss) for the period	**1,438,510**	**-**	**1,438,510**	**(558,159)**	**(880,351)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,880,466**	**1,818,447**	**62,019**
Group shareholders' equity	**11,353,867**	**-**	**11,353,867**	**-**	**(852,974)**	**(368,127)**	**4,146,628**	**(17,200)**	**(196,357)**	**-**	**735,979**	**-**	**-**	**13,606**	**1,749,623**	**16,565,045**	**-**
Minority interests	**210,413**	**-**	**210,413**	**-**	**(27,377)**	**94,684**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**693,318**	**59,416**	**-**	**1,030,454**

Consolidated Statement of Changes in Shareholders' Equity as at 31 December 2024

(in thousands)

	Balance as at 31.12.2023	Changes in opening balances	Balance as at 1.1.2024	Allocation of prior year results		Changes during the period									Shareholders' equity as at 31.12.2024	
				Reserves	Dividends and other allocations	Changes in reserves	Transactions on shareholders' equity							Other comprehensive income as at 31.12.2024	Group	Minority interests
							Issue of new shares	Purchase of treasury shares	Extraordinary distribution of dividends	Changes in equity instruments	Derivatives on treasury shares	Stock options	Changes in participatory interests			
Share capital:	**2,128,442**	**-**	**2,128,442**	**-**	**-**	**-**	**17,321**	**-**	**-**	**-**	**-**	**-**	**(211)**	**-**	**2,121,637**	**23,915**
a) ordinary shares	2,128,442	-	2,128,442	-	-	-	17,321	-	-	-	-	-	(211)	-	2,121,637	23,915
b) other shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share premium reserve	**1,238,607**	**-**	**1,238,607**	**-**	**-**	**-**	**8,051**	**-**	**-**	**-**	**-**	**-**	**(311)**	**-**	**1,244,576**	**1,771**
Reserves:	**4,344,688**	**-**	**4,344,688**	**1,103,914**	**-**	**(17,941)**	**-**	**-**	**-**	**-**	**-**	**-**	**340**	**-**	**5,285,033**	**145,968**
a) from profits	3,673,978	-	3,673,978	1,103,914	-	(17,941)	-	-	-	-	-	-	340	-	4,614,793	145,498
b) other	670,710	-	670,710	-	-	-	-	-	-	-	-	-	-	-	670,240	470
Valuation reserves	**154,221**	**-**	**154,221**	**-**	**-**	**8**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**65,080**	**216,411**	**2,898**
Equity instruments	**150,000**	**-**	**150,000**	**-**	**-**	**-**	**(24,250)**	**-**	**-**	**989,846**	**-**	**-**	**-**	**-**	**1,115,596**	**-**
Treasury shares	**(2,250)**	**-**	**(2,250)**	**-**	**-**	**-**	**3,974**	**(33,759)**	**-**	**-**	**-**	**-**	**-**	**-**	**(32,035)**	**-**
Profit (Loss) for the period	**1,551,769**	**-**	**1,551,769**	**(1,103,914)**	**(447,855)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,438,510**	**1,402,649**	**35,861**
Group shareholders' equity	**9,366,149**	**-**	**9,366,149**	**-**	**(423,829)**	**(17,965)**	**5,096**	**(33,759)**	**-**	**989,846**	**-**	**-**	**723**	**1,467,606**	**11,353,867**	**-**
Minority interests	**199,328**	**-**	**199,328**	**-**	**(24,026)**	**32**	**-**	**-**	**-**	**-**	**-**	**-**	**(905)**	**35,984**	**-**	**210,413**

Consolidated Statement of Cash Flows

Indirect method

(in thousands)

A. OPERATING ACTIVITIES	31.12.2025	31.12.2024
1. Operations	**3,108,160**	**3,018,849**
- profit (loss) for the year (+/-)	1,818,447	1,402,649
- gains/losses from financial assets held for trading and other assets/liabilities measured at fair value through profit and loss (-/+)	(198,017)	(91,271)
- gains (losses) from hedging activities (-/+)	3,685	(1,773)
- net impairment losses/write-backs for credit risk (+/-)	649,033	421,702
- net impairment losses/write-backs to property, plant and equipment and intangible assets (+/-)	397,950	364,645
- net provisions for risks and charges and other expense/income (+/-)	313,804	381,368
- unsettled taxes (+/-)	130,480	425,850
- other adjustments (+/-)	(7,222)	115,679
2. Cash generated/absorbed by financial assets	**(4,414,043)**	**(886,693)**
- financial assets held for trading	178,989	136,798
- financial assets designated at fair value	-	1,999
- other financial assets mandatorily measured at fair value	(58,381)	(73,960)
- financial assets at fair value through other comprehensive income	1,556,698	1,315,253
- financial assets measured at amortised cost	(7,570,669)	(3,624,220)
- other assets	1,479,320	1,357,437
3. Cash generated/absorbed by financial liabilities	**4,427,816**	**(4,627,553)**
- financial liabilities measured at amortised cost	5,134,316	(4,245,171)
- financial liabilities held for trading	49,453	(76,661)
- financial liabilities designated at fair value	705,224	629,381
- other liabilities	(1,461,177)	(935,102)
Net cash generated/absorbed by operating activities	**3,121,933**	**(2,495,397)**

B. INVESTMENT ACTIVITIES	31.12.2025	31.12.2024
1. Cash generated by	**45,393**	**142,859**
- disposal of equity investments	20,286	106,175
- disposal of property, plant and equipment	25,027	36,684
- disposal of intangible assets	80	-
2. Cash absorbed by	**988,412**	**(358,147)**
- purchase of equity investments	(357,325)	(50)
- purchase of property, plant and equipment	(89,252)	(135,669)
- purchase of intangible assets	(223,069)	(222,428)
- purchase of subsidiaries and business lines	1,658,058	-
Net cash generated/absorbed by investment activities	**1,033,805**	**(215,288)**

C. FUNDING ACTIVITIES	31.12.2025	31.12.2024
- issue/purchase of treasury shares	(21,041)	(28,663)
- issue/purchase of equity instruments	735,979	989,846
- distribution of dividends and other scopes	(1,076,708)	(447,855)
Net cash generated/absorbed by funding activities	**(361,770)**	**513,328**
Net cash generated/absorbed during the year	**3,793,968**	**(2,197,357)**

Reconciliation

(in thousands)

Items	31.12.2025	31.12.2024
Cash and cash equivalents at the beginning of the year	7,887,900	10,085,595
Total net cash generated/absorbed in the year	3,793,968	(2,197,357)
Cash and cash equivalents: effect of change in exchange rates	(676)	(338)
Cash and cash equivalents at the end of the year	**11,681,192**	**7,887,900**

Key: (+) generated (-) absorbed

CONSOLIDATED EXPLANATORY NOTES

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Key to abbreviations in tables:
FV: Fair value
FV* = fair value calculated excluding value adjustments due to changes in the credit rating of the issuer since date of issuance.
NV: Nominal or notional value
BV: Book value
L1: Fair value hierarchy – Level 1
L2: Fair value hierarchy – Level 2
L3: Fair value hierarchy – Level 3
X: not applicable

PART A
Accounting policies

A.1 – GENERAL INFORMATION

Section 1 – Declaration of compliance with international accounting standards

The Consolidated Financial Report for the year ended 31 December 2025 has been prepared in accordance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), endorsed by the European Commission, as required by EU Regulation No. 1606 dated 19 July 2002, and currently in force, including the related interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC).

Reference is also made, where necessary, to the "Conceptual Framework for Financial Reporting" and to the documents prepared by the Italian Accounting Body (OIC) and the Italian Banking Association (ABI).
In the absence of a standard or interpretation specifically applicable to a particular transaction, the Parent Company makes use of the professional opinion of its own staff, in particular the Financial and Supervisory Reporting Department, to develop rules for accounting recognition that make it possible to provide a reliable disclosure and to ensure that the Financial Report gives a true and fair view of the financial position, result of operations and cash flows of the Group, reflecting the economic substance of the transaction and its key aspects.
In formulating these accounting rules, reference is made as far as possible to International Accounting Standards and interpretations dealing with similar or comparable matters.
As part of its guidance and coordination activity, the Parent Company requires the other Group Banks and Companies to apply the Group's own accounting recognition rules, in the right circumstances.

As required by IAS 8, the following table shows the new international accounting standards or amendments to standards already in force, with the related Approval Regulations, whose application is mandatory from 2025 and whose adoption had no effect on the balance sheet and income statement.

EC Approval Regulation	Title	In force from years beginning
2024/2862	Commission Regulation (EU) 2024/2862 of 12 November 2024 adopting IAS 21 The effects of Changes in Foreign Exchange Rates was published in the Official Journal of the European Union L Series on 13 November 2024. Amendments to IAS 21 specify when a currency is exchangeable into another and, when it is not, how a company determines the exchange rate to apply, and the disclosures a company is to provide when a currency is not exchangeable.	1 January 2025

The following table shows the new international accounting standards or amendments to standards already in force, that have not been adopted in advance by the Group, whose application is mandatory from 1 January 2026 or later date.

EC Approval Regulation	Title	In force from years beginning
2025/1047	Commission Regulation (EU) 2025/1047 of 27 May 2025 amending Regulation (EU) 2023/1803 as regards International Financial Reporting Standard 9 (Financial Instruments) and International Financial Reporting Standard 7 (Financial Instruments: Disclosures) published by the IASB on 30 May 2024, was published in the Official Journal of the European Union L Series on 28 May 2025. In particular, the amendments aim at: - clarifying the classification of financial assets with variable returns associated with environmental, social and governance (ESG) objectives and the criteria to be used for the assessment of the SPPI test; - determining that the date of settlement of a liability using an electronic payment system is the same as the date in which the liability is extinguished. However, an entity is permitted to adopt an accounting policy to make it possible to derecognise, before the settlement date, a financial liability that will be settled with cash when specified criteria are met. With these amendments, IASB also introduced further disclosure requirements about investments in capital instruments designated as FVOCI.	1 January 2026
2025/1266	Commission Regulation (EU) 2025/1266 of 30 June 2025 amending Regulation (EU) 2023/1803 as regards International Financial Reporting Standard 9 (Financial Instruments) and International Financial Reporting Standard 7 (Financial Instruments: Disclosures) on "nature-dependent electricity contracts" published by the IASB on 18 December 2024, was published in the Official Journal of the European Union L Series on 1 July 2025. The amendments were issued with the aim to help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements. in particular, they: - clarify the application of the "own-use requirement"; - allow for the use of these contracts as hedging instruments under hedge accounting; - introduce new disclosure requirements for such instruments.	1 January 2026
2025/1331	Commission Regulation (EU) 2025/1331 of 9 July 2025 adopting the "Annual Improvements to IFRS Accounting Standards – Volume 11" was published in the Official Journal of the European Union L Series on 10 July 2025. Narrow-scope amendments have been made to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statement of Cash Flows Companies will apply the amendments at the latest as of the financial reports starting from 1 January 2026 or at a later date.	1 January 2026

The Group has not exercised the option of earlier application of the aforementioned Regulations; in preparation for their implementation from 1 January 2026, it has instructed its relevant administrative units to carry out the necessary analyses to identify and address any requirements for their application. More specifically:

- with regard to Regulation (EU) 2025/1047, the Directors do not consider that the amendments introduced will have a significant impact on the Group's balance sheet and income statement;
- with regard to Regulation (EU) 2025/1266, the Directors do not consider that the banking business, as conducted by the BPER Banca Group, will be directly affected;
- with regard to Regulation (EU) 2025/1331, the Directors do not expect any significant impact on the Group's balance sheet and income statement.

Additionally, on 28 November 2025, the IASB published the document "Disclosures about Uncertainties in the Financial Statements - Illustrative examples and the Basis for Conclusions". The illustrative examples were developed to improve the application of the accounting standards when reporting the effects of uncertainties in financial statements. The examples demonstrate how companies can apply existing disclosure requirements in the face of uncertainty, (particularly climate-related uncertainty, but not limited to this). As accompanying materials to IFRS Accounting Standards, these illustrative examples do not have an effective date.

The 2004/109/EC Directive (the "Transparency" Directive) and Delegated Regulation (EU) 2019/815 (Regulation ESEF) introduced the obligation for issuers of securities listed on regulated markets of the European union to prepare their annual financial reports in XHTML language, based on the ESEF (European Single Electronic Format), approved by ESMA.

On 15 January 2025, Commission Delegated Regulation (EU) 2025/19 of 26 September 2024 was published in the Official Journal of the European Union. This Regulation amends the ESEF regulatory framework originally established by Delegated Regulation (EU) 2019/815, incorporates the IFRS Accounting Taxonomy 2024 published by the IFRS Foundation in March 2024 and adopts the ESEF Taxonomy 2024 as the reference taxonomy for XBRL tagging of consolidated financial statements that apply international accounting standards. The regulation has been in force since 1 January 2025.

The documents for which, at the date of this Consolidated Financial Report, the competent bodies of the European Union have not yet completed the endorsement process necessary for the adoption of said amendments, are reported below.

- On 13 November 2025, the IAS published a document entitled "Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21)". The purpose of the amendments is to specify the translation procedures for an entity whose presentation currency is that of a hyperinflationary economy. The amendments will reduce diversity in practice and provide an adequate basis for determining the accounting in the currency of a hyperinflationary economy. The amendments to IAS 21 will apply from 1 January 2027, but early application is permitted. The directors do not expect the adoption of this amendment to have an impact on the Group's Consolidated Financial Report.
- On 9 May 2024, the IASB published a document entitled "IFRS 19 - Subsidiaries without public accountability: Disclosures". The new principle introduces reduced disclosure requirements with respect to other IAS/IFRS standards. An entity is only permitted to apply IFRS 19 when:
  - it is a subsidiary;
  - it did not issue any debt or equity instruments for trading in a public market and it is not in the process of issuing such instruments;
  - its parent company produces Consolidated Financial Report that complies with IFRS Accounting Standards;

  The new standard will be effective from 1 January 2027. Earlier application is permitted. This principle will not apply to consolidated financial statements, but only to the financial statements of subsidiaries of parent companies that prepare their consolidated financial statements in accordance with the IFRS.

On 21 August 2025, the IAS published amendments to the document entitled "IFRS 19 - Subsidiaries without public accountability: Disclosures", thereby incorporating the amendments to the IFRS standards that will come into force by 1 January 2027, the date on which IFRS 19 comes into force. In the future, IFRS 19 will be amended in conjunction with the IASB's issuance or revision of other IFRS standards. This principle will not be applied by BPER in its capacity as the parent company, but only by its subsidiaries.

- On 9 April 2024, the IASB published a document entitled "IFRS 18 - Presentation and Disclosure in Financial Statements", which will replace IAS 1 - Presentation of Financial Statements. The new standard will be effective from 1 January 2027. Earlier application is permitted. On 16 February 2026, Commission Regulation (EU) 2026/338 of 13 February 2026, amending Regulation (EU) 2023/1803 as regards International Financial Reporting Standard 18, was published in the Official Journal of the European Union. The principle further requires an entity to present comparative information in respect of the preceding period. Italian banking operators will still need to await regulatory updates from the Bank of Italy regarding Circular 262/2005 in order to ensure compliance with the correct disclosure requirements. In general, the principle requires an entity to classify income and expenses in one of five categories
  - Operating activities,
  - investment activities,
  - the financing category (as redefined under IFRS 18)
  - income taxes,
  - the discontinued operations category (with no changes made to past assumptions).

Due to the specific nature of the banking industry, income and expenses that would normally fall under the categories of investing or financing are instead included in operating profit, as investment or lending to customers constitute the sector's core business activities.
IFRS 18 also requires that, for management-defined performance measures (MPMs) used by an entity in public communications to communicate to users of financial statements management's view of a specific aspect of the financial performance of the entity as a whole, specific disclosures must be provided in a dedicated section of the Notes to the financial statements, setting out information necessary for proper interpretation.
This principle sets out updated guidance on how information should be aggregated or broken down, both in the main financial statements and in the notes, which are regarded as complementary to one another.
An entity shall classify expenses in the operating category:

- by nature;
- by function,
- or using a combination of both approaches.

In this latter case, information about some specific operating expenses shall be presented by nature in the notes.
The BPER Group has initiated a preliminary phase aimed at understanding the impact of the standard on the Group's financial reporting, and is consequently launching a dedicated project to adjust its internal processes and procedures to the new requirements resulting from the application of IFRS 18.

Section 2 – Basis of preparation

In terms of the schedules presented and its technical form, this Consolidated Financial Report has been prepared on the basis of Bank of Italy Circular No. 262/2005, as amended (most recently by the 8th amendment dated 17 November 2022, effective for annual reporting periods beginning on or after 31 December 2023) – issued in implementation of art. 9 of Legislative Decree 38/2005 – and the additional instructions provided in separate communications[130]. During preparation, account has been taken of the interpretative and support documents for the application of the accounting standards, issued by the Italian and European regulatory and supervisory bodies and by the standard setters, to the extent applicable[131]. In particular, the most recent ones provided guidelines for better management of "Uncertainties in the use of accounting estimates", better highlighted in the next paragraph dedicated to the topic.
Where not already included in the documents mentioned above, Italian laws on the financial statements of companies[132] and the Italian Civil Code have been taken into consideration.

The Consolidated Financial Report consists of the Consolidated Balance Sheet, the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Shareholders' Equity, the Consolidated Statement of Cash Flows and the Explanatory Notes. The Report is additionally accompanied by the Directors' Report on Group operations.
The currency used in the Financial Report is the Euro. Figures are expressed in thousands of Euro[133].

The general criteria underlying the preparation of the Consolidated report are presented below:

- *Going Concern* [134]*:* assets, liabilities and off-balance sheet transactions are measured in the context of continuity over time.
- *Accrual Basis of Accounting:* costs and revenues are recognised on the accrual basis, regardless of when they are settled.
- *Materiality and Aggregation:* each material class of similar items is presented separately in the financial statements. Items that are dissimilar in terms of their nature or use are only aggregated if they are individually immaterial.
- *Offsetting:* assets and liabilities, income and expenses are not offset unless required or permitted by a standard or an interpretation, or by the Bank of Italy's regulations for the preparation of financial statements.
- *Frequency of disclosures*: information must be prepared annually or more frequently; if an entity changes its accounting reference date, the reason must be indicated together with the fact that the information provided is not comparable.
- *Comparative Information:* comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements, unless otherwise required by a standard or an interpretation.
- *Consistency of Presentation*: the presentation and classification of items is maintained over time to ensure that information is comparable, unless specified otherwise in new accounting standards or their interpretations, or unless a change is required to improve the meaningfulness and reliability of the amounts reported. The nature of changes in account presentation or classification is described, together with the related reasons; where possible, the new criterion is applied on a retroactive basis.

Uncertainties in the use of estimates

The preparation of the Consolidated financial statements requires recourse to estimates and assumptions that may affect the amounts recorded in the balance sheet and the income statement, as well as the information about contingent assets and liabilities. The development of such estimates involves the use of available information and the adoption of subjective assessments, partly based on historical experience, in order to make reasonable assumptions for the recognition of operating events. By their nature, the estimates and assumptions used may change from period to period and, accordingly, it may be that the actual amounts recorded in the financial report in subsequent periods are significantly different as a consequence of changes in the subjective assessments made.

130 These include the indications contained in communication of 14 March 2023 (repealing previous communications of 15 December 2020 and 21 December 2021) with provisions concerning the impacts of Covid-19 and the measures to support the economy and amendments to IAS/IFRS.

131 Reference is made, inter alia, to: ESMA's public statements of 14 October 2025, 24 October 2024, 25 October 2023, 28 October 2022 and 29 October 2021 concerning the "European Common Enforcement Priorities for Annual Financial Reports", ESMA's public statement of 13 May 2022 "Implications of Russia's invasion of Ukraine on half-yearly financial reports".

132 In particular, Legislative Decree No. 136 of 18 August 2015 - Implementation of Directive 2013/34/EU relating to financial statements, consolidated financial statements and related reports of certain types of companies, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Directives 78/660/EEC and 83/349/EEC, for the part relating to the annual accounts and consolidated accounts of banks and other financial institutions, as well as the publication of the accounting documents of branches, established in a Member State, of credit institutions and financial institutions with registered offices outside that Member State, which repeals and replaces Legislative Decree No. 87 of 27 January 1992.

133 As regards roundings, reference has been made to the instructions given in Bank of Italy's Circular 262/2005 and subsequent updates, entering the amount due to rounding in "Other assets/other liabilities" in the balance sheet and "Other operating expense/income" in the income statement.

134 Please refer to the paragraph below, dedicated to the going concern principle, for more information on the assessment generally conducted.

The principal situations in which management is required to make subjective assessments include:

- quantification of the losses arising from the impairment of loans and, in general, other financial assets;
- determination of the fair value of financial instruments, in particular, the use of measurement models to determine the fair value of financial instruments that are not listed in active markets and those that are not routinely measured at fair value;
- determination of the fair value of owned properties;
- quantification of the provisions for employee benefits and the provisions for risks and charges;
- estimates and assumptions about the recoverability of deferred tax assets;
- measurement of goodwill and other intangible assets.

Also with reference to the IASB document dated 27 March 2020[135], the usual measurement models adopted by the BPER Banca Group (in particular, the models used to estimate the ECL and determine the Significant Increase in Credit Risk – (SICR), within the framework of IFRS 9 impairment) can be supplemented, also on a recurring basis, for example through the application of "post-model adjustments" in relation to the ECL estimate, or through "collective assessments"[136] supplementing the analytical staging rules, if the information needed for their implementation is not characterised by the "reasonableness and sustainability" requirements needed to fully incorporate the effects of some relevant events for quantifying credit risk, but still not managed by the econometric models used to determine the risk parameters.
Given that this situation continued also in 2025, as a result of the events mentioned later in paragraph "*Method for determining the extent of impairment - Risks and uncertainties inherent in the current macroeconomic environment - Management Overlays applied in the assessment of credit risk*" as causes of uncertainty, the valuations as at 31 December 2025 were also carried out by applying Management Overlays, it being understood that these were also consistent with the indications of the IAS/IFRS standards.

Going Concern[137]

In preparing the consolidated financial statements for the year ended 31 December 2025, the Directors considered the going-concern assumption to be appropriate because they did not find any uncertainties related to events or circumstances that, individually or collectively, could give rise to doubts about the going concern. This assessment took account of the capitalisation of the Group, which has significant buffer capital with respect to the minimum requirement established by the European Central Bank, as well as the liquidity position and related buffer with respect to the regulatory threshold, and the likely outlook for operations despite the uncertainties linked to the current macroeconomic context.

Inspections and audits

Directors believe that the observations arising from the various inspection areas to which the BPER Banca Group was subject will not have a significant impact on the income, balance sheet and cash flows of the BPER Banca Group. Nevertheless, in all cases, suitable action plans are prepared by the Group in order to ensure a timely response to the recommendations made by the Supervisory Authorities[138].

135 IASB 27 March 2020: "IFRS 9 and Covid-19 – Accounting for expected credit losses applying IFRS 9 Financial Instruments in the light of the current uncertainty resulting from the Covid-19 pandemic".

136 Reference is made to IFRS 9 §§ B.5.5.4-B5.5.9 and the "EBA Guidelines on credit institutions' credit risk management practices and accounting for expected credit losses" (EBA/GL/2017/06) of 20 September 2017.

137 As required by document No. 2 issued with joint signature by the Bank of Italy, CONSOB and ISVAP (now IVASS) on 6 February 2009.

138 For the update of events occurred in 2024 in relation to the inspection areas in which the BPER Banca Group has been involved, please refer to paragraph "Inspections and audits" of the Directors' Report on Group Operations.

Section 3 – Scope of consolidation and methodology

The international accounting standards referred to when preparing the Consolidated Financial Report, when the circumstances arise, are IFRS 3 "Business Combinations" (issued with EC Regulation 495/2009, effective from 1 July 2009 and last updated in 2020), IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint arrangements", IFRS 12 "Disclosure of Interests in Other Entities", IAS 27 "Separate Financial Statements", IAS 28 "Investments in associates and joint ventures" (all issued with EC Regulation 1254/2012 and in force since 1 January 2014 and subsequent updates).

Consolidation principles

The BPER Banca Group's Consolidated Financial Report includes the balance sheet and income statement results of the Parent Company and of its direct and indirect subsidiaries; they include subsidiaries operating in sectors dissimilar from that of the Parent Company and vehicle companies (SPEs or SPVs)[139], when they fulfil the requirements for effective control, whether or not there is an equity interest.
The concept of control (IFRS 10 § 6) is based on the simultaneous presence of three elements:

- the power to direct the relevant activities, i.e. the activities of the investee that significantly affect its returns;
- exposure to variable returns arising from the activity of the investee;
- the exercise of power to influence the returns.

In application of this principle:

- Subsidiaries are companies in which the Parent Company, directly or indirectly, owns more than half of the voting rights. In addition to this presumption, specific situations are analysed, in particular in structured entities that, if the conditions of de facto control are met, are classified as subsidiaries irrespective of the existence of a shareholding;
- Jointly controlled companies are those in which the voting rights and control of economic activities are shared equally by the Parent Company, directly and indirectly, and by another external entity. An equity investment is also considered as subject to joint control when, in the absence of an equal share of voting rights, control over the company's economic activities and strategies are shared with other parties under contractual agreements.
- associated companies are those in which significant influence is presumed to exist if the parent company holds, directly or indirectly, at least one fifth of the voting rights (including potential voting rights). Associated companies are also those in which – despite a lower share of voting rights – the Parent Company has the power to take part in deciding the financial and operating policies under a particular legal relationship, such as, for example, participation in shareholder agreements.

Consolidation methodology

As a rule, subsidiaries are consolidated on a line-by-line basis, while jointly controlled entities and non-controlling interests in which the Group exercises significant influence are accounted for using the equity method.

The methods adopted for consolidation on a line-by-line basis are as follows:

- assets, liabilities and income statement items are recognised on a line-by-line basis;
- debit and credit balances, off-balance sheet transactions and income/expense and gains/losses arising from transactions between consolidated companies are eliminated;
- the shareholders' equity and profit for the year pertaining to minority interests in the consolidated companies are classified separately in the balance sheet (as a liability) and the income statement;
- on first-time consolidation, the book value of the equity investments in fully consolidated companies is eliminated against the shareholders' equity in these companies. The acquisition of interests in companies is recorded using the "acquisition method" defined in IFRS 3, with the recognition of the assets, liabilities and contingent liabilities of purchased companies at their fair value at the time of acquisition, i.e. at the time that effective control over them is obtained. Accordingly, the results of a subsidiary purchased during the year are consolidated from the date of acquisition. Similarly, the results of a subsidiary that is sold are consolidated until the date that control is lost;
- any excess of the book value of the equity investments referred to above with respect to the interest held in their shareholders' equity, as adjusted to reflect the fair value of assets and liabilities, is recognised as goodwill in item 100. "Intangible assets", while any shortfall is credited to income statement item 275. "Gain on a bargain purchase";
- any changes in the interest held in equity investments are booked as transactions on capital. Any difference between the recognised value of equity investments and the fair value of the consideration paid (or received) has to be booked directly as a change in shareholders' equity and suitably allocated to minority interests;

139 The consolidation of SPVs has the same effects as consolidation on a line-by-line basis.

- the fairness of the value recorded for goodwill is tested at least once a year (or whenever there is evidence of impairment), as required by IAS 36. To meet regulatory requirements, the cash-generating unit to which goodwill is allocated has to be identified. Adjustments reflect the difference between the book value of goodwill and its recoverable value, if lower, as represented by the fair value of the cash generating unit, less costs to sell, or, if higher, its value in use.

In order to apply the equity method:

- the carrying amount of equity investments held by the parent bank or by other group companies is compared with the related interest in the shareholders' equity of these associated companies carried at equity. Any excess carrying amount - identified on initial consolidation - is included in the book value of the investment. Changes in shareholders' equity subsequent to first-time consolidation are classified in item "Gains (Losses) of equity investments" of the consolidated income statement, to the extent that they relate to their gains or losses of equity investments, while other changes are recognised as a direct adjustment of shareholders' equity;
- if there is evidence that investment in an associate may be impaired, its recoverable amount is estimated. If the recoverable amount is lower than the carrying amount, the related difference is charged to the income statement.

Current regulations require the scope of consolidation to be managed on two levels:

- the accounting scope of consolidation governed by IFRS 10[140] "Consolidated Financial statements", IAS 27 "Separate financial statements", IAS 28 "Investments in Associates and Joint Ventures" and, if required by the circumstances, IFRS 11 "Joint Arrangements", IFRS 12 "Disclosure of Interests in Other Entities" (all adopted by Regulation (EU) 1254/2012, effective from 1 January 2014, and subsequent amendments) and IFRS 3 "Business Combinations" (adopted by Regulation (EU) 495/2009, effective from 1 July 2009, and subsequent amendments);
- the prudential scope of consolidation governed by Regulation (EU) No. 575/2013 and subsequent updates, in which art. 19 indicates the entities to be excluded from the prudential consolidation.

The above regulations contribute to determining the scope of consolidation, as well as the methodologies to be used for each consolidation.
International accounting standards require subsidiaries to be consolidated on a line-by-line basis, while jointly controlled entities and non-controlling interests in which the Group exercises significant influence are consolidated under the equity method.
Art. 19, para. 1 of the supervisory regulation (CRR[141]) referenced to above excludes from the scope of line-by-line consolidation all financial entities and operating companies, including members of the Banking Group, whose total assets and off-balance sheet amounts are less than the lower of the following two amounts:

- Euro 10 million;
- 1% of the total assets and off-balance sheet amounts of the parent company or the entity that holds the equity investment.

The BPER Banca Group has decided to adopt the methodology required for the purposes of prudential supervision (Article 18, CRR) also for producing financial information, thus standardising the two consolidation perimeters ("for accounting purposes" and "for prudential purposes").
This decision was needed to rationalise, simplify and streamline the production of consolidated information for supervisory and financial reporting purposes. Its effects on the latter are negligible. In terms of areas affected, the Income Statement summarises in Profit (loss) from equity investments the not significant dynamics otherwise reported line by line; in the assets and liabilities, the balance sheet figures otherwise reported line by line are summarised under the item 'Equity investments', with no impact on the profit and loss result for the year and on the Group's shareholders' equity.

The following companies are included in the Banking Group but, at 31 December 2025, they do not satisfy the requirements of art. 19, para. 1 of the CRR:

- Estense Covered Bond s.r.l.;
- BPER Trust Company s.p.a.;
- Estense CPT Covered Bond s.r.l.;
- Carige Covered Bond s.r.l.;
- Lanterna Finance s.r.l.;
- Lanterna Mortgage s.r.l.;
- Popso Covered Bond s.r.l.;
- Prestinuova s.r.l. - agenzia attività finanziaria.

140 IFRS 10 §B86 in relation to consolidation procedures.
141 Regulation (EU) 575/2013 and subsequent amendments.

The other subsidiaries that are not included in the Banking Group, since their activities do not contribute to its banking operations, are:

- Adras s.p.a.;
- Annia s.r.l.;
- St'Anna Golf s.r.l.;
- Commerciale Piccapietra s.r.l.;
- Rajna Immobiliare s.rl.;
- Pirovano Stelvio s.p.a.;
- Servizi Internazionali e strutture integrate 2000 s.r.l.;
- Rent2Go S.r.l.;
- Centro delle Alpi RE;
- Centro delle Alpi SME;
- Immobiliare Borgo Palazzo s.r.l.;
- Immobiliare S. Paolo s.r.l.

As at 31 December 2025, the above companies are consolidated under the equity method.

St. Anna Gestione Golf Società Sportiva Dilettantistica s.r.l., a subsidiary of BPER Real Estate through St. Anna Golf s.r.l., was likewise excluded from the scope of consolidation as it was considered non-significant.

Changes in the scope of consolidation with respect to 31 December 2024 are outlined below:

- on 1 August 2025, the acquisition of 80.691% of the share capital of Banca Popolare di Sondrio s.p.a. was completed, which in turn controls the following companies: Banca Popolare di Sondrio (Suisse) SA, Factorit s.p.a., Sinergia Seconda s.r.l, Banca della Nuova Terra s.p.a., Rajna Immobiliare s.r.l, Pirovano Stelvio s.p.a., Servizi Internazionali e strutture integrate 2000 s.r.l., Immobiliare Borgo Palazzo s.r.l., Immobiliare San Paolo s.r.l., Rent2Go s.r.l., Centro delle Alpi RE, Centro delle Alpi SME s.r.l., Popso Covered Bond s.r.l and Prestinuova s.r.l – agenzia attività Finanziaria;
- Through Banca Popolare di Sondrio s.p.a., BPER Banca also acquired control over Alba Leasing s.p.a. on 1 August 2025 obtaining 52.762% of its share capital (the 33.498% owned directly by the Parent Company was supplemented by the 19.264% owned by the subsidiary Banca Popolare di Sondrio s.p.a.). On 30 October 2025, BPER Banca sold a 5.1% shareholding in the company's share capital to another investor, thereby losing control over the company. Consequently, the company was again classified as an associate as at 31 December 2025.

For more details on the transactions, please refer to the chapter of the Directors' Report on Group operations entitled "*Significant events and strategic transactions*".

1. Equity investments in wholly owned subsidiaries

1.1 Equity investments within the Group consolidated line-by-line

Company name	Operational head office	Registered head office	Type of relationship (1)	Share capital in Euro	Nature of holding		% Available votes (2)
					Parent company	% holding	
1. Banco di Sardegna s.p.a.	Sassari	Cagliari	1	155,247,762	BPER Banca	99.492	100.000
2. Bibanca s.p.a.	Sassari	Sassari	1	74,458,607	BPER Banca	99.088	
3. BPER Bank Luxembourg s.a.	Luxembourg	Luxembourg	1	30,667,500	BPER Banca	100.000	
4. Banca Cesare Ponti s.p.a.	Milan	Milan	1	64,000,000	BPER Banca	100.000	
5. BPER Real Estate s.p.a.	Modena	Modena	1	191,830,824	BPER Banca	78.988	
					B. Sard.	21.012	
6. Sardaleasing s.p.a.	Milan/Bologna	Sassari	1	184,122,460	BPER Banca	52.846	
					B. Sard.	46.933	
7. Modena Terminal s.r.l. (*)	Campogalliano	Campogalliano	1	8,000,000	BPER Banca	100.000	
8. BPER Factor s.p.a.	Bologna	Bologna	1	54,590,910	BPER Banca	100.000	
9. Arca Holding s.p.a. (**)	Milan	Milan	1	50,000,000	BPER Banca	57.061	
					BP Sondrio	34.716	
10. Arca Fondi SGR s.p.a.	Milan	Milan	1	50,000,000	Arca Holding	100.000	
11. Finitalia s.p.a.	Milan	Milan	1	15,376,285	BPER Banca	100.000	
12. Banca Popolare di Sondrio s.p.a.	Sondrio	Sondrio	1	1,360,157,331	BPER Banca	80.691	81.331
13. Banca Popolare di Sondrio (SUISSE) s.a.	Lugano	Lugano	1	(CFH) 180,000,000	BP Sondrio	100.000	
14. Factorit s.p.a.	Milan	Milan	1	85,000,002	BP Sondrio	100.000	
15. Sinergia Seconda s.r.l.	Milan	Milan	1	60,000,000	BP Sondrio	100.000	
16. Banca della Nuova Terra s.p.a.	Sondrio	Sondrio	1	31,315,321	BP Sondrio	100.000	

(*) the shareholding in Modena Terminal as of 31 December 2025 is classified under "Non-current assets and disposal groups classified as held for sale".
(**) company not included in the banking Group.

The "% Available votes" column is only used if the actual share of votes exercisable at the Ordinary Shareholders' Meeting is different from the interest held in the company's share capital.
The figure for share capital is provided as extra information as required by CONSOB Communication DEM/6064293 dated 28 July 2006.

Key: (1) Type of relationship: 1 Majority of voting rights at the ordinary shareholders' meeting; (2) Availability of voting rights at ordinary shareholders' meeting, distinguishing between actual and potential

1.2 Equity investments within the Group consolidated under the equity method

Company name	Operational head office	Registered head office	Type of relationship (1)	Share capital in Euro	Nature of holding		% Available votes (2)
					Parent company	% holding	
A. Subsidiaries that are not included in the Banking Group							
1. Adras s.p.a.	Milan	Milan	1	1,954,535	BPER Banca	100.000	
2. Annia s.r.l.	Milan	Milan	1	100,000	BPER Real Estate	100.000	
3. Sant'Anna Golf s.r.l.	Genoa	Genoa	1	50,000	BPER Real Estate	100.000	
4. Commerciale Piccapietra s.r.l.	Genoa	Genoa	1	500,000	BPER Banca	100.000	
5. Rajna Immobiliare s.r.l.	Sondrio	Sondrio	1	20,000	BP Sondrio	100.000	
6. Pirovano Stelvio s.p.a.	Sondrio	Sondrio	1	2,064,000	BP Sondrio	100.000	
7. Servizi Internazionali e strutture integrate 2000 s.r.l.	Milan	Milan	1	75,000	BP Sondrio	100.000	
8. Immobiliare Borgo Palazzo s.r.l.	Milan	Milan	1	10,000	Sinergia Seconda	100.000	
9. Immobiliare S. Paolo s.r.l.	Tirano	Tirano	1	10,000	Sinergia Seconda	100.000	
10. Rent2Go s.r.l.	Monza	Monza	1	4,462,863	BP Sondrio	100.000	
11. Centro delle Alpi RE	Milan	Milan	1	69,913,064	BP Sondrio	100.000	
12. Centro delle Alpi SME s.r.l.	Conegliano	Conegliano	4	10,000	BP Sondrio		
B. Subsidiaries that are included in the Banking Group but do not satisfy the requirements of art. 19, para. 1 of the CRR							
13. Estense Covered Bond s.r.l.	Conegliano	Conegliano	1	10,000	BPER Banca	60.000	
14. BPER Trust Company s.p.a.	Modena	Modena	1	500,000	BPER Banca	100.000	
15. Estense CPT Covered Bond s.r.l.	Conegliano	Conegliano	1	10,000	BPER Banca	60.000	
16. Carige Covered Bond S.r.l.	Genoa	Genoa	1	10,000	BPER Banca	60.000	
17. Lanterna Finance s.r.l.	Genoa	Genoa	4	10,000	BPER Banca	5.000	
18. Lanterna Mortgage s.r.l.	Genoa	Genoa	4	10,000	BPER Banca	5.000	
19. Popso Covered Bond s.r.l.	Conegliano	Conegliano	1	10,000	BP Sondrio	60.000	
20. PrestiNuova s.r.l. - Agenzia Attività Finanziaria	Rome	Rome	1	100,000	BNT	100.000	

The "% Available votes" column is only used if the actual share of votes exercisable at the Ordinary Shareholders' Meeting is different from the interest held in the company's share capital.
The figure for share capital is provided as extra information as required by CONSOB Communication DEM/6064293 dated 28 July 2006.

Key: (1) Type of relationship: 1 Majority of votes at the ordinary shareholders' meeting. 4 Other forms of control; (2) Available votes at ordinary shareholders' meeting, distinguishing between actual and potential

2. Significant assessments and assumptions made when determining the scope of consolidation

As regards the companies included in the scope of consolidation, no facts or circumstances have emerged over the year that, as envisaged in IFRS 10, might materially change the assessments made regarding the possession of control, joint control or significant influence. Please refer to the Explanatory Notes for more details on the changes[142].

3. Equity investments in wholly-owned subsidiaries with significant minority interests

Minority interests are considered significant based on the materiality of total equity compared with the equivalent consolidated figure.

3.1 Minority interests, availability of votes of minority interests and dividends distributed to minority

142 See: Part B of the consolidated Explanatory Notes, Section Equity Investments, Table 7.5 "Equity investments: annual changes".

interests

Company name	% Minority interests	% Availability of voting rights of minority interests (1)	Dividends distributed to minority interests
1. Banca Popolare di Sondrio s.p.a.	19.309	18.669	361,469
2. Banco di Sardegna s.p.a.	0.508	-	454
3. Bibanca s.p.a.	0.912	0.912	445
4. Arca Holding s.p.a.	8.223	8.223	26,622
5. Sardaleasing s.p.a.	0.221	0.221	-

BPER Banca holds 100% of the ordinary shares of Banco di Sardegna s.p.a. The consolidation was carried out using the sub-consolidations prepared for Arca Holding and its wholly-owned subsidiary, Arca Fondi SGR s.p.a. The dividends relate to profits for 2024, distributed in 2025.

Key (1) Available votes at ordinary shareholders' meeting.

3.2 Equity investments with significant minority interests: accounting information

Company name	Total assets	Cash and cash equivalents	Financial assets	Property, plant and equipment and intangible assets	Financial Liabilities
1. Banca Popolare di Sondrio s.p.a.	58,472,399	3,314,132	51,789,507	639,532	51,885,309
2. Banco di Sardegna s.p.a.	16,619,725	6,168,985	9,866,494	262,563	14,593,236
3. Bibanca s.p.a.	4,338,677	2,048	4,288,447	14,581	3,912,781
4. Arca Holding s.p.a.	727,056	161,687	273,786	137,323	3,923
5. Sardaleasing s.p.a.	2,680,267	20,007	2,593,800	17,692	2,408,206

(cont.)

Company name	Shareholders' equity	Net interest income	Net interest and other banking income	Operating costs	Profit (Loss) from current operations before tax
1. Banca Popolare di Sondrio s.p.a.	4,412,095	512,294	791,464	(408,044)	262,941
2. Banco di Sardegna s.p.a.	1,299,922	302,581	485,824	(237,872)	242,110
3. Bibanca s.p.a.	372,031	158,523	160,744	(43,531)	90,111
4. Arca Holding s.p.a.	589,825	2,869	172,308	(61,486)	110,822
5. Sardaleasing s.p.a.	186,192	47,135	47,823	(16,463)	22,970

(cont.)

Company name	Profit (Loss) from current operations after tax	Profit (Loss) from groups of assets held for sale after tax	Profit (Loss) for the year (1)	Other comprehensive income after tax (2)	Other comprehensive income (3)= (1)+(2)
1. Banca Popolare di Sondrio s.p.a.	168,091	-	168,091	138,269	306,360
2. Banco di Sardegna s.p.a.	164,265	-	164,265	3,512	167,777
3. Bibanca s.p.a.	60,269	-	60,269	(482)	59,787
4. Arca Holding s.p.a.	76,307	-	76,307	232	76,539
5. Sardaleasing s.p.a.	16,504	-	16,504	100	16,604

The amounts provided are before intercompany eliminations.
The income statement and balance sheet information refers to the situation at 31 December 2025.

4. Significant restrictions

Among the Banks and Companies included in the BPER Banca Group's scope of consolidation, there are no significant restrictions as foreseen by IFRS 12 § 13.

5. Other information

Line-by-line consolidation of the Group Banks and Companies is based on the Financial Reports prepared and approved by the individual subsidiaries as at 31 December 2025. These Financial Reports have been prepared in accordance with IAS/IFRS by the individual banks and financial companies subject to Bank of Italy supervision. All the other Italian Group companies BPER Bank Luxembourg s.a. and Banca Popolare di Sondrio (Suisse) s.a. included in the scope of consolidation and subject to the application of national accounting principles, prepare their Financial Reports under the international accounting standards (a.k.a. the "Consolidation Reporting Package") used for consolidation purposes.
The value of Group subsidiaries carried at equity was measured on the basis of their accounting data as prepared in application of IAS/IFRS and approved as at 31 December 2025.
For the other equity investments consolidated under the equity method, reference is made to the latest available accounting information in accordance with IAS 28.

Section 4 – Events after the reporting period

This Consolidated Financial Report was approved on 11 March 2026 by BPER Banca's Board of Directors, which authorised its publication.
Information about the events that took place after the reporting date of this Consolidated Financial Report is presented and described in the section of the Directors' Report on Group operations entitled "Significant events and strategic transactions", to which reference should be made for more details.

In light of the escalation of the Israeli-Palestinian crisis and the spread of the armed conflict that has been involving the United States, Israel and Iran since 28 February 2026, it is noted that these events have been treated by the BPER Group as non-adjusting event) in accordance with IAS 10.
The BPER Group's exposure to the countries directly involved is, however, minimal:

- on-balance-sheet credit exposures to counterparties in Israel and the Palestinian territories amount to Euro 3.1 million;
- the portfolio has no exposure to Israel government bonds and/or to equities and fund units relating to Israeli counterparties;
- the risks associated with guarantees issued to Israeli counterparties are limited to Euro 2.6 million.

Extending the analysis to neighbouring countries potentially affected by geopolitical tensions (i.e. Egypt, Lebanon, Iran and Qatar), the overall risk remains limited:

- on-balance-sheet direct exposures to counterparties in those countries amount to Euro 15.2 million;
- the risks associated with guarantees issued amount to Euro 23.3 million.

Section 5 – Other aspects

Risks and uncertainties inherent in the current macroeconomic environment - Management Overlays applied in the assessment of credit risk

The persistent uncertainty in the general and sectoral macroeconomic scenario, mainly due to geopolitical tensions (the armed conflicts in Russia-Ukraine and in the Middle East) and U.S. policies on global trade and international relations, accompanied by measures to combat climate risk with unpredictable effects on the economic and production system, have led the BPER Banca Group to maintain constant control and continuous monitoring in particular of credit risk and its assessment for treatment in the financial statements.
In this regard, even in 2025 the Parent Company carried out dedicated analyses, aimed at identifying the best methods of intervention on the credit risk measurement and forecasting systems, later aligning them with the prevailing context and trying to avoid being excessively pro-cyclical in the definition of collective provisions, as indicated by the Regulators (among others especially ESMA and the ECB).

The following is a summary of the changes made to the assessment of the Expected Credit Loss of the Loan portfolio in relation to the Management Overlays applied as at 31 December 2025 and their impact on the period then ended.

(in Euro millions)

Top-down adjustments	Add-on 31.12.2025	Add-on 31.12.2024	P&L impact 31.12.2025
Multi-scenario ECL "expert" correction - macroeconomic scenario weights	(78.6)	(88.3)	9.7
High-risk economic sectors (particularly energy-intensive and exposed to Russia risk)	(60.8)	(144.5)	83.7
Collective Staging "Emilia-Romagna flooding"	-	(4.3)	4.3
Total	**(139.4)**	**(237.1)**	**97.7**

A +20% correction factor was maintained to the LGD parameter to also reflect, under IFRS 9, the changes already applied under the AIRB following the 2021 inspection and the related actions required by the ECB, which led to an increase of Euro 72.5 million in ECL.

Moreover, with a view to bringing forward some methodological advancements in the risk models used to estimate the ECL on the loan portfolio, provisioning add-ons have been quantified which, as at 31 December 2025, led to a Euro 150.5 million increase in ECL, of which:

- Euro 106.7 million recognised in 2025;
- Euro 23.6 million at December 2025 for a project already budgeted in the fourth quarter of 2024;
- Euro 20.2 million arising from the merger of Banca Popolare di Sondrio.

Therefore, some updates to the risk models adopted by the Group were implemented in 2025; further information on this is provided in the following paragraph dedicated to the *Method for determining the extent of impairment*, which had economic impacts as changes in accounting estimates. More specifically, it should be noted that the extension of the correction factor to the PD parameter for the Long-term Property SMEs, Retail SMEs and Small Business Operators in-model adjustment vulnerable sectors, is adopted to replace the 'high-risk' overlay.

Implementation of the global minimum tax rules for multinational and domestic groups under Pillar 2 and related amendments to IAS 12 on income taxes

In 2013, as part of the BEPS (Base Erosion and Profit Shifting) Project, a complex process to reform international tax standards was launched at the initiative of the OECD and G20 countries which includes, among others, the Pillar 2 project, with the aim of ensuring a level playing field for companies worldwide, preventing a race to the bottom in corporate tax rates and promoting efficient investment and localisation decisions for business activities. This competitive equality would be achieved by applying a system of suitable common rules to ensure that the transnational group pays an effective tax rate of no less than 15% (OECD agreed rate) in each jurisdiction in which it is established.
The Pillar 2 system of rules developed at international level on the basis of the OECD technical guidance was implemented at EU and single market level with Directive 2022/2523/EU, adopted by the Council of the European Union on 14 December 2022 and published in the Official Journal of the European Union L 328/2022 of 22 December 2022, which also extended the scope of application to domestic Groups of EU countries.
The European provisions were then implemented in Italy by Legislative Decree No. 209 of 27 December 2023, published in the Official Gazette of the Italian Republic No. 301 General Series of 28 December 2023 (the "Decree").
In particular, the Decree establishes a taxation additional to the ordinary income taxes (the Top-Up Tax) which consists of a minimum supplementary tax (IIR) payable by the Italian-based parent company of multinational or national groups in relation to companies belonging to the group subject to an effective tax rate of less than 15% and a domestic minimum tax (so-called QDMTT) applied by companies belonging to a multinational or national group located in Italy subject to low taxation, until the minimum effective rate of 15% is reached. The purpose of this second tax is to allow supplementary tax to be levied in the country where a low level of taxation has occurred, thus avoiding that all tax is levied in the country of location of the direct or indirect parent company.
The subjective scope of application of the new taxes is limited to companies belonging to multinational and domestic groups with annual revenues of Euro 750 million or more, resulting from the Consolidated Financial Report of the parent company in at least two of the four financial years preceding the financial year under consideration.
The provisions of the Decree apply with respect to financial years beginning on or after 31 December 2023 (1 January 2024 for entities whose financial year coincides with the calendar year).
In view of the imminent implementation of the new Pillar 2 tax provisions in some jurisdictions, on 23 May 2023, the IASB approved a number of amendments to IAS 12 on income taxes. In particular, the amendments to the standard introduce a temporary mandatory exception to the recognition of deferred tax assets and liabilities related to the minimum additional tax introduced with the implementation of the Pillar 2 regulations and some specific disclosure requirements both for periods when the Pillar 2 legislation is in force or substantially in force but not yet effective, and for periods when the regulations will be effective. These disclosure requirements can be applied as from annual Financial Reports beginning on or after 1 January 2023. Specifically, an entity is asked to:

- disclose whether the exception applies to recognising and disclosing information about deferred tax assets and liabilities related to Pillar 2 income taxes;
- provide separate evidence of its current tax expense (income) related to Pillar 2 income taxes;
- in periods in which Pillar 2 legislation is enacted or substantively enacted but not yet in effect, an entity shall disclose known or reasonably estimable information that helps users of the Financial Report understand the entity's exposure to Pillar 2 income taxes arising from that legislation.

In order to meet the disclosure objective, the entity shall disclose qualitative and quantitative information about its exposure to Pillar 2 income taxes at the end of the reporting period. This information does not have to reflect all the specific requirements of the Pillar 2 legislation and can be provided in the form of an indicative range. To the extent information is not known or reasonably estimable, an entity shall instead disclose a statement to that effect and disclose information about the progress in assessing its exposure.
In subjective terms, the BPER Banca Group meets the quantitative requirement of the new Pillar 2 regulation and is therefore potentially impacted by it; for this reason, it constantly monitors the progress of regulations in the main foreign jurisdictions where it operates, including Luxembourg, Switzerland and the Principality of Monaco also following the integration of the Banca Popolare di Sondrio Group.
The exposure to Pillar 2 income taxes for the BPER Banca Group companies essentially derives from the effective tax rate, which is calculated separately for each financial year and for each country of operation. This rate is equal to the ratio of the country's adjusted relevant taxes to the country's relevant net income.
To limit the administrative and compliance expenses for multinational groups and fiscal administrations, called upon to respectively apply and monitor the correct application of the global minimum tax rule during the initial period (for periods starting before 31 December 2026 and ending not after 30 June 2028), operators that meet specific requirements are given the possibility to use 'transitional safe harbours' based on data mostly deriving from the Country-by-Country Report. With regard to Italy, the implementing provisions of the aforementioned transitional safe harbours are set out in the ministerial decree of 20 May 2024, published in the Official Journal of 28 May 2024, issued pursuant to art. 39, paragraph 3, of Italian Legislative Decree 23 December 2023, No. 209, which, in line with the common approach, supplemented the regulatory framework on global minimum taxation.
On the basis of the estimates and data available to date, the BPER Banca Group meets the requirements to access the transitional safe harbours in all jurisdictions with the sole exception of Switzerland. However, the calculation of the Swiss National Bank's actual tax rate under the GloBE Rules (i.e. in full compliance) shows a tax rate of over 15%. Consequently, for the 2025 tax year, the Group as a whole is not subject to the obligation to pay the supplementary minimum tax via Income Inclusion Rule (IRR) or Qualified Domestic Minimum Top-up Tax (QDMTT). For this reason, no Pillar 2 current taxes were recognised in the report as at 31 December 2025, nor have any deferred tax assets and liabilities been recognised with reference to the regulation in question, in compliance with the temporary exception on this matter provided for by IAS 12.

Domestic tax group election

BPER Banca has exercised the option as the consolidating company together with its subsidiaries listed in the table below for the "domestic tax consolidation" regime, governed by Articles 117-129 of the Consolidated Income Tax Act and introduced by Legislative Decree No. 344/2003 and subsequent amendments.
Domestic tax consolidation consists of a scheme, applicable on an optional binding basis for three years, by individual companies connected by a relationship of control pursuant to article 117 of the Consolidated Income Tax Act, whereby, for the consolidating company or entity, a single IRES tax base (taxable income or tax loss) is determined for the group of companies calculated as the algebraic sum of the tax base of the individual companies adhering to this scheme, as emerges from their respective tax returns.
On 31 December 2024, the three-year period relating to the option exercised by Banco di Sardegna s.p.a., BPER Trust Company s.p.a. and BPER Real Estate s.p.a. came to an end. When the consolidating company filed its tax return for the 2024 tax year, the parties confirmed their intention to proceed with the tacit renewal of the option for the three-year period 20252027.
On 31 December 2025, the option exercised by Banca Cesare Ponti s.p.a., Bper Factor s.p.a., Finitalia s.p.a., Arca Holding s.p.a. and Arca fondi SGR s.p.a. also came to an end. The companies concerned have indicated their intention to exercise their right to renew the option for the subsequent three-year period 20262028; notification of this will be given when the company's tax return for the 2025 tax year is filed.

Consolidated companies	2023	2024	2025	2026	2027
Banca Cesare Ponti s.p.a.	x	x	x		
Bibanca s.p.a.		x	x	x	
Banco di Sardegna s.p.a.			x	x	x
BPER Factor s.p.a.	x	x	x		
Sardaleasing s.p.a.		x	x	x	
BPER Trust Company s.p.a.			x	x	x
BPER Real Estate s.p.a.			x	x	x
Finitalia s.p.a.	x	x	x		
Arca Fondi SGR s.p.a.	x	x	x		
Arca Holding s.p.a.	x	x	x		

Information on public disbursements pursuant to art. 1, paragraph 125 of Law 124 of 4 August 2017 ("Annual market and competition law")

Law 124 of 4 August 2017 "Annual law for the market and competition" (hereafter Law 124/2017) introduced a series of measures designed to ensure transparency in the public disbursements system (art. 1, paragraphs 125[143] to 129). In particular, this law states that companies should provide in the Explanatory Notes to the Financial Report and in any consolidated Explanatory Notes, information relating to "grants, contributions, remunerated offices and economic advantages of any type" (hereinafter referred to as "public disbursements") received from Public Administrations and other subjects indicated by the said law. Non-compliance with the disclosure requirement results in an administrative penalty of 1% of the amount received, with a minimum of Euro 2,000. At a later stage, the law requires return of the public disbursement[144].
In order to avoid publishing insignificant information, there is no disclosure requirement for public disbursements of less than Euro 10,000 received by the same party.
Since August 2017, the National State Aid Register has been active in the Executive Board for incentives to companies of the Ministry of Economic Development, in which State aid and *de minimis* aid payments to any company by subjects that grant or manage such aid have to be published. For individual aid granted to BPER Banca Group companies, please refer to the "Transparency of the Register" section, whose access is publicly available.
That said, in compliance with the provisions of art. 1, paragraph 125, of law 124 of 4 August 2017, the amounts collected during 2025 by the Parent Company and by the subsidiaries by way of "grants, contributions, remunerated offices and economic advantages of any type" are listed below.

(in thousands of Euro)

BPER Banca Group companies	Type of grants	Amounts received in 2025
BPER Banca s.p.a.	Regulation for inter-professional funds for continuing education for the granting of exempted State aid pursuant to EC regulation 651/2014 and under a *de minimis* aid scheme pursuant to EC regulation 1407/2013	1,787
BPER Banca s.p.a.	Grants for photovoltaic incentives	20
BPER Banca s.p.a.	Company nursery/kindergarten contributions	3
Modena Terminal s.r.l.	Grants for photovoltaic incentives	101
Banco di Sardegna s.p.a.	Regulation for inter-professional funds for continuing education for the granting of exempted State aid pursuant to EC regulation 651/2014 and under a *de minimis* aid scheme pursuant to EC regulation 1407/2013	415
Banca Popolare di Sondrio s.p.a.	Regulation for inter-professional funds for continuing education for the granting of exempted State aid pursuant to EC regulation 651/2014 and under a *de minimis* aid scheme pursuant to EC regulation 1407/2013	190

Audit

The Consolidated Financial Report as at 31 December 2025 has been audited by Deloitte & Touche s.p.a., which was appointed for the period 2017-2025 at the Shareholders' Meeting held on 26 November 2016, as required by Legislative Decree 39 of 27 January 2010.

143 Paragraph expanded by art. 35 of Decree 34/2019. Paragraphs 126 to 129 not amended.

144 As stated in Assonime Circular no. 32 dated 23 December 2019.

A.2 – MAIN ITEMS IN THE FINANCIAL STATEMENTS

Classification of Financial assets - Business Model and SPPI test (items 20, 30 and 40)

IFRS 9 requires financial assets represented by loans and receivables and debt securities to be classified into three accounting categories, using the following criteria:

- the business model used to manage them;
- the contractual characteristics of the cash flows of financial assets (or SPPI tests).

The classification of financial assets depends on a combination of these two criteria, as indicated below:

- Financial assets measured at amortised cost (AC): assets that include the "Hold to collect" business model (HTC) and pass the SPPI test;
- Financial assets measured at fair value through other comprehensive income (FVTOCI): assets that include the "Hold to Collect & Sell" business model (HTCS) and pass the SPPI test;
- Financial assets measured at fair value through profit or loss (FVTPL): assets that provide for an "Other" business model or, on a residual basis, assets that cannot be classified in the previous categories due to the negative outcome of the SPPI test.

Business Model

The BPER Banca Group has identified its own Business Models taking into consideration the core business sectors in which it operates, the strategies adopted to date in order to realise the cash flows of the assets in portfolio, as well as the strategic forecasts of business development.
This analysis was carried out primarily at Group level and, consequently, at the level of the individual Group Bank/Company, including the product companies.
The Group's core business is related to the generation and management of credit relationships for the Retail and Corporate sectors (including Large Corporate) and, therefore, follows a logic of holding them presumably until they expire in order to collect the contractual cash flows. According to IFRS 9, this operation is attributable to a "Hold to Collect" type Business Model.
Another sector of activity for the BPER Banca Group, supporting the pursuit of banking objectives, is the Finance sector which includes the balance sheet and income statement items of the Group deriving from treasury activities, management of proprietary portfolios, access to financial markets and specialist operational support to the sales network.
For the purpose of identifying the Business Model in the Finance sector, the analysis linked the relevant activities carried on by the Group finance department to management of the Group's proprietary portfolios. It was therefore possible to identify the following proprietary portfolios:

- Investment Banking Book, consisting of the set of instruments managed collectively in order to reduce volatility on the interest margin. This type of portfolio mainly pursues a strategy of holding financial instruments to maturity, thereby sterilising market risk. The strategy of this portfolio therefore involves management of the principal risks such as credit risk, interest rate risk and sovereign risk. In application of IFRS 9, this portfolio has been included in the "Hold to Collect" Business Model.
- Liquidity Banking Book, consisting of a set of financial instruments whose strategy is aimed at holding them in order to manage liquidity and optimise the risk-return profile at Group level. This type of portfolio pursues investment strategies in order to:
  - optimise net interest income;
  - increase the amount of assets that can be readily liquidated to mitigate the Group's exposure to liquidity risk;
  - diversify credit risk.

  The strategy of this portfolio involves management of the principal risks such as liquidity risk, credit risk, interest rate risk, market risk and sovereign risk. In application of IFRS 9, this portfolio has been included in the "Hold to Collect & Sell" Business Model.
- Trading portfolio, consisting of a set of financial instruments for trading purposes (government securities, ETFs, structured securities, UCITS units, ABS, etc.), guaranteeing the management of market risk. The profit purpose of this portfolio is mainly pursued through the change in the fair value of the instruments.
  The strategy of this portfolio involves management of the principal risks such as market risk, credit risk, interest rate risk and sovereign risk. In application of IFRS 9, this portfolio has been included in the "Other" Business Model.
- Customer Trading Portfolio, consisting of financial assets repurchased from customers, or held to offer an investment service to them (residual portfolio). In application of IFRS 9, this portfolio has been included in the "Other" Business Model.
- Capital Market, consisting of financial instruments held for market making on securities (government, supranational, corporate, covered bond and government guaranteed debt securities), guaranteeing the management of market risk. The profit purpose of this portfolio is mainly pursued through the change in the fair value of the instruments. The strategy of this portfolio therefore involves management of the principal risks such as market risk, credit risk, interest rate risk and sovereign risk. In application of IFRS 9, this portfolio has been included in the "Other" Business Model.

IFRS 9 envisages the possibility of modifying the Business Model, highlighting that the situations that lead to this change are "very infrequent", to be attributed to significant events (internal or external) that affect the management strategy (and therefore derive from decisions of Senior Management of the Entity); in addition, they must be adequately supported by resolutions and linked to events or objective facts evidenced also towards third parties.
The change in business model must also take place before the consequent reclassification of the assets affected by that change, which is possible only on the first day of the next reporting period.

Regarding the combination of frequency and significance thresholds, the BPER Banca Group has defined quantitative limits (both in relative terms with respect to the portfolio size, and in absolute terms) to be applied to sales made on the "Hold to Collect" portfolio.
It also defines the concepts of "proximity to maturity", identifying the 12 months prior to the repayment date, and "increasing credit risk" in line with the staging criteria described below (classification in Stage 2 allows the sale of instruments).

SPPI Test

In order to analyse the characteristics of the contractual cash flows deriving from financial assets (loans and receivables, and debt securities), the BPER Banca Group has defined an SPPI test based on 12 decision-making trees, so as to consider all the contractual characteristics relevant to the test.

The BPER Banca Group has also adopted some assumptions regarding both the loan portfolio and the debt securities portfolio. The main choices are shown below.

- in relation to the debt securities portfolio, the units of mutual investment funds, both open and closed-ended, fail the SPPI test; with regard to the securities issued as part of securitisation transactions, for the purposes of credit risk assessment it has been assumed that the mezzanine and junior tranches generally bear a higher credit risk than the average risk of the underlying portfolio of instruments and, consequently, fail the test;
- in relation to the Benchmark Cash Flow Test (BCFT) required in situations of mismatch between "tenor" and periodicity of the "refixing" of interest rates, it was agreed that the change in the "time value of money element" should be considered significant for instruments indexed to parameters with a tenor higher than a year and, consequently, that these fail the SPPI test.

Below are the references to the accounting recognition criteria (criteria for Recognition, Classification, Measurement, Derecognition of assets and liabilities, as well as criteria for Recognition of income) adopted for the main balance sheet items/ transactions carried out in the preparation of this Consolidated Financial Report.

1. Financial assets measured at fair value through profit or loss

Recognition

Financial assets represented by debt or equity instruments are initially recognised on the settlement date, while derivative contracts are recognised on the date of signature.
In particular, any changes in the fair value of the asset to be received between the settlement date and the earlier arrangement date are recognised at the time of settlement, in the same way in which the asset acquired is recorded.
Financial assets measured at fair value through profit or loss are initially recorded at fair value; unless stated otherwise, this is represented by the consideration paid for the transaction, without considering any related costs or income attributable to them, which are recorded directly in the income statement.

Classification

a) financial assets held for trading

Financial assets held for trading comprise those whose business model is defined as "Other". This business model applies to financial assets whose cash flows will be generated from their sale.
This also includes equity securities held for trading, for which it is not possible to exercise the irrevocable choice to present subsequent changes in fair value in the statement of other comprehensive income.
Additionally, the model includes investments in mutual funds that are held for trading and trading derivatives.

b) financial assets designated at fair value

This category comprises the financial assets for which the fair value option has been exercised.

c) other financial assets mandatorily measured at fair value

This category includes financial assets whose business model is defined as "Hold to Collect" or "Hold to Collect & Sell", but which fail the SPPI test and therefore do not satisfy the requirements for classification therein.

It also includes equity instruments not held for trading for which no irrevocable election was made to recognise subsequent changes in fair value in the statement of other comprehensive income.
Additionally, the category includes investments in mutual funds that are not held for trading.

Measurement

Subsequent to initial recognition, these assets continue to be measured at fair value. If the fair value of derivatives classified as "*Financial assets held for trading*" becomes negative, this item is recognised as a financial liability in the "*Financial liabilities held for trading*".
The methods used to determine the fair value are reported in the chapter "Information on fair value".

Derecognition

Financial assets are derecognised when the contractual rights to the cash flows deriving from them expire, when substantially all the risks/benefits associated with them are assigned, or when substantial changes are made to them.
If the Group sells a financial asset classified among the "*Financial assets measured at fair value through profit or loss*", it is derecognised on the transfer date (settlement date).

Criteria for the recognition of income

The positive components of income, represented by the interest income deriving from financial assets classified as "*Financial assets measured at fair value through profit or loss*", are recognised on an accruals basis in the "interest" items of the income statement.
Gains and losses deriving from changes in the fair value of "*Financial assets measured at fair value through profit or loss – financial assets held for trading*" are recognised in income statement item "*Net income from trading activities*".
Gains and losses deriving from changes in the fair value of financial assets designated at fair value are recognised in income statement item "*Net income on other financial assets and liabilities measured at fair value through profit or loss: a) financial assets and liabilities designated at fair value*", while the other financial assets mandatorily measured at fair value are recognised in item "*Net income on other financial assets and liabilities measured at fair value through profit or loss: b) other financial assets mandatorily measured at fair value*".

2. Financial assets at fair value through other comprehensive income

Recognition

Financial assets represented by debt or equity instruments are initially recognised on the settlement date, while loans are recognised on the pay-out date.
On initial recognition, these financial assets are recorded at their fair value, which usually corresponds to the consideration paid, inclusive of the transaction costs or income directly attributable to the instruments concerned.

Classification

This category comprises:

- financial assets whose defined business model is "Hold to Collect & Sell" (HTC&S) and whose contractual terms pass the SPPI test;
- investments in equity instruments, held for purposes other than trading, for which an irrevocable election was made on initial recognition to record subsequent changes in fair value in the statement of other comprehensive income.

Measurement

Subsequent to initial recognition, these financial assets continue to be measured at fair value. Changes in the fair value of financial assets included in the HTC&S business model (debt securities) are classified in a specific equity reserve, net of Expected Credit Losses and the related tax effect.
Changes in the fair value of investments in equity instruments for which the above irrevocable election was made are also classified in a specific equity reserve, net of the related tax effect.

Derecognition

Financial assets are derecognised when the contractual rights to the cash flows deriving from them expire, when substantially all the risks/benefits associated with them are assigned, or when substantial changes are made to them.
If the Group sells a financial asset classified among the "Financial assets measured at fair value through other comprehensive income", it is derecognised on the transfer date (settlement date).

Recognition of components affecting the income statement

The components of income deriving from "*Financial assets measured at fair value through other comprehensive income*", excluding investments in equity instruments for which the above irrevocable election has been made, are recognised as described below:

- interest is calculated using the effective interest rate, i.e. the rate that exactly discounts cash flows over the expected life of the instrument (IRR rate). The IRR is determined taking into account any discounts or premiums on the acquisition, costs or commissions that are an integral part of the carrying amount;
- Expected Credit Losses recognised during the period are recorded in the item "Net impairment losses for credit risk relating to: b) financial assets measured at fair value through other comprehensive income";
- on derecognition, the amount accumulated in the specific equity reserve is released to the income statement item "*Gains/Losses on disposal or repurchase of: b) financial assets measured at fair value through other comprehensive income*".

With regard to investments in equity instruments for which the above irrevocable election has been made, only the related dividends are recognised in the income statement, in the item "*Dividends and similar income*". Changes in fair value subsequent to initial recognition are recorded in a specific equity reserve; on derecognition, the amount accumulated in the above reserve is not released to the income statement, but is reclassified among the profit reserves.

3. Financial assets measured at amortised cost

Recognition

Financial assets represented by debt instruments are initially recognised on the settlement date, while loans are recognised on the pay-out date; this item includes:

- loans to banks[145];
- loans to customers.

The initial value reflects the fair value of the financial instrument, generally representing the amount of the loan granted inclusive of the costs/income directly attributable to each instrument, or the subscription price in the case of debt instruments. Factoring operations give rise to exposures to assignors representing loans disbursed for with-recourse assignments and exposures to assigned debtors representing the fair value of the receivables purchased versus without-recourse assignments. The first registration of a loan takes place on the date of sale following the signing of the contract (in the case of without-recourse assignment) and coincides with the disbursement date for with-recourse assignments. This operation involves assessing, for both the assigning company and the factoring company, whether or not the conditions required by IFRS 9 for *derecognition*[146] and consequent recognition by the factor are met.
The most frequently used forms of transfer of a financial instrument may have profoundly different accounting effects:

- in the case of a without-recourse assignment (without any guarantee obligation), the assets transferred shall be derecognised from the transferor's financial statements;
- in the case of a with-recourse transfer, it is to be assumed that in most cases the risk associated with the asset sold remains with the seller and therefore the sale does not meet the requirements for derecognition of the instrument in question; only the amounts paid to the assignor as an advance of the consideration will be recorded.

Verification of the derecognition criteria, in the context of the without-recourse assignments underlying the factoring activity, also takes into consideration the risk mitigation clauses adopted by the Group through specific contractual provisions agreed with the assignors. These are clauses aimed at defining the limits on the individual debtors transferred, absolute and relative deductibles, so-called "*bonus-malus*" clauses and late payment.
Loans to customers also include receivables for finance leases (as lessor), involving assets under construction and those waiting to "earn income" in the case of contracts with transfer of risks (or in the event that the risks are transferred to the lessee prior to the taking over of the asset and the start of the lease contract).

145 In accordance with the Bank of Italy Circular 262, all on demand loans to banks and central banks in the technical forms of deposits and current accounts, are recognised in item 10 "Cash and cash equivalents", despite continuing to respect the criteria for the recognition, measurement and derecognition of income statement items of the category "Assets at amortised cost".

146 A company can cancel a financial asset from its financial statements only if, as a result of a sale, it has transferred the risks and benefits connected with the instrument sold, or if and only if: a) the financial asset is transferred and with it substantially all the contractual risks and rights to the cash flows deriving from the asset expire; b) the benefits connected to its ownership cease to apply.

Classification

This category comprises the financial assets whose defined business model is "Hold to Collect" and whose contractual terms pass the SPPI test.
The "*Financial assets measured at amortised cost*" item includes loans to customers and loans to banks.
These items comprise commercial loans, repurchase agreements, loans originated by finance leases (recognised using the "financial method" pursuant to IFRS 16) and debt securities.
The Group has classified financial instruments (loans) purchased without recourse as "*Financial assets measured at amortised cost*", after checking that no contractual clauses prevent the transfer of substantially all risks and benefits. Advances paid to the assignor of portfolios purchased with recourse are also classified in that category.

Measurement

After initial recognition, loans are valued at their amortised cost, corresponding to the initially recognised amount less principal repayments, net adjustments and amortisation - calculated using the effective interest method – of the difference between the amount paid out and the amount repayable on maturity, which is generally attributable to the costs/income directly allocated to the individual loans.
The effective interest rate is the rate that discounts the flow of estimated payments over the expected duration of the loan back to its initial net book value, inclusive of directly-related costs and revenues. In financial terms, this method of recognition distributes the economic effect of these costs and revenues over the expected residual life of the loan.
The amortised cost method is not used in relation to short-term loans (up to 12 months), since the effect of discounting would be negligible. These loans are stated at historical cost.
Costs and revenues relating to loans without a fixed term or repayable on demand are recorded directly in the income statement.
At each reporting date, financial assets measured at amortised cost are adjusted for impairment by recognising any Expected Credit Losses - ECL. Any adjustments are recorded in the income statement.
The following items fall within this sphere, with specific assessment methods:

- Non-performing loans (in "Stage 3") which have been assigned the status of bad, unlikely to pay or past due loans in compliance with the current rules of the Bank of Italy's supervisory regulations, in line with IAS/IFRS and European supervisory regulations[147]. The amount of the adjustment of each balance is equal to the difference between its book value at the time of measurement (amortised cost) and the present value of expected future cash flows. The estimate of expected cash flows, as part of the internal recovery scenario (known as: "workout scenario"), comes from assessing analytically the position of bad loans and unlikely-to-pay loans with exposures above the thresholds set by internal procedures. The expected losses on bad loans and UTP loans below the thresholds established by internal regulations and on past due loans are determined using statistical impairment methodologies[148]. The alternative scenario to internal recovery, i.e. related to the sale of non-performing loans on the secondary market (known as the "disposal scenario"), generally involves flows estimated on a statistical basis. For further details on the models adopted by the BPER Banca Group to estimate the Expected Credit Losses (ECL) on non-performing loans, please refer to the following paragraph , entitled "*Methods for determining impairment losses - Impairment*". Any adjustments are recorded in the income statement.
- The original value of loans is reinstated in subsequent periods, to the extent that the reasons for the provisions made cease to apply, on condition that this assessment is objectively linked with events that took place subsequent to such impairment loss. Possible write-backs, also recognised in the income statement, may not exceed the amortised cost that the loan would have had if no impairment losses had been previously recognised;
- Ordinary loans, classified as performing loans, feed "Stage 1" and "Stage 2"; the measurement is carried out periodically in a differentiated manner, according to ECL model adopted by the BPER Banca Group, at 12 months or lifetime, respectively, the characteristics of which are summarised in the following paragraph "Method for determining the extent of impairment".

Forborne exposures, which by their nature can be classified as either non-performing or performing, are subject to the same valuation methods described above. If these are performing loans, the classification is in Stage 2. Any contractual modifications made subsequent to initial recognition generally result, for Forborne exposures, in a change in the amount of the loan, with an impact on the income statement item "*Gains (Losses) from contractual modifications without derecognition*".
With regard to the way in which Forborne receivables are identified, please refer to the Explanatory Notes, Part E of the Group's consolidated report.

147 The scope of non-performing loans (or those in default) defined in art. 178 of EU Reg. 575/2013 (CRR) complies with EBA Guidelines for applying the definition of default and the subsequent EU Reg. 1845/2018. The application of these regulations by the BPER Banca Group involves the following:
- alignment of internal classifications within the Group;
- application of the materiality thresholds to credit obligations past due, without any offset between lines of credit;
- application of the concept of "unlikely to pay", in relation to which a change in NPV of more than 1% following contractual modifications is considered substantial;
- application of the "classification contagion" rules to counterparties that are associated with or belong to groups of connected customers;
- application of rules for managing the cure period that, in addition to an observation period of 12 months for forborne positions, envisages a minimum period of 3 months for other UTP positions.

148 Counterparties classified as "Individuals" are always assessed on a statistical basis, regardless of the defined threshold.

Derecognition

Financial assets are derecognised when the contractual rights to the cash flows deriving from them expire, when they are assigned with transfer of substantially all the risks/benefits associated with them, or when substantial changes are made to them (including, for example, change of the debtor, modification of the reference currency, modification of the technical form of disbursement, or introduction of clauses that could modify the positive outcome of the SPPI test).
The partial write-off of non-performing exposures made in accordance with the BPER Banca Group's policies set out in the paragraph "Write-offs" of Part E, Section 2.1 - Credit Risk of these Explanatory Notes also constitutes grounds for partial derecognition.
If the Group sells a financial asset classified among the "Financial assets measured at amortised cost", it is derecognised on the transfer date (settlement date).

Recognition of components affecting the income statement

The interest on instruments measured at amortised cost (loans to banks and loans to customers) is calculated using the effective interest method, i.e. using the rate (IRR) that discounts the related cash flows exactly over the expected life of the instrument concerned. The IRR and, therefore, the amortised cost are determined having regard for any acquisition discounts or premiums, costs or commissions that are an integral part of the discounted cost.
Interest on non-performing loans is calculated on the net exposure of the Expected Credit Losses.
Write-downs or write-backs deriving from the model of adopted Expected Credit Losses are recognised in the income statement in the item "Net impairment losses for credit risks".
Amounts deriving from alignment of the carrying amounts of financial assets to reflect changes in their contractual cash flows that do not result in accounting derecognition are recognised in the income statement item "Gains (losses) from contractual modifications without derecognition".

4.Hedging

The BPER Banca Group has adopted Chapter 6 Hedge Accounting of IFRS 9. Only macro-hedging is still accounted for under IAS 39.

Recognition

Hedges are arranged to neutralise losses that may be incurred in relation to a given element or group of elements, as a consequence of a given risk, via profits that would be earned on another element or group of elements should that particular risk crystallise. There are two types of hedge:

- fair value hedges: arranged to hedge the exposure to changes in the fair value of a balance sheet item;
- cash flow hedges: arranged to hedge the exposure to changes in future cash flows attributable to specific balance sheet items.

Classification

Financial instruments are designated as hedges when the relationship between the hedged and the hedging instrument is adequately documented and formalised, if the hedge is effective both at the start and prospectively throughout its life.

Measurement

Hedging derivatives are measured at their fair value.
The method of accounting for the gains and losses deriving from changes in fair value depends on the type of hedge:

- fair value hedge: the change in the fair value of the hedged element representing the hedged risk is recognised in the income statement, together with the change in the fair value of the derivative instrument; any difference, which represents the ineffective portion of the hedge, determines the consequent net economic effect.
- cash-flow hedge: to the extent that the hedge is effective, changes in the fair value of the derivative are recognised in shareholders' equity; they are only recognised in the income statement when changes in the cash flows from the hedged item need to be offset, or when the hedge becomes ineffective.

Micro-hedging

In application of the IFRS 9, hedging relationships must satisfy the following requirements:

- there has to be an economic relationship between the hedged item and the hedging instrument;
- there must not be a predominance of credit risk within the fair value changes relating to this economic relationship;
- the definition of a hedge ratio that identifies the quantities of hedged items and hedging instruments considered in the hedging relationship, so as not to create a mismatch that generates an element of ineffectiveness that does not correctly reflect the objectives of the hedge.

The BPER Banca Group monitors compliance with these requirements when defining the hedging strategy and throughout its duration; in particular, the presence of an economic relationship between the hedged item and the hedging instrument is identified in the first instance through a qualitative analysis of the characteristics of the two instruments and, in the event that they are imperfectly matched, a further quantitative analysis is carried out to verify the presence of a high degree of prospective correlation between the two (so-called "prospective hedge effectiveness testing" as explained below)

Even if not required by IFRS 9, for the sole purpose of further confirming the qualitative verification that there is an economic relationship between the hedged item and the hedging instrument, the BPER Banca Group has chosen to maintain the pre-existing system of quantitative tests to verify the effectiveness of hedging relationships (adapted to the new characteristics of the relationships) according to the so-called "Dollar Offset Method". This method involves comparing the change in fair value of the hedging instrument with that of the hedged instrument within a given time frame. The two changes must be attributable only to the type of risk being hedged.
The BPER Banca Group confirms the existence of the economic relationship when changes in the fair value of (or cash flows from) the hedging instrument, caused by the hedged risk factor, almost entirely offset those of the hedged instrument (the percentage limits fall into the range between 80% to 125%). This monitoring is carried out on a quarterly basis, using:

- prospective tests that justify the application of hedge accounting, by demonstrating the expected effectiveness of the hedge, especially in situations of imperfect matching between the characteristics of the hedging instrument and the hedged item;
- retrospective tests that show the effectiveness of the hedge during the period under review. In other words, they measure by how much the actual results differ from the perfect hedge, even if they no longer provide binding elements with respect to maintaining the relationship.

Macro-hedging

With regard to Macro-fair value hedging, pursuant to para. 78 c) of IAS 39, the hedged item in a portfolio hedge of interest rate risk can be a portion of the portfolio of financial assets or financial liabilities that share the risk being hedged. Designation of a net amount including assets and liabilities as a hedged item is not permitted.
All of the assets or liabilities from which the hedged amount is drawn must be:

- items whose fair value changes in response to changes in the interest rate being hedged; and
- items that may be individually fair value hedged.

In the case of a portfolio hedge, the changes in the fair value of the hedged instrument are recognised as a gain or loss in profit or loss, but with no need for them be allocated to individual assets or liabilities. These changes are in fact classified in a separate Balance Sheet item that includes the adjustments to the value of the assets or liabilities that make up the hedged item (if the hedged items are financial assets: *the item "Change in value of macro-hedged financial assets"*; if they are financial liabilities: *the item "Change in value of macro-hedged financial liabilities"*).

As part of the identified hedging relationship, the methodology used to identify the hedged amount and to measure the effectiveness of the hedge must be specified.
In particular, the BPER Banca Group provides for the following to be indicated:

- the methodology used to determine repricing dates;
- the number and duration of the repricing period;
- the expected frequency of effectiveness tests;
- the methodology used to determine the amount of assets/liabilities that is designated as the hedged amount;
- the methodology used to test the effectiveness of hedges.

The hedge effectiveness test is carried out periodically, specifically on a quarterly basis.
Macro-cash flow hedges, on the other hand, are accounted for in accordance with the provisions of IFRS 9, in the same way as micro-cash flow hedges.

Derecognition

If transactions do not meet the effectiveness test, hedge accounting - as described above - is terminated and the derivative contract is reclassified as an instrument held for trading, with recognition of the related impacts in the income statement. Hedge accounting is also terminated in the following situations:

- the hedged item is sold and redeemed;
- the hedging instrument expires, is sold, terminated or exercised.

Recognition of components affecting the income statement

Income elements are allocated to the relevant income statement items on the following basis:

- spreads earned on derivatives that hedge interest-rate risk (and the interest on the hedged positions) are allocated to the items "*Interest and similar income*" or "*Interest and similar expense*";
- capital gains and losses deriving from the measurement of hedging instruments and the positions covered by fair value hedges are allocated to the "*Net income from hedging activities*" item;
- capital gains and losses deriving from measurement of the effective part of cash flow hedges are allocated to a specific valuation reserve in equity called "*Reserve for cash flow hedges*", net of the related deferred tax effect. Gains and losses relating to the ineffective part of such hedges are recorded in the *"Net income from hedging activities"* item of the income statement.

In the case of hedging equity instruments for which the option for recognition in the statement of other comprehensive income of subsequent fair value changes has been irrevocably exercised, the capital gains and losses deriving from the measurement of hedging derivatives, relating to the hedged component, are allocated to the same shareholders' equity item.

5. Equity Investments

Recognition

Equity investments are recognised on the settlement date. Equity investments are recorded at cost on initial recognition, including any costs and revenues directly attributable to the transaction.

Classification

This item includes:

- subsidiaries not consolidated on a line-by-line basis and associates carried under the equity method, adjusting the initial cost of recognition for changes in net equity, including gains and losses realised by the company; companies in which at least 20% of the voting rights are held and those where the size of the investment guarantees influence over governance are considered associates;
- jointly controlled companies, which are also accounted for under the equity method;
- other investments with a low value, which are carried at cost.

Measurement

In the BPER Banca Group's Consolidated Financial Report, companies not consolidated line-by-line, those subject to joint control and associated companies are valued according to the equity method.
If there is evidence that investment in an associate may be impaired, its recoverable amount is estimated. If the recoverable amount is lower than the carrying amount, the difference is charged to the income statement.
If the recoverable amount is lower than the carrying amount, the difference is charged to the income statement under item "*Gains (Losses) on equity investments*", as described in the paragraph below "*Methods for determining impairment losses - Impairment*"
If the reasons for making the impairment loss cease to apply as a result of an event subsequent to recognition of the impairment loss, the related write-back is credited to the income statement without exceeding the amount of the impairment loss previously recorded.
The Parent Company's share of any losses of the investee, exceeding the book value of the investment, is recorded in a specific reserve to the extent that the company is required to fulfil legal or implicit obligations of the investee, or, in any case, to cover its losses.

Derecognition

Equity investments are derecognised when the contractual rights to the cash flows deriving from them expire, or when they are assigned with transfer of substantially all the risks/benefits associated with them.

Recognition of components affecting the income statement

Dividends are recorded in the "*Dividends and similar income*" item when the right to collection is established.
Any impairment losses/write-backs relating to the impairment of equity investments and gains or losses on the disposal of equity investments are recorded in the item "*Gains (Losses) of equity investments*".

6. Property, plant and equipment

Recognition

Property, plant and equipment are initially recorded at purchase price, including all directly attributable costs of purchasing and bringing the asset to working condition.
Expenditure on improvements that will generate future economic benefits is added to the value of the assets concerned, while routine maintenance costs are charged to the income statement.
Leases (in which the Bank is the lessee) are recognised (pursuant to IFRS 16) using the "right of use" model. At the initial recognition date, the value of the right of use is equal to the initial recognition value of the lease liability, adjusted for the following components:

- payments due for leases made on or before the effective date, net of lease incentives received;
- direct initial costs incurred by the lessee;
- an estimate of the costs that the lessee will incur for the dismantling and removal of the underlying asset and for the restoration of the site on which it is located or for the restoration of the underlying asset under the conditions set by the terms and conditions of the lease.

When the asset is made available to the BPER Banca Group for its use (initial recognition date), the related right of use is recognised.
In identifying the rights of use, the BPER Banca Group applies the "simplifications" permitted by IFRS 16; contracts with the following characteristics are therefore not considered:

- "Short-term", i.e. with a residual life of less than 12 months;
- "Low-value", i.e. with an estimated value of the asset of less than Euro 5,000.

As regards the other application choices adopted by the BPER Banca Group, it should be noted that:

- with reference to the duration of the "property" leases, the Group considers as "reasonably certain" only the first renewal period, subject to contractual clauses and specific circumstances that involve considering different contractual durations;
- as regards "Cars" and "Other contracts", the Group makes use of the practical expedient by which the lessee is allowed to not separate the lease components from the other components, treating them as a single lease component. As regards property leases, the Group considers the non-lease component as not material.

Classification

Property, plant and equipment comprise land, property used for operating purposes, installations, furniture, furnishings and all types of equipment.
These are property, plant and equipment that will be used for more than one accounting period and which are held for use in the production of business or the supply of goods and services, for rental to third parties or for administrative purposes.
Rights of use acquired under leases (in the capacity of lessee) are included, if these rights relate to assets classified as property, plant and equipment.
This item also includes assets awaiting finance lease and assets under construction intended for finance leasing (in the capacity of lessor), in the case of contracts "with retention of risks", as well as assets granted under operating leases (again as lessor).
This item also includes certain real estate assets classified in accordance with IAS 2 "Inventories" within the portfolios of the Group's real estate companies, including construction land, buildings under construction (building sites), completed buildings and property development initiatives held for sale, to be achieved within a reasonable time horizon.
This item also includes leasehold improvements, relating to identifiable and separable property, plant and equipment.

Measurement

After their initial recognition, property, plant and equipment, including rights of use, are measured under the cost model, net of accumulated depreciation and impairment, with the exception of the following categories:

- own properties used in operations (IAS 16), which are measured under the revaluation model, according to which property, plant and equipment, whose fair value can be reliably determined, are recognised at a restated value, equal to the fair value at the date of the restatement, net of accumulated depreciation and any accumulated impairment losses;
- properties held for investment purposes (IAS 40), including rights of use, which are measured according to the fair value method, by which all property investments are measured at fair value and no longer subject to depreciation or impairment test;
- Inventories of property (IAS 2), which are measured at the lower of cost and net realisable value, represented by the estimated selling price less the estimated costs of completion and other costs necessary to make the sale.

After initial recognition, at the end of each reporting period, the following accounting entries may take place for properties used in operations (IAS 16):

- if the carrying amount has increased following a restatement, the increase must be recognised in a specific revaluation reserve in shareholders' equity. However, the increase has to be recognised in the income statement to the extent that it reinstates a write-down of the same asset previously recognised in the income statement;
- if the carrying amount has decreased following a restatement, the decrease must be recognised in the income statement. However, the decrease has to be recognised in the statement of other comprehensive income as a revaluation surplus, to the extent that there are any credit balances in the revaluation reserve that refer to this asset. The decrease recognised in the statement of other comprehensive income reduces the amount accumulated in equity under the revaluation reserve.

When a property used in operations (IAS 16) is revalued, the carrying amount of the asset is brought into line with the revalued amount by eliminating accumulated depreciation against the gross carrying amount of the asset (a.k.a."elimination approach"). For properties held for investment purposes (IAS 40), on the other hand, following initial recognition and at each reporting date, the following is recognised in the income statement:

- a positive income component in the event of a positive difference between the fair value and the carrying amount;
- a negative income component in the event of a negative difference between the fair value and the carrying amount.

For more information on how to determine the fair value of properties, please refer below to paragraphs - "*Information on fair value*", "*Methods and frequency of identifying the fair value of own properties*".

Property, plant and equipment are systematically depreciated over their useful life, identified by single homogeneous category or, for real estate assets, charged to the individual property at the time of initial registration, adopting the straight-line method of depreciation, with the exception of:

- land acquired separately or included in the value of property (excluding value in use on buildings), since it has an indefinite useful life. The value of land included in property is deemed to be separable from the value of buildings; the division between the value of the land and the value of the building takes place on the basis of independent expert appraisals;
- properties held for investment purposes as, being valued at fair value, they are not subject to depreciation;
- works of art, since the useful life of a work of art cannot be estimated and its value normally appreciates over time;
- inventories classified in accordance with IAS 2.

The useful life of business assets is reviewed at least once a year, at the end of each accounting period, and any change with respect to the previous year is treated as a change in accounting estimate, governed by IAS 8. It is therefore accounted for prospectively, determining an impact on the depreciation charge of the year in which the change takes place and on the depreciation charges of subsequent years.
If there is any evidence at the reporting date that the value of an asset may be impaired, its carrying amount is compared with its recoverable value, being the higher of its fair value net of any selling costs or its value in use, as represented by the present value of the cash flows generated by the asset, as explained in the paragraph below "*Methods for determining impairment losses - Impairment*". Any adjustments are recorded in the income statement.
Property held for investment purposes is excluded from impairment testing.
If the reasons for recognising an impairment loss cease to apply, the loss is written back but without exceeding the carrying amount that the asset would have had (net of depreciation) if no impairment losses had been recognised in prior years.
Properties used in operations, measured under the revaluation model, any loss due to impairment of a revalued asset must be treated as a decrease in the revaluation up to its amount, after which any difference is recognised in the income statement.
Assets recognised pursuant to IAS 2 are measured at the lower of cost or net realisable value. Any adjustments are recognised in the income statement.

Change of use of properties

The BPER Banca Group only transfers properties between the various categories (regulated respectively by IAS 16, IAS 40 and IAS 2) if there is an effective change in the use of the property. In the event of a change in use from being an property held for investment recognised at fair value to being a property used in operation by the owner or held for sale in inventory, the fair value at the date of the change in use must be considered as a replacement for the cost of the property for subsequent accounting, according to the provisions of IAS 16, IFRS 16 or IAS 2.
If a property used in operation becomes a property held for investment that has to be recognised at fair value, the BPER Banca Group applies IAS 16 for its own properties and IFRS 16 for properties held by the lessee as an asset consisting of the right of use until the date on which the change of use occurs. The BPER Banca Group treats any difference existing at that date between the carrying amount of the property in accordance with IAS 16 or IFRS 16 and the fair value in the same way as a revaluation, in accordance with IAS 16.

Up to the date on which a property used by the owner becomes a property held for investment recorded at fair value, the BPER Banca Group depreciates the property (or the right of use asset) and recognises any impairment that may occur. The Group treats any difference existing at that date between the carrying amount of the property in accordance with IAS 16 or IFRS 16 and the fair value in the same way as a revaluation, in accordance with IAS 16. In particular, any resulting decrease in the carrying amount of the property is charged to profit or loss for the year. However, to the extent that the amount is included in the revaluation reserve of that particular property, the decrease is recognised in the statement of other comprehensive income and reduces the revaluation reserve included in shareholders' equity.
Any resulting increase in the carrying amount is treated as follows:

- to the extent that if the increase adjusts a previous loss due to a reduction in the value of that property, it is charged to the income statement. The amount recognised in the income statement must not exceed the amount needed to restore the carrying amount that would have been (net of depreciation) if no impairment loss had been recognised;
- any remainder of the increase is recognised in the statement of other comprehensive income and increases the revaluation reserve included in equity. At the time of subsequent disposal of the property held for investment, the revaluation reserve included in shareholders' equity is transferred to retained earnings. The transfer from the revaluation reserve to retained earnings does not go through the income statement.

Derecognition

Property, plant and equipment are derecognised on disposal, or when the assets concerned are permanently taken out of use and no further economic benefits are expected from their disposal. In the case of property, plant and equipment held for use (IAS 16) to which the revaluation criterion is applied, any gain arising from disposal/derecognition, including that accumulated in the item "Valuation reserves", is transferred directly to the item "*Reserves - Retained earnings (losses) carried forward"*, without passing through profit or loss.

Recognition of components affecting the income statement

Depreciation, calculated *pro-rata temporis*, of assets measured at cost or fair value in accordance with the requirements of IAS 16 are recognised in the income statement under "*Net adjustments to property, plant and equipment* ".
Positive restatements of properties used in operations are recognised in equity under *"Valuation reserves"*, unless they are restoring a decrease in the value of the asset previously recognised in the income statement (in this case, the positive changes in value are recognised in the income statement under *"Gains (Losses) on property, plant and equipment and intangible assets measured at fair value"*).
Negative restatements of properties used in operations are recognised in the income statement under "*Gains (Losses) on property, plant and equipment and intangible assets measured at fair value*" unless the "*Valuation reserve*" for the specific property is not sufficiently large (in which case, the negative changes are recognised in equity as a decrease in the "*Valuation reserve*").
Any adjustments or write-backs due to the impairment of property, plant and equipment valued under the cost or revaluation models are recognised in the income statement under "Net adjustments to property, plant and equipment", unless, for the assets measured under the revaluation model, the valuation reserve relating to the specific property is not sufficiently large.
The changes in fair value, both positive and negative, relating to properties held for investment purposes are recognised in the income statement under *"Gains (Losses) on property, plant and equipment and intangible assets measured at fair value".*
Any write-downs on inventories of property, plant and equipment (IAS 2) resulting from the application of measurement at the lower of cost and net realisable value, are recognised under "Net adjustments to property, plant and equipment" in the income statement.
Disposal gains and losses are however recorded in the income statement item "*Gains (Losses) on disposal of investments*".

7. Intangible assets

Recognition

Intangible assets other than goodwill are initially recognised at cost, as represented by the purchase price paid plus any directly-related costs incurred to obtain use of the assets concerned.
Goodwill may be recognised as an intangible asset when the positive difference between the acquisition cost of an equity interest (including related charges) and the fair value of the net assets acquired, including those identified as part of the Purchase Price Allocation (PPA), is representative of the investee's ability to generate income in the future (goodwill).
If the difference is negative (badwill) or the goodwill is not justified by the investee's ability to generate income in the future, the difference is recognised in the income statement.

Classification

Intangible assets are identifiable, non-monetary assets without physical form that are expected to generate economic benefits. The qualifying characteristics of intangible assets are:

- identifiability;
- control over the resources concerned;
- expectation of economic benefits.

In the absence of any one of the above characteristics, the acquisition or internal production costs are expensed in the year incurred.
Goodwill is represented by the difference between the acquisition cost of an equity investment and the fair value, at the acquisition date, of the assets and liabilities acquired.
Other intangible assets are recognised if they are identifiable and reflect legal or contractual rights. Among these, rights of use acquired under operating leases (in the capacity of lessee) and relating to the use of an intangible asset are not included since the BPER Banca Group, with respect to the faculty given by IFRS 16.4, has decided not to apply IFRS 16 to any operating leases on intangible assets other than those that can be acquired under licence.

Intangible assets include licensed software that satisfies the conditions specified in IAS 38. More specifically, with reference to the indications provided in the IFRIC Staff Paper dated November 2018 (Agenda ref 5 – Customer's right to access the supplier's software hosted on the cloud (IAS 38)), the BPER Banca Group has identified the following conditions as significant for the recognition of purchased software as an intangible asset:

- existence of an exclusive right of use (linked to the user licence acquired);
- right and ability to obtain copies of the software ("download right");
- possession and real ability to use the copy of the software acquired, recognised if installed on its servers.

If these three conditions are satisfied in relation to purchased software, the BPER Banca Group recognises it an intangible asset to be amortised over its estimated useful life. The initial expenses incurred (even in the form of external services) to set-up, customise and implement the software can also be considered part of the initial carrying amount of the intangible asset, if linked to the functional analyses and subsequent implementation phases.
By contrast, if the above conditions for the recognition of an intangible asset are not satisfied, the purchase will relate to services giving access to software that, in substance, remains in the possession of the provider (these situations generally arise in relation to Cloud software). These purchased services are recognised as "*Administrative expenses: b) other administrative expenses*" on an accruals basis; when the initial cost incurred refers to a long-term time horizon it can be deferred (prepaid expenses – Other assets) and released to the income statement over the duration of the entire contract. If the total fee paid to the supplier for access to the software covers a variety of services, the cost will be allocated and recognised on an accruals basis with reference to each specific service.

Measurement

An intangible asset with an indefinite useful life, such as goodwill, is not amortised, but is tested periodically for impairment. An impairment test is performed annually, or whenever there is an indication of impairment, as explained in the paragraph below "*Methods for determining impairment losses - Impairment*". Any impairment loss is recognised in the income statement and the reversal thereof is prohibited.
In contrast to the treatment of goodwill, the cost of intangible assets with a finite useful life is amortised on a straight-line basis or, possibly, by use of the reducing balance method based on the flow of economic benefits expected from the asset. If there is any evidence of impairment, it is envisaged that an asset would be assessed for impairment by comparing its recoverable value to its carrying amount.
An estimate of recoverable value is made if there is any evidence of asset impairment at the reporting date. The impairment loss, expensed to income statement, is the difference between the book value of an asset and its recoverable amount, if the latter is lower, as explained in the following paragraph "*Methods for determining impairment losses - Impairment*".

Derecognition

Intangible assets are derecognised on disposal and when no further economic benefits are expected.

Recognition of components affecting the income statement

Both the amortisation charge and any net adjustments to intangible assets other than goodwill are recorded in the item "*Net adjustments to intangible assets*" of the income statement.
Disposal gains and losses are however recorded in the "*Gains (Losses) on disposal of investments*" item.
Any impairment losses to the value of goodwill are recorded in the item "*Impairment losses on goodwill*".

8. Non-current assets and disposal groups classified as held for sale and related liabilities

Recognition and classification

Non-current assets and groups of assets/liabilities subject to a disposal process (tangible, intangible and financial assets) are classified in the asset item *"Non-current assets and disposal groups classified as held for sale" and the liability item "Liabilities associated with assets classified as held for sale"* and the liability item *"Liabilities associated with assets classified as held for sale"*, when such sale is deemed to be highly probable.

Measurement

These assets and liabilities are valued at the lower of their carrying amount, determined according to the relevant IFRS, and their fair value, net of selling costs, unless they are properties held for investment purposes, which, on the basis of paragraph 5 of IFRS 5, even if they are classified in "Non-current assets and disposal groups held for sale", are valued in accordance with IAS 40 and therefore at fair value through profit or loss.

Derecognition

Non-current assets or groups of assets/liabilities held for sale and discontinued operations are derecognised from the balance sheet upon disposal.

Recognition of components affecting the income statement

Income and charges (net of tax effect) relating to disposal groups held for sale are classified in the *"Gains (Losses) from non-current assets and disposal groups classified as held for sale after tax "* item of the income statement.

9. Current and deferred taxation

Taxes for the period were calculated by applying the regulations in force at financial reporting date, also taking into account the changes introduced by the latest Finance Act.
Deferred tax assets and liabilities are recorded following the positive outcome of the probability test required by IAS 12 relating to temporary changes, tax losses and tax credits. The BPER Banca Group has adopted a time horizon of 5 years when forecasting recoveries, consistent with other types of estimate made by projecting future results.

Recognition and classification

Current taxation comprises the net balance of income tax payable for the year and the current tax receivable due from the tax authorities consisting of advances and other withholding tax credits or other tax credits recoverable by future offset.
Current tax assets also represent tax credit that the Group companies have requested the relevant authorities to reimburse.
Deferred taxes represent the income taxes recoverable in future periods as a result of deductible temporary differences and past tax losses (deferred tax assets), and the income taxes payable in future periods as a result of taxable temporary differences (deferred tax liabilities).

Measurement

Deferred tax assets, representing the future tax benefit deriving from deductible temporary differences and tax losses carried forward, are recognised to the extent that their recovery is highly likely. The estimate is made by performing the "probability test", as required by IAS 12. This test is based on an economic forecast developed over a prospective 5-year horizon, adjusting the pre-tax profit to consider future temporary and permanent changes in accordance with the tax legislation in force at the measurement date, so as to arrive at an estimate of the future tax profits able to reabsorb the deferred tax assets.

Derecognition

Net current taxes are generally derecognised from the balance sheet at the time of payment of the tax charge in the reference year.
Deferred tax assets and deferred tax liabilities are instead derecognised following the realignment of the tax and financial statement accrual for each income statement or balance sheet component that originated the deferred tax asset or liability.
Deferred tax assets are also derecognised from the balance sheet for any portion no longer deemed recoverable following the "probability test" carried out periodically.

Recognition of components affecting the income statement

Changes in tax assets and liabilities are normally recorded in the "*Income taxes on current operations*" item.
As an exception, those deriving from transactions recognised directly in equity are treated in the same way, and those deriving from business combinations are included in the calculation of goodwill (or badwill).

10. Provisions for risks and charges

Recognition

The provisions for risks and charges cover liabilities whose timing and extent are uncertain, when all the following conditions are met:

- a current obligation exists at the financial reporting date, deriving from a past event. The origin of the obligation must either be legal (deriving from a contract, regulation or the provisions of law) or implicit (arising when the business causes third parties to expect that commitments will be met, even if these do not fall into the category of legal obligations);
- a financial outflow is likely;
- the extent of the obligation can be estimated reliably.

No provision is recognised for liabilities that are only possible and not probable, but information on the related contingencies is provided in the Explanatory Notes.

Classification

This item includes the provisions relating to long-term benefits and post-employment benefits governed by IAS 19, discussed in the paragraph "*Other Information*" - "*Employee benefits*" below, and the "Provisions for risks and charges" governed by IAS 37. Sub-item "commitments and guarantees granted" comprises the credit risk provisions for funding commitments and financial guarantees given that are subject to the impairment rules of IFRS 9 (see para. 2.1, letter e); para. 5.5; appendix A), as well as the provisions for other commitments and other guarantees not subject to IFRS 9 impairment rules.

Measurement

Where the time element is significant, the provisions are discounted using current market rates. Provisions are charged to the income statement.
The measurement of "commitments and guarantees granted" is described in the paragraph "*Method for determining the extent of impairment*".

Derecognition

The allocated provisions are re-examined as at each financial reporting date and adjusted to reflect the best current estimate. When the use of resources aimed at producing economic benefits to fulfil the obligation becomes unlikely, the provision is cancelled.
In addition, each provision is used solely to cover outgoings for which it was originally established.

Recognition of components affecting the income statement

Impairment losses and write-backs of commitments and other guarantees granted are recorded in item "*Net provisions for risks and charges – commitments and guarantees granted*" of the income statement.
Provisions for risks and charges and the related write-backs, including the effects of the passage of time, are classified in item *"Net provisions for risks and charges – Other net provisions"* of the income statement. The provisions for employee remuneration recognised pursuant to IAS 19 are classified in income statement item "*Administrative expenses - Staff costs of the income statement*".
Provisions are made on the basis of the best estimate of the amount that the company would reasonably pay to settle the obligation or to transfer it to third parties on the reporting date. When the financial effect of time is significant and the payment dates of obligations can be reliably estimated, the provision is calculated by discounting the expected future cash flows taking into account the risks associated with the obligation; the increase in the provision due to the passage of time is recognised in the income statement.

11. Financial liabilities measured at amortised cost

Recognition

These liabilities are initially recognised at their fair value, usually corresponding to the amount collected or the issue price, plus any additional costs/proceeds directly attributable to the individual funding transaction or issue.
This item includes:

- due to banks;
- due to customers;
- debt securities issued;
- lease liabilities.

On the start date, the lessee measures the lease liability at the present value of the lease payments that are not paid at that date. Lease payments are discounted using the interest rate implicit in the lease contract, if that rate can be readily determined, or at the incremental borrowing rate that, for the BPER Banca Group, is the Internal Transfer Rate (ITR) of funding.

The future lease payments to be included in the measurement of the lease liability comprise the following:
- fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Classification

"*Due to banks*", "*Due to customers*" and "*Debt securities issued*" comprise the various forms of interbank and customer funding. These items also include liabilities recognised by the lessee under leases, as well as funding through certificates of deposit and debt securities in issue, net of any repurchases.

Measurement

Following initial recognition, financial liabilities are measured at amortised cost using the effective interest method, except for current liabilities given the negligible effect of the time factor.
Modifications to the contractual conditions of the medium-long term items (also including lease liabilities) will entail the adjustment of the carrying amount by discounting the flows envisaged by the revised contract to the original effective interest rate, without prejudice to the changes made to lease liabilities which, as clarified in IFRS 16, shall use a revised discount rate (for example if there is a change either in the lease term or in the lease payments).
Debt securities issued are recognised net of the repurchased amount.

Derecognition

Financial liabilities are derecognised when they expire or are settled. The repurchase of debt securities in issue in prior periods results in their derecognition.
In the event of a change in the contractual conditions, if the discounting of the new flows would lead to a change in the carrying amount of the liability greater than 10%, the change is deemed by the BPER Banca Group to be "substantial" and relevant for the purpose of derecognition of the original liability.
The difference between the carrying amount of the liability and the amount paid to repurchase it is recorded in the income statement.

Recognition of components affecting the income statement

The negative elements of income represented by interest and similar expense are recorded in the interest items of the income statement on an accruals basis, using the effective interest method.
Costs/revenues relating to short-term payables are recorded directly in the income statement.
The difference between the carrying amount of a liability and the amount paid to acquire it is recorded in income statement item "*Gains (Losses) on disposal or repurchase of financial liabilities*".

12. Financial liabilities held for trading

Recognition

These financial instruments are recognised at their fair value on the subscription or issue date, without considering any transaction costs or income directly attributable to them.

Classification

This category of liabilities includes trading derivatives with a negative fair value, as well as derivatives with negative fair value that are embedded in complex contracts - in which the primary contract is a financial liability - but not closely correlated with them and therefore they are represented separately in the financial statements.

Measurement

All financial liabilities held for trading are measured at fair value. The methods used to determine fair value are described in the following section "Information on fair value".

Derecognition

Financial liabilities held for trading are derecognised on expiry of the contractual rights over the related cash flows, or when the financial liability is assigned with the transfer of substantially all the risks and benefits deriving from its ownership.

Recognition of components affecting the income statement

The criteria applied for the recognition of income components of financial assets held for trading are adopted with suitable modifications.

13. Financial liabilities designated at fair value

Recognition

These liabilities are initially recognised at fair value, net of transaction costs or revenues.

Classification

A financial liability is designated at fair value if one of the following conditions applies:

- classification in this category eliminates "accounting mismatch", i.e. it makes it possible to significantly reduce a lack of consistency in the valuation or recognition of assets and liabilities that would otherwise lead to the recognition of gains/losses on a different measurement basis;
- it is part of groups of liabilities, or of assets and liabilities, managed together whose performance is measured at fair value, according to a documented risk-management strategy;
- there is a hybrid contract containing one or more embedded derivatives and the embedded derivative is such that it would significantly alter the cash flows that would otherwise be under the contract.

The option to designate a liability at fair value is irrevocable, is made on the individual financial instrument and does not require the same application to all instruments with similar characteristics. However, the designation at fair value of only a portion of a financial instrument attributable to a single component of risk to which the instrument is subject is not allowed.

Certificates issued

The BPER Banca Group classifies its issuances of certificates as "*Financial liabilities designated at fair value*".
Certificates are securitised derivative instruments issued by the Group and traded on multilateral trading facilities that replicate, with or without leverage, the performance of the underlying assets. Such products may provide for protection of the amount subscribed by the client or a portion thereof unconditionally with respect to the performance of the financial parameters to which they are indexed. From a substantive point of view, certificates can be defined as combinations of derivative strategies or of basic financial assets and derivatives, thanks to which it is possible to generate financial instruments with their own characteristics, substantially different from those of the assets from which they originate.
In general, market practice has traced certificates back to the following two main types of instruments:

- *Certificates with unconditional capital protection*: these are products that provide an unconditional guarantee of more than 50% of the capital initially invested. For accounting purposes, these instruments are considered "structured securities", given the preponderance of the guaranteed component over the variable component based on the performance of the certificate's underlying;
- *Other certificates*: these are products without any protection, with conditional protection, or with unconditional protection of the initial capital of 50% or less. For such products, the value depends exclusively or predominantly on the performance of the parameter to which it is indexed. For this reason, they are classified as "derivative financial instruments", and in particular among the options issued. For such instruments, the only permissible accounting portfolio is "*Financial liabilities held for trading*".

That said, the BPER Banca Group issues unconditionally protected capital certificates, mainly for funding purposes and classified in the accounting portfolio of "*Financial liabilities designated at fair value*". The aforementioned classification derives primarily from the reconciliation of these liabilities to the portfolios managed by the Capital Market, which, according to Group policy considering the objectives pursued and related reporting on performance, are measured at fair value. In addition, this classification makes it possible to pursue a kind of "natural hedge" with respect to derivatives stipulated in order to "balance" the risks assumed with derivatives embedded in issued liabilities.

With reference to the criteria for recognising the balance sheet and income statement components of certificates recognised under "Financial liabilities designated at fair value" and the related management hedging instruments, it is noted that

- The profit and loss components related to the issues under review are included in the item "Net income on other financial assets and liabilities measured at fair value through profit or loss - financial assets and liabilities designated at fair value". This item also includes the valuation effects related to the measurement of fair value, resulting from changes in the market parameters to which the certificate is indexed, as well as spreads paid to customers, either periodically or at maturity. The effects attributable to changes in own creditworthiness, recognised in a specific equity reserve ("Valuation reserves") are the only exception;
- derivatives that are, in management terms, linked to financial liabilities measured at fair value are classified in the assets under "Financial assets measured at fair value through income statement : a) Financial assets held for trading" or in the liabilities under "Financial liabilities held for trading". Capital losses and valuation gains, as well as any spreads received and paid, are recognised in the Income statement under the item "Net income from trading activities".

Measurement

Subsequent to initial recognition, these assets continue to be measured at fair value: the methodologies used in this regard are described in the section "Information on fair value".
The accounting treatment required by IFRS 9 for such liabilities requires that changes in fair value associated with the creditworthiness of the issuer must be recognised as a contra-entry to a specific equity reserve. The standard also establishes that the amount recognised in the specific equity reserve must not be "released" to the income statement, even if the liability is settled or expires.

Derecognition

Financial liabilities measured at fair value are derecognised when they expire or are settled.
The repurchase of debt securities in issue in prior periods results in their derecognition.
The renewed placement of treasury securities subsequent to their repurchase is deemed to represent a new issue, with recognition at the new placement price, with no effect on the income statement.

Recognition of components affecting the income statement

The entire margin related to the issues under review is included in the item "*Net income on other financial assets and liabilities measured at fair value through profit or loss: a) financial assets and liabilities designated at fair value*". Only the valuation effects attributable to changes in own creditworthiness are recognised as opposite entries to a specific equity reserve (item "*Valuation reserves*").

14. Foreign currency transactions

Recognition

On initial recognition, foreign currency transactions are recorded in the reporting currency, by translating the foreign currency amounts using the exchange rates prevailing on the transaction dates.

Measurement

At each reporting date, the amounts originally denominated in a foreign currency are measured as follows:

- monetary items are translated using the closing rate for the period;
- non-monetary items carried at historical cost are translated using the exchange rate on the date of the transaction;
- non-monetary items carried at fair value are translated at the rates at the end of the reporting period.

Classification

These comprise all assets and liabilities not denominated in euro.

Derecognition

The criteria applying to the balance sheet items concerned are used. The exchange rate applying on the settlement date is used.

Recognition of components affecting the income statement

Exchange differences deriving from the settlement of monetary items or from the translation of monetary items using rates other than the initial translation rate, or the closing rate at the end of prior periods, are recorded in the income statement for the period in which they arise.

When gains or losses relating to a non-monetary item are recorded in shareholders' equity, the related exchange differences are also recorded in shareholders' equity. Conversely, when gains or losses are recorded in the income statement, the related exchange differences are also recorded in the income statement.

15. Other information

Treasury shares

Treasury shares held following repurchase are stated at purchase cost and shown with a negative sign in item "Treasury shares" under liabilities in the balance sheet. Profits or losses deriving from their subsequent sale are recorded as changes in shareholders' equity in the item "*Share premium reserve*" under liabilities in the balance sheet.

Leasehold improvement expenditures

These costs have been classified as "Other assets", since they cannot be recognised in item "*Property, plant and equipment*", as required by Bank of Italy instructions.
The related amortisation is recorded in the "*Other operating expenses (income)*" item.

16. Income statement: Revenues

In addition to the information about the principal balance sheet items provided above in the sections on the "Recognition of components affecting the income statement", it is noted that revenue from contracts with customers is recognised, as required by IFRS 15, at an amount equal to the consideration that the BPER Banca Group is entitled to collect in exchange for the transfer of goods or services to the customer. Revenues may be recognised:

- at a specific point-in-time, when the entity fulfils the obligation to transfer the promised goods or services to the customer, or
- over time, as the entity fulfils the obligation to transfer the promised goods or services to the customer.

In this context, goods are transferred when, or over the period in which, the customer obtains control over them.
The price of the transaction is the amount of consideration that the entity is entitled to receive in exchange for the transfer to the customer of the promised goods or services, excluding any amounts collected on behalf of third parties (e.g. sales taxes).
In order to determine the price of the transaction, the BPER Banca Group considers the contract terms and conditions and its normal business practices, including all the following elements to the extent applicable:

- variable consideration, if it is highly likely that the amount will not be adjusted in the future;
- restrictions on the estimates of variable consideration;
- existence in the contract of a significant financial component;
- non-monetary consideration;
- consideration payable to the customer.

The BPER Banca Group has identified types of revenue linked to services provided to customers only as regards item "*Commission income*". The BPER Banca Group has not identified any significant situations in relation to:

- fees relating to various performance obligations given to customers;
- costs incurred and suspended to obtain and fulfil contracts with customers.

Other types of revenue, such as interest and dividends, are recognised applying the following criteria:

- interest on instruments measured at amortised cost is calculated using the effective interest method;
- dividends are recognised when the shareholders' right to receive payment is determined.

17. Income statement: Costs

In addition to the information about the principal balance sheet items provided above in the sections on the "*Recognition of components affecting the income statement*", costs are recognised in the income statement on an accruals basis; as already highlighted, no costs were identified for obtaining and fulfilling contracts with customers, which shall be recognised in the income statement in a manner correlated with the related revenue.
Recruitment incentives for financial advisors, paid in connection with the acquisition of new contracts with customers (investment services), are instead qualified as "costs incurred to obtain a contract" pursuant to IFRS 15 and are amortised over a seven-year period, corresponding to the average expected duration of the contractual relationships acquired.
Marginal costs and revenues directly attributable to the acquisition of an asset or issue of a financial liability measured at amortised cost are recognised in the income statement together with the interest on the financial asset or liability using the effective interest method.

18. Employee benefits

Classification

Employee benefits, excluding short-term amounts such as wages and salaries, comprise:

- post-employment benefits;
- other long-term benefits

Post-employment benefits are, in turn, divided into defined-contribution plans and defined benefit plans, depending on the nature of the benefits envisaged:

- under defined contribution plans, the employer makes fixed contributions and has no legal or constructive obligation to make further contributions if the fund does not hold sufficient assets to pay all employee benefits;
- defined benefit plans are all post-employment benefit plans other than defined contribution plans.

Pursuant to Law 296 dated 27 December 2006 (2007 Finance Law):

- the employee termination indemnities earned from 1 January 2007 are deemed to be a defined contributions plan for which no actuarial calculations are required;
- the employee termination indemnities already earned up to the date indicated above, on the other hand, continue to be treated as a defined benefits plan, even though such benefits have already been fully earned. As a consequence, the actuarial value of the liability must be restated at every accounting date subsequent to 31 December 2006.

Other long-term benefits comprise employee benefits that are not due entirely within twelve months of the end of the year in which employees accumulated their right to them.

Recognition and measurement

The value of a defined-benefit obligation is represented by the present value of the future payments necessary to settle the obligations deriving from work performed by employees in the current and prior years.
This present value is determined using the "Projected Unit Credit Method".
The employee benefits included as other long-term benefits, such as long-service bonuses that are paid on reaching a pre-determined level of vintage, are recorded for an amount determined at the reporting date using the "Projected Unit Credit Method".
Employee termination indemnities are recorded as a separate liability, while the other post-employment benefits and long-term benefits are recorded among the "Provisions for risks and charges".

Recognition of components affecting the income statement

Service costs are recorded as staff costs, together with the related accrued interest.
Actuarial gains and losses (remeasurements) relating to post-employment, defined benefit plans are recorded in shareholders' equity in the year they are identified. These actuarial gains and losses are reported in the "Consolidated statement of other comprehensive income", as required by IAS 1.
The actuarial gains and losses (remeasurements) relating to other long-term benefits are recognised in full as part of staff costs in the year in which they arise.

19. Share-based payment plans

In general, share-based payments to employees (or other equivalent parties) represent consideration for services received.
In 2019, the BPER Banca Group approved its first share-based payment plan. This plan envisages granting without charge a certain number of ordinary shares in the Parent Company to beneficiaries who are considered Material Risk Takers at Group level, without any increase in capital and therefore by using outstanding shares temporarily purchased by the Parent Company for this purpose (by contrast, no stock option plans have been activated at Group level).
In accordance with IFRS 2 - Share-based payments, the cost of employee compensation plans based on own equity instruments is recognised in the income statement with reference to their fair value on the grant date spreading the related charge over the vesting period.
Since it is difficult to measure reliably the fair value of the services received in exchange for the equity instruments, reference is made to the fair value of the latter, determined on the grant date. Based on the instructions contained in IFRS 2, this date corresponds to the moment in which the parties to the agreement become aware of its existence.
Charges relating to share-based compensation plans are recognised on an accruals basis as a cost in income statement item "*Administrative expenses: a) staff costs*", with a matching entry to equity item "*Reserves*".

Long-Term Incentive Plan – LTI of BPER Banca Group

The LTI Plan (in its three releases: "2019-2021", "2022-2024" and "2025-2027", respectively approved at the Ordinary Shareholders' Meetings held on 17 April 2019 and 20 April 2022[149] and 18 April 2025) is a share-based incentive plan for the key personnel of the Parent Company and other Group companies. Preparation is underway for the Long-Term Incentive Plan (LTI Plan 2025-2027), the new version of which will be submitted for approval at the Ordinary Shareholders' Meeting on 18 April 2025.
The LTI Plan is designed to award beneficiaries an incentive that will be paid exclusively in BPER Banca ordinary shares, in compliance with the relevant regulations and consistent with the Group Business Plan.
As part of the remuneration policies adopted by the Group, the LTI Plan pursues the following objectives:

- align management's interests with the creation of long-term shareholder value;
- motivate management to achieve the objectives of the Business Plan, within a framework of healthy, prudent risk management and ESG sustainability;
- strengthen key persons' sense of belonging in order to implement the Group's medium-long term strategy;

Implementation of the Plan is subject to achieving predetermined access conditions that guarantee not only profitability, but also the Group's capital stability and liquidity.
The bonus recognised at the end of the performance period - the size of which also depends on the achievement of specific objectives in terms of results, stock performance and sustainability - is paid by means of a free allocation of BPER Banca ordinary shares, subject to deferral and retention clauses.
The bonus is deferred between 55% and 60%, depending on the amount recognised at the end of the three-year/four-year reference period. Deferral lasts for five years, during which the deferred portion is allocated in five annual instalments of the same amount, subject to verification of the malus conditions. Each portion that is allocated, whether up-front or deferred, is then subjected to a retention period of one year.
The LTI Plan of the BPER Banca Group is an operation with payment settled using equity instruments and, therefore, is governed by IFRS 2.
The overall cost of the plan is equal to the sum of the cost of each tranche, calculated with reference to the fair value of BPER Banca shares at the grant date (considering in each case the period until the expected vesting date), multiplied by the number of shares that may vest in relation to the performance condition, the probability of satisfying the service condition and achievement of the entry gate condition.
This cost is allocated over the vesting period of 8/9 years, starting from the date on which the parties become aware of its existence or, in the specific case of the BPER Banca plan, the date on which the individual plan beneficiaries were informed about their participation. The cost of the services (work) provided by the employees/recipients only includes the costs associated with the LTI Plan from that date. The costs recognised are matched by a specific equity reserve.

20. Purchase of tax credits originated from benefits mentioned in the "Cura Italia" and "Rilancio" Decree Laws (the so-called "Ecobonus" and "Sismabonus")

In order to counter the negative economic effects of the spread of the Covid-19 pandemic, by Law No. 77 of 17 July 2020 converting, with amendments, Decree-Law No. 34 of 19 May 2020 (the so-called "Relaunch" Decree) containing urgent measures in the field of health, support for work and the economy, Parliament issued a series of measures which, among other things, make it possible under certain conditions to benefit from a 110% deduction of the expenses incurred for specific interventions (e.g. interventions to increase the level of energy efficiency of existing buildings or reduce their seismic risk can attract a deduction of 110% of the costs incurred). The law also introduced the possibility for taxpayers to opt, instead of using the deduction directly, for an advance contribution in the form of a discount from the suppliers of goods or services ("invoice discount") or, alternatively, for the assignment of the credit corresponding to the deduction due to other entities, including therein credit institutions and other financial intermediaries. The Italian Government further ruled on the subject by issuing Decree Law No. 50/2022 "Decreto Aiuti" - Aid Decree) primarily by restructuring the target of potential of re-assignees.
As part of its commercial policies, the BPER Banca Group has decided to operate as an assignee of tax credits to its customers. The transferee bank may in turn use these credits to offset tax payments through the F24 form or, alternatively, transfer these credits to other parties.
Italian Decree Law No. 39/2024 has provided that the initial allocation of the tax deduction over 4/5 years be extended to 10 years for all expenses incurred starting from 2024. By way of derogation, the decree includes a safeguard clause for these deductions in the event that they are subject to invoice discounting or transfer. Therefore, if the bank acts as the assignee, the previous timing regime is maintained.
The portion of the tax credit not used during the year cannot be used in subsequent years and cannot be requested as a refund.

149 The terms of the second release were subsequently amended by the Shareholders' Meetings of 5 November 2022 and 3 July 2024. This meeting has been deemed necessary to ensure full consistency between the vesting period of the LTI Plan and the Group's multi-year strategic planning. The ahead-of-time closure of the BPER e-volution 2022-2025 Business Plan on 31 December 2024 has made it necessary to align the LTI Plan length accordingly, bringing forward to 31 December 2024 the verification of the achievement of the LTI Plan results set for 31 December 2025, thus reducing the vesting period associated with the overall Plan duration, with a consequent pro-rata reduction in the target bonuses for its recipients.

The same Decree has imposed that the instalments of traceable credits purchased by banks with annual amounts equal to or greater than 2025 must be mandatorily divided into 6 equal instalments, replacing the original instalment plan, unless the same instalments were purchased at a price greater than 75% of the deduction due.
Decree Law 39/2024 has recently introduced a ban on offsetting, applicable to financial intermediaries, of superbonus and related credits with tax liabilities, with significant effects on tax capacity estimates starting from 1 January 2025.
As regards the responsibilities as to the existence of the credit, the law provides that:

- suppliers and buyers of credits are liable only for any use of the tax credit that is irregular or for a larger amount than the tax credit received;
- if the Revenue Agency finds out that one does not have all or some of the requisites that give the right to a tax deduction, it will recover the amount of the deduction not due from those to whom the bonus was granted (i.e. the seller). In addition, Decree Law No. 11 of 17 February 2023, amending article 121 of Decree Law 34/2020, established that the liability of the assignee is limited solely to cases of wilful misconduct if it demonstrates that it has acquired the credit and is in possession of the series of documents listed in the decree. The exemption of liability also applies to entities that acquire the credits from banks, following the certification of possession of the documentation.

With reference to the accounting treatment to be adopted in the Financial Report of the buying bank, since the case in question is not subject to clear instructions in the IAS/IFRS, in application of the provisions of IAS 8, paras. 10 and 11, various possible scenarios were assessed concerning the applicability of the following international accounting standards by analogy:

- IAS 20 "Accounting for government grants and disclosure of government assistance";
- IAS 12 "Income Taxes";
- IAS 38 "Intangible Assets";
- IFRS 9 "Financial Instruments".

The choice made by the BPER Banca Group is to refer by analogy to the indications of IFRS 9, considering that these tax credits are in essence financial assets, as they can be:

- used to pay off a debt (e.g. a tax debt);
- incorporated in a HTC business model, or with a hold-to-maturity strategy for offsetting, if acquired within the limits of its tax capacity;
- incorporated in a HTC&S business model, or according to a mixed strategy of holding and/or sale by the date of offsetting, if the technical/business conditions are satisfied;
- incorporated in a trading business model when already in excess of its tax capacity at the purchase date;
- classified in item "Other assets".

Furthermore, the tax credits are bought by the bank at a price that discounts both the time value of money and the ability to use/sell them within a certain time limit. So at the time of initial recognition the tax credit is recognised at the price of the individual transaction - equating it to the fair value of a Level 3 instrument, as there are no official markets or comparable transactions - and thereby allowing to satisfy the condition set by IFRS 9 according to which financial assets and liabilities are to be initially recognised at fair value.
The subsequent valuation (measurement) of said assets, always in accordance with the guidelines of IFRS 9, is carried out:

- at amortised cost, if classified as HTC;
- at fair value through other comprehensive income, if classified as HTC&S;
- at fair value through profit or loss, if classified in the trading portfolio.

The amortised cost is defined considering: i) the time value of money; ii) the use of a correct effective interest rate; and iii) the uses made of the tax credit through offsets. The effective interest rate is originally set so that the discounted cash flows of the estimated future offsets over the expected duration of the tax credit equal the purchase price of the tax credits.
In relation to the determination of fair value, owing to the unique nature of these instruments, fair value fluctuations are linked to changes in market interest rates with respect to the internal rate characterising the individual transaction.
In addition, if the Bank were to revise its estimates of the use of the tax credit through offsets, it would have to adjust the gross carrying amount of the tax credit to reflect the estimated, actual and restated uses of the tax credit through offsets. In such situations, as part of the HTC Business Model, the Bank would recalculate the gross carrying amount of the tax credit as the present value of the new estimated uses of the tax credit through offsets discounted back to the original effective interest rate. In this restatement, taking into account that there is no chance of reimbursement by the counterparty (i.e. the Treasury), an impairment loss due to any failure to use the tax credits bought would be included. Within the trading Business Model, the revision of its recoverability estimates would be reversed directly in the fair value measurement of the instruments.

Considering the operations arranged by the BPER Banca Group, it is believed that the risk of losses resulting from the non-use as offsetting is unlikely given that, with reference to the HTC business model, the balances acquired are consistent with the Group's overall tax capacity (constantly monitored); in relation to the trading portfolio and the HTC&S portfolio, in respect of the credits acquired, assignment agreements are gradually stipulated with counterparties identified from the Group's corporate customers, with the objective of ensuring the recoverability of the credit booked under assets.

Moreover, as part of the remeasurement at amortised cost, not finding a counterparty credit risk as realising the instrument takes place exclusively through offsetting against tax liabilities and not by receiving money from the counterparty, the IFRS 9 rules on Expected Credit Losses are not applicable.

21. Macro Fair Value Hedging

Within the BPER Banca Group, the macro fair value hedge regime is currently applied to hedge the interest rate risk inherent in formally sight funding items.

Macro Fair Value Hedge on demand deposits

Within the BPER Banca Group, the macro fair value hedging regime is currently applied to hedge the interest rate risk inherent in formally on-demand funding items, limited to the portion of such items with "inelastic core" funding characteristics, i.e. those that are substantially characterised by a trend of fixed cost and table duration over time, according to the results of the behavioural model adopted by the Group.

"Inelastic core" funding is therefore assimilated to a portfolio of fixed-rate deposit liabilities, each with a rate of return equal to the fixed market rate relative to its maturity. More specifically, the elaborated model is constructed as a series of monthly fixed-rate deposits with different maturities and periodic interest payments. Liabilities identified as fixed-rate by the behavioural model are therefore considered hedged items and are subject to macro fair value hedges for accounting purposes.

Any change in the amounts identified by the behavioural model with these characteristics, resulting from the periodic updating of the estimates themselves (either in relation to the parameters used by the behavioural model, or in relation to the decrease in the amount of funding), does not give rise to ineffectiveness in the relationship until the amount of funding included in the bucket reaches the minimum level hedged (a decrease exceeding the amount of unhedged funding). In such a case, the withdrawal of part of the hedge constitutes voluntary discontinuing.

Macro Fair Value Hedging on fixed-rate loans (dynamic Macro Hedging)

The Macro hedging model adopted by the BPER Banca Group aims to reduce fair value changes due to the interest rate risk exposure of a portfolio comprising homogeneous financial assets. This is a dynamic and open portfolio of fixed-rate loans, managed at an aggregate level through hedging derivatives entered into over time. In the bottom-layer approach, which is based on the carved out version of IAS 39, prepaid loans are allocated to the unhedged amount as long as there is capacity. The model includes the following steps:

- Identifying a portfolio subject to possible hedging: this is a dynamic portfolio of fixed-rate loans segmented by time buckets which, on each test date, is adjusted with new inflows and outflows mainly due to the origination of new loans, loan subrogation from other banks to BPER, early repayments, loan subrogation from BPER to other banks, and renegotiations of fixed-rate loans;
- Identifying derivative hedging instruments, selected on the basis of risk management requirements;
- Identifying the amount hedged for accounting purposes: designation as a hedged item, within the hedged portfolio, of a generic amount of financial assets whose risk profile mirrors the risk profile of the derivatives used for hedging purposes. This amount of "cash" is designated as a hedged item in the macro-hedging report in accordance with IAS 39. Under macro hedging, the amount hedged is not linked to specific assets included in the portfolio being hedged, nor is it representative of a portion of the assets comprising the portfolio.

For the implementation of the dynamic macro fair value hedging model, it is necessary to verify upon first-time application and subsequently, at every assessment date, that the hedge is highly effective. Therefore, in this specific case, it must be proven, based on specific prospective and retrospective tests, as illustrated below, that the portfolio subject to possible hedging contains an amount of assets whose sensitivity profile and fair value changes due to interest rate risk are reflective of those of the "hypothetical meta-mortgage" corresponding to the derivatives used for hedging.

Effectiveness tests

Three different tests are required to verify that the macro fair value hedging of loans is highly effective:

- Sensitivity capacity test (*first-level test or prospective test*). This is a forward-looking test designed to verify that the sensitivity of the portfolio subject to possible hedging is greater (in absolute terms) than the sensitivity of the hedging derivatives. It is, therefore, a capacity test conducted by time buckets which consists of calculating the ratio between the sensitivity of the portfolio subject to possible hedging and that of the hypothetical meta-mortgage, broken down by individual time bucket. A test is considered passed if the ratio (broken down by time buckets) between the sensitivity of the portfolio of all covered exposures (hedged portfolio) and the sensitivity of the hypothetical meta-mortgage is greater than 100%.

- Present value capacity test (*second-level test or retrospective test*). This is aimed at testing hedge effectiveness in a dynamic portfolio management, with particular reference to the cash flows generated by the items being hedged. More specifically, it is aimed at testing the retrospective effectiveness of the model, also considering the effects of advance payments, subrogations or renegotiations of portfolio assets. From a bottom layer perspective, this test verifies that, even in light of the inflows and outflows of specific assets, the potentially hedged portfolio contains an amount of assets whose sensitivity profile and changes in present value for the hedged risk mirror those of the hedging derivative. In this regard, assets (conventionally defined as the 'hedged sub-portfolio') are identified within the potentially hedged portfolio, with:
  - a total sensitivity almost equal to that of the hypothetical meta-mortgage;
  - a change in present value for the hedged risk that is greater (in absolute terms) than the change in present value of the hypothetical meta-mortgage.

  Likewise, this is a capacity test:
  - as long as the change in the present value of the sub-portfolio of assets in question exceeds that of the hypothetical meta-mortgage, the retrospective test is passed and the third-level test is performed to recognise its accounting effects;
  - otherwise, an element of ineffectiveness will be recognised in the Income Statement, identified through the accounting effects test (or third-level test).
- Accounting effects test (*third-level test*). For each hedging derivative, the hypothetical meta-mortgage with an amortisation schedule and fixed rate matching those of the hedging derivative is considered. The effectiveness test consists of calculating the ratio between the delta fair value of the hypothetical meta-mortgage and that of the hedging derivative.
  The fair value of the hedged amount is calculated in the same way as the fair value of loans hedged in a specific fair value hedge, i.e. by discounting the cash flows of the meta loan to the OIS curve and making an adjustment to take into account the 'basis' effect with respect to the index curve of the variable leg in the hedging derivative.
  If this test is passed (hedge included in the 80-125% range), the change in the fair value of meta loans, with possible application of a percentage shortfall resulting from the retrospective test (second-level test), is recorded under the appropriate item in the Balance Sheet.
  The test is designed to determine the value to be recorded under the item "Change in value of macro-hedged financial assets (+/-)" in the Balance Sheet accounting schedule envisaged by the Bank of Italy Circular No. 262/2005, including any element of ineffectiveness to be recorded in the Income Statement under the item "Net income from hedging activities".
  As this is macro hedging, the carrying amount of the individual financial assets hedged does not change, but the generic item referred to above is adjusted following revaluations and/or write-downs of the assets subject to macro hedging.

Essentially, the first and second level tests verify, both prospectively and retrospectively, the effectiveness of the Macro Fair Value Hedge, respectively in terms of the existence of sensitivity and economic value of the hedged aggregate within the overall portfolio, while the third level test is aimed at determining the accounting impacts.

22. Extraordinary contribution pursuant to art. 1, para. 69 of 2026 Budget Law

Article 26 of Decree-Law No 104 of 10 August 2023 introduced a one-off extraordinary tax on the increase in banks' net interest income. When the decree was converted into law, banks were therefore granted the option, instead of paying the tax, to allocate, upon approval of their 2023 financial statements, an amount not less than two and a half times the tax itself to a reserve set aside for that purpose, subjecting it to a restriction on distribution governed by Article 26, paragraph 5-*bis*, last sentence, of Decree-Law No. 109/2025.
The 2026 Budget Law (Law No. 199 of 30 December 2025) introduced, with effect from the 2029 financial year, a legal presumption that such restricted reserves must be distributed as a matter of priority, resulting in an obligation to pay, in the event of distribution, the extraordinary tax not paid in 2024.
To counteract this legal presumption, banks have an option to unlock the restricted reserve by paying an extraordinary contribution:

- of 27.5% for restricted reserves existing as at 31 December 2025, with payment to be made by 30 June 2026, or
- of 33% for restricted reserves existing as at 31 December 2026, with payment to be made by 30 June 2027.

Banks that opt to pay the special levy will no longer be subject to the provisions of Article 26 (5-*bis*), last sentence, and will be entitled to distribute the restricted reserve freely without having to pay the special tax.
Depending on whether BPER Banca exercises this option, or on the decision taken regarding the payment of the extraordinary contribution in respect of the reserves established pursuant to Article 26 (5-*bis*) of Decree-Law 104/2023 existing as at 31 December 2025, below is a description of the accounting policy adopted by BPER Banca for the presentation of this subject matter in its financial statements.

Accounting treatment

The analyses carried out by BPER Banca suggest that the item governed by Article 1 of the 2026 Budget Law should be regarded as a new obligation, distinct from the previous one, which was settled at the time through the establishment of the reserve in 2023.

Furthermore, considering the provisions of paragraph 69 of the 2026 Budget Law, it is clear that the current obligation, established on a voluntary basis, concerns the payment of the extraordinary contribution regardless of the actual use of the reserve set up in the 2023 financial year. The identified purpose is, therefore, to impose a sort of tax on assets or on future dividend distributions from the 2029 financial year onwards. From this perspective, the case in question differs markedly from that of Article 26 of the Decree-Law of 2023.

With regard to the accounting treatment to be applied to this new obligation, the case under Article 26 is considered not to fall within the scope of IFRIC 21[150], nor within the scope of IAS 12[151].
Therefore, in the absence of specific provisions in IAS/IFRS, a specific accounting policy is deemed necessary. To this end, in accordance with paragraphs 10 and 11 of IAS 8, BPER Banca considers the reference to the principle of consistency contained in paragraph 61A of IAS 12 to be relevant and therefore applicable, according to which tax must be recognised directly in equity when it relates to items that are recognised directly in equity[152]. More specifically, recognition of the liability relating to the extraordinary contribution ("Other liabilities") is expected to be offset against a pre-existing capital reserve.

23. Method for determining the extent of impairment[153]

A. Financial assets

Impairment models

The calculation of adjustments of financial assets according to the Expected Credit Losses (ECL model envisaged by IFRS 9 is the result of a complex process of estimates that includes numerous subjective variables regarding the criteria used to identify a significant increase in credit risk, for the purpose of allocating financial assets to the stages provided for in the Standard; it also involves defining models for measuring expected losses, with the use of assumptions and parameters, which take into account current and future (or "forward-looking") macroeconomic and environmental information (physical and transition risks) including, for non-performing exposures, possible sale scenarios where the Bank's strategy envisages recovery of the loans by selling them. In accordance with the instructions contained in the standard, the impairment model adopted by the BPER Banca Group is based on the concept of "forward-looking" evaluation, i.e. on the concept of expected loss, whether calculated for the next 12 months (Stage 1) or for the residual life of the instrument (Stage 2 and Stage 3), based on the concept of a Significant Increase in Credit Risk (SICR) with respect to the date of origin of the instrument. According to the Expected Credit Loss model, the losses must be recorded not only on the basis of objective evidence of impairment losses already manifest as of the reporting date, but also on the basis of the expectation of future losses in value not yet manifest as of the reporting date, and must reflect:

- the probability of occurrence of the various system scenarios;
- the discounting effect using the effective interest rate;
- historical experiences and current and future assessments.

To this end, the BPER Banca Group has adopted a model for calculating the expected lifetime loss of the financial instrument, applied to instruments classified in Stage 2, which takes into consideration the following multi-period parameters:

$$LtEL_t = \sum_{t=1}^{T} PDF_t \times LGD_t \times EaD_t \times D_t$$

where:

- PDF_t is the Probability of Default forward between 1 and t,
- LGD_t is the Loss Given Default at a forward default event between 1 and t,
- EaD_t is the Exposure at Default at time t,
- D_t is the discounting factor for the expected loss at time t, up to the current reporting date, determined using the effective interest rate,
- T is the contract maturity date.

150 Pursuant to IFRIC 21 paragraph 4, a levy is an outflow of resources embodying economic benefits that is imposed by governments on entities in accordance with legislation (i.e. laws and/or regulations). IFRIC 21 therefore applies when there is an obligation to pay a levy that is imposed by a public authority. In the case in question, the obligation to pay would only be triggered from 2029 as a result of the decision to proceed with the distribution of profits or reserves, while the payment of the extraordinary contribution by the end of 2028 would be an independent decision by the bank, taken within the scope of its own powers. In other words, payment of the extraordinary contribution would represent a discretionary option that each bank may exercise autonomously until 2029.

151 This is because it is not an income tax. The contribution, moreover, would impact the Reserve established in 2023 regardless of the nature of the items contributing to its formation (taxed profits or other available reserves).

152 Pursuant to para. 61 A of IAS 12: "Current tax and deferred tax shall be recognised outside profit or loss if the tax relates to items that are recognised, in the same or a different period, outside profit or loss. Therefore, current tax and deferred tax that relates to items that are recognised, in the same or a different period: (a) in other comprehensive income, shall be recognised in other comprehensive income (see paragraph 62). (b) directly in equity, shall be recognised directly in equity (see paragraph 62A)."

153 As required by document No. 2 issued with joint signature by the Bank of Italy, CONSOB and ISVAP (now IVASS) on 6 February 2009.

The calculation parameters contained in the Lifetime Expected Loss formula, as they are multi-period, they evolve over time, or in the time frame coinciding with the expected life of the exposure that must be evaluated. In particular, the criteria adopted by the BPER Group envisage that:

- the EaD evolves in accordance with the amortisation plans, if they exist, and with the contractual repayment plans in general, possibly amended by "behavioural" hypotheses (e.g. loans with pre-payment options);
- the PD and LGD parameters evolve as a result of the changes in the credit quality observed over time and represented, as for PD, by the transition or migration matrices (e.g. migrations between rating classes).

The calculation of the expected 12-month loss (applied to instruments classified in Stage 1) can therefore be considered as the sum of expected multi-period losses for the first prospective year, or less if the deadline is within 12 months, of the Lifetime Expected Loss:

$$EL = EaD \times LGD \times PD \times D$$

where:

- EaD is Exposure at Default,
- LGD is the Loss Given Default,
- PD is the 12-month Probability of Default,
- D is the discounting factor for the expected loss, discounted for 12 months from the first period subsequent to the reporting date.

Lastly, for loans already classified in Stage 3 whose amount is lower than the threshold set in the Group's internal regulations for analytical assessment, a statistical write-down is applied using the following formula:

$$LtEL_t = EaD \times LGD$$

where:

- EaD is Exposure at Default,
- LGD is the loss resulting from a default event, which can differ according to the administrative status at the calculation date.

For the purposes of a homogeneous application of the impairment model described to the financial asset portfolios of the BPER Banca Group, the same methods of calculating the value adjustments described above are applied, in addition to the on- and off-balance sheet scope of the loans, also to the portfolio of debt securities. With regard to the latter portfolio, it should be noted that, where the risk information deriving from internal models (PD and LGD) is missing, external information from qualified info providers was used.
The Expected Credit Loss (ECL) model adopted by the BPER Banca Group is based on the use of risk parameters estimated for regulatory purposes (disclosure of which is given in the relevant internal regulations and in Part E of the Explanatory Notes, to which reference should be made), appropriately amended to guarantee full consistency with the requirements of IFRS 9. The main changes concerned the following aspects:

- introduction of "point-in-time" elements in the regulatory parameters estimated according to "through-the-cycle" logic;
- implementation of components based on forecast information (scenario analysis);
- extension of the time horizon (multi-year) of the credit risk parameters.

Estimate of the PD parameter

The Probability of Default (PD) represents the probability that the individual debtor (or pool of debtors) will go into default.
The introduction of a Lifetime Expected Loss model implies the need to estimate the probability of default not only in the twelve months following the reporting date, but also in subsequent years.
For this purpose, multi-year PD dynamics accumulated by rating class were defined for each model of the internal rating system based on the product among the matrices of Point-In-Time (PIT) migrations conditioned to the expected economic cycle in the first three years and among the matrices of Through-The-Cycle (TTC) long-term migrations from the fourth year onwards based on a *à la Merton* approach.

Estimate of the LGD parameter

Loss Given Default (LGD) is the percentage of loss incurred by the Bank in the event of a debtor default.
The need to implement a long-term approach, also through the inclusion of "forward looking" factors has involved the removal of the corrective components required for regulatory purposes ("downturn", indirect costs and margins of conservatism) and conditioning to the expected economic cycle to obtain point-in-time and forward-looking parameters by using satellite models.

Estimate of the EAD parameter

Exposure At Default (EAD) is the expected exposure value in the event of a counterparty default. EAD is one of the factors required for the entire credit risk measurement process and its quantification is required not only for Basel II purposes and the calculation of the RWA IRB, but also for accounting purposes in order to determine collective provisions in accordance with the International Financial Reporting Standard IFRS 9.
The concept of exposure (EAD) considered in the various future payment moments foreseen in the amortisation plan is based on the residual debt, increased by any unpaid or overdue instalments.
With reference to off-balance sheet exposures (guarantees and margins), EAD is determined by applying a credit conversion factor (CCF) to the nominal value of the exposure.

Multi-scenario approaches used for estimating ECL:

a) Macroeconomic scenarios and forward-looking factors

As required by IFRS 9, the BPER Banca Group's impairment model is reflected in the risk parameters used to calculate the ECL (and the stage assignment explained below):

- current conditions in the economic cycle (Point-in-Time risk measures);
- forward-looking information about risks (forward-looking risk measures), considering the dynamics of the (external) macroeconomic factors that affect the lifetime expected loss;
- the probability that three possible scenarios might occur (Probability weighted).

Therefore, all the risk parameters (with the exception of Exposure At Default, for which the econometric conditioning model was not applied due to the volatility of the parameter, in favour of stability) are conditioned by macroeconomic scenarios.
With reference to the multiple prospective scenarios similar to those used to estimate the ECL, the BPER Banca Group has decided to use scenarios that are generally consistent with those used by the Bank's main processes such as Planning and Budget, Risk Appetite Framework (RAF) and Lending Policies, limiting the forward-looking time horizon to a maximum of 3 years following the date of each assessment.

b) Application of the disposal scenario for non-performing loans

Paragraph B5.5.41 of IFRS 9 states that the purpose of estimating expected credit losses is neither to estimate the worst-case scenario nor to estimate the best-case scenario. Instead, an estimate of expected credit losses must shall always reflect the possibility that a credit loss occurs and the possibility that no credit loss occurs, even if the most likely outcome is no credit loss.
As described in the ITG "Inclusion of cash flows expected from the sale on default of loans" from the staff of the IFRS Foundation and in the "Guidelines for banks on non-performing loans (NPL)" published by the ECB in March 2017 to encourage their pro-active management, the BPER Banca Group has included forward-looking factors in the assessment of non-performing loans (classified in particular as bad and UTP loans) by forecasting recoveries on a multi-scenario basis. More specifically, in line with the current processes of recovery of non-performing assets, which envisage their realisation also through sale on the market, the impairment model has integrated a sale scenario (so-called "Disposal Scenario"), in line with what is defined in the Group's NPE Strategy plans for the management and reduction of the non-performing portfolio, as a possible method of recovering exposures, as an alternative to internal recovery ("Workout Scenario").
When envisaged and possible, loans classified in Stage 3 are therefore measured by weighting their estimated realisable value determined under the two possible scenarios ("workout" and "disposal") by applying a probability of occurrence to each. To this end, the BPER Banca Group has adopted a model for calculating the multi-scenario net value of impaired financial assets, which considers the following parameters:

$$NBV_{Multiscenario} = FMV \times Disposal\ Scenario\ \% + NBV_{Workout} \times (1 - Disposal\ Scenario\ \%)$$

where:

- FMV is the best estimate of the "disposal" price;
- $NBV_{Workout}$ is the net book value of the loan according to internal management logic ("workout");
- Disposal Scenario % is the probability of occurrence of the disposal scenario;
- (1 – Disposal Scenario %) is the probability of occurrence of the workout scenario.

This methodology for measuring Stage 3 exposures provides the best representation of possible recoveries to be achieved, on the one hand,via routine internal management procedures and, on the other, market disposals in implementation of the specific strategies (NPE Strategy) that the Group has committed to achieving towards the Financial Community.

The measurement process therefore retains unchanged the methodology for identifying recoverable value under the workout scenario, but is supplemented by an assessment based on market parameters under the disposal scenario. The two measurement processes are carried out in parallel and their results are summarised by determining a weighted average based on the relative probabilities of occurrence.

The resulting impairment model requires the parameters used for both scenarios to be updated constantly. Specifically with regard to the workout scenario, the internal assessment of the recoverability of the exposure is revised constantly, based on the strategies/rescheduling/recovery actions implemented in application of a methodology that is both customised and "expert"; with reference to the disposal scenario, the FMV is updated regularly (every quarter) with reference to the information available about disposal conditions until the selling prices are matched by a "welcome" binding offer from a potential purchaser (probability of disposal close to 100%).
The best estimate of the disposal price of the positions is determined by taking into account: 1) the possible market price for the portfolio in question, 2) prices realized in previous transactions involving similar portfolio clusters, 3) binding offers received, or, the first three options, if binding offers are not available, 4) the disposal value of individual positions, as a best estimate, using a "mark-to-model" approach.
The scope of positions classified for "Disposal" is directly dependent on the derisking objectives pursued at any given time and is determined by considering: 1) specific portfolios or individual positions identified by the Bank's competent functions, 2) a statistical approach that takes into account certain conditions, such as the vintage of the positions, portfolio characteristics that may be more or less attractive given current market conditions, and the absence of objective barriers to sale.
The probability of disposal is determined by taking into account the expected timing of the disposal, the type of transaction contemplated and the characteristics (also in terms of expected classification at the time of disposal) of the exposures identified for disposal.
The probabilities associated with the workout and disposal scenarios for each position are not fixed over time, but in turn are subject to amendments and changes due, principally, to conditions in the NPE market and cumulative achievement of the objectives established in the current Group NPE Strategy. Dynamic management of the Group's non-performing portfolio in fact requires the addition of new positions and the exclusion of others initially identified for disposal, depending on the interest of operators in the NPE market and the internal assessments carried out by Group management; these circumstances must be recognised as entirely physiological and unavoidable in such a dynamic context, with accounting consequences in terms of loan impairment losses and write-backs.
Notably, during the time dedicated to the selection of disposal opportunities and completion of the operation, the positions concerned are still managed in accordance with the normal workout procedures that, understandably, often result in resolution of the problem before the positions are actually sold. It follows that the ideal disposal perimeter identified originally must be updated constantly, in terms of quality, quantity and provisions, to keep it aligned with the objectives established in the NPE Strategy.

Criteria for the classification of financial instruments in Stages

The Stage Assignment Framework adopted by the BPER Banca Group establishes the requirements for classifying financial instruments with reference to the actual "deterioration" of credit risk, consistent with the requirements of IFRS 9, applying an approach that is consistent among the various portfolios and within the Banking Group. This classification in stages of increasing risk is determined using all the significant information contained in Group processes, as supported where applicable by updates and the credit monitoring processes.
Specifically, financial assets are classified into three stages of risk, each of which applies a different method to calculate the related impairment adjustments, while consistently applying the "Expected Loss" or "Expected Credit Losses" (ECL) concept:

- Stage 1: includes all performing loans (originated or acquired) for which there is no "significant increase in credit risk" (SICR) since initial recognition; impairments are equal to the expected losses that could occur if a default occurs in the next 12 months (12-month ECL);
- Stage 2: comprises all performing loans with a "SICR" since initial recognition; the impairment adjustments reflect the expected losses that might arise on default at any time in the life of the financial instrument (lifetime ECL);
- Stage 3: comprises all accounts in default at the reporting date, the impairment adjustments for which consider the lifetime ECL.

In particular, regarding the classification of loans in Stage 2, it is essential to identify correctly the SICR criteria used in the stage assignment process. For this purpose, the BPER Banca Group has structured a framework designed to identify the increase in credit risk before the credit lines granted show clear signs of impending default.

While the distinction between performing and non-performing is made at counterparty level, classification into stages of risk is carried out at account level. In order to distinguish loans within the performing portfolio that do not show SICR (Stage 1) from those that do (Stage 2), the BPER Banca Group has decided to use all the following available significant factors as criteria for the analysis of credit quality:

- relative quantitative criteria, reflected in the internal thresholds of change between the PD identified on originating the contractual relationship and the PD at the measurement date, that identify a significant increase in credit risk if exceeded. In this context, a framework is in use to identify the changes in PD, which makes reference to the Lifetime PD curves, containing forward-looking information derived from the application of the reference macroeconomic scenario in the first three years and information derived from the application of the scenario as previously specified. The SICR thresholds, with the quantitative criterion being triggered if breached, are differentiated by counterparty risk segment, residual maturity cluster of the financial instrument and rating class at origination. Since 30 September 2024, a "multi-scenario" lifetime PD delta[154] has been in use, which is then compared with the estimated SICR thresholds.
- absolute qualitative criteria that, via the identification of a risk threshold, identify the transactions to be classified in Stage 2 based on the specific risk information available. This category includes the adverse events impacting credit risk that are identified by the Early Warning credit performance monitoring system ("watchlist"). In order to avoid overlapping, some qualitative counterparty information has not been included among the staging criteria, as it is already considered in the rating models;
- backstop indicators, including:
  - the presence of exposures with a significant past due balance for more than 30 days;
  - the presence of a regulatory probation period of 24 months for forbearance measures;
  - the presence of a default status at the credit origination date;
  - the presence of exposures with a rating class at the reporting date that is considered "high risk";
  - the absolute increase between the annualised lifetime PD level as at the origination date and the level as at the reporting date exceeds a certain threshold (the so-called "backstop") that is considered "critical."

For a homogeneous application of the impairment model between portfolios of the BPER Banca Group, the classification criteria in stages for the portfolio of debt securities were taken, where possible, from the staging logic applied to the loan portfolio. Specifically, the BPER Banca Group has defined a staging model for debt securities based on the following criteria:

- management of an "inventory" of debit securities for staging purposes, applying the FIFO method to relieve sold tranches from the portfolio;
- model for identifying significant increases in credit risk, in order to classify debt securities in Stage 1 or Stage 2, based on the following criteria:
  - primary use of the internal rating model and, if unavailable, reference to an external rating agency;
  - determination of the rating downgrade threshold based on a comparison of rating classes at origination with rating classes at the measurement date (notching between rating classes);
- classification in Stage 3 of all debt securities in default at the reporting date, applying the definition of default contained in the ISDA document entitled "Credit Derivatives Definition" of 2003.

Should the conditions giving rise to the SICR cease to apply at a subsequent measurement date, the financial instrument is once again measured with reference to the 12-month ECL, which might result in a write-back to the income statement.
It should be noted, however, that in the event of reclassification of a loan from non-performing (Stage 3) to performing, the BPER Banca Group does not deem necessary a forced classification in Stage 2 with the application of a Lifetime ECL, since no probation period has been set for the return from Stage 3 to Stage 1. In this case, the stage assignment approach mentioned previously will be valid. In line with this approach and with the regulatory requirements, also in the event of a return from Stage 2 to Stage 1, probation periods are not envisaged as the combination of the various SICR rules implemented already permits an adequate level of prudence in the case of a return to Stage 1.
The only exception to this concerns the application of the regulations on "forborne exposures", for which the Group expects that the official rating valid on the day the forborne attribute is activated may not be changed before twelve months have elapsed.

Risks and uncertainties inherent in the current macroeconomic environment - Management Overlays applied in the assessment of credit risk

The general and sectoral macroeconomic scenario is still subject to considerable uncertainty caused by the geopolitical tensions that have spread to the Middle East following the outbreak of the Russia-Ukraine conflict and the international sanctions that followed; there is also a growing international awareness of climate risk and the measures being taken to address it.
Said elevated uncertainty prompts the BPER Group to continuously control and monitor, in particular, credit risk and the related balance sheet assessments.

154 The "multi-scenario" lifetime PD delta is calculated as the weighted average of the stand-alone lifetime PD deltas calculated under different types of scenario and using as weights the probabilities of occurrence assigned to each scenario (favourable, baseline and adverse).

In this regard, there continue to be methods of intervention on the credit risk measurement and forecasting systems, which are updated on the basis of the prevailing context to avoid being excessively pro-cyclical in the definition of collective provisions, as indicated by the Regulators (among others, especially ESMA and the ECB).
An explanation is provided below of the method of application of the Management Overlays as "correction factors" applied to the ECL, already introduced in the previous paragraph "Uncertainties in the use of estimates", including:

- the "expert" attribution of the probability of occurrence of the macroeconomic scenarios considered by the model (so-called "multi-scenario") of ECL, in particular by intervening on the choice of the adverse scenario considered (so-called "extreme adverse" scenario as the most pessimistic macroeconomic scenario, formulated by the provider used by BPER Banca and customised by the Parent Company according to the guidelines of its Market Study and Research and Innovation office), and increasing the relative probability of occurrence to 50%. The probability of occurrence of the "baseline" scenario was also set at 50% , leading to the absence of impact of the remaining "best" scenario - probability of occurrence equal to 0%;
- the application of a prudential correction factor to the ECL, downstream of the model's results, which pays special attention to the "high-risk" economic sectors, in order to take account of the probability of the customer encountering financial difficulties, also considering fears of negative effects on the economy stemming from the potential exacerbation of energy costs and raw materials due to the outbreak of crisis in the Middle East, as well as the ongoing conflict between Russia and Ukraine. Similarly, the adjusting provisions of direct exposures to banks resident in Russia were booked to the same overlay. Following the introduction of the new framework for the identification and the management of vulnerable sectors which acts on the performing loan portfolio for the Large Corporate and SMEs segments, Long-term Property SMEs, Retail SMEs and Small Market Players segments, this correction factor was removed from the performing component (Stage 1 and 2) of these customer segments, but was maintained for the non-performing component (Stage 3).

B. Purchased or Originated Credit Impaired (POCI) financial assets

If a credit exposure (including those acquired through business combinations) classified at the time of initial recognition in the balance sheet item "Financial assets measured at fair value through other comprehensive income" or in item "Financial assets measured at amortised cost" becomes impaired, it is identified as "Purchased or Originated Credit Impaired - POCI".
By convention, POCI financial assets are classified in Stage 3 on initial recognition.
Should these assets become performing, following an improvement in the creditworthiness of the counterparty, they are reclassified to Stage 2.
They can never be classified in Stage 1, as the expected credit loss must always be calculated over the residual duration.
In addition to what was said above, the BPER Banca Group identifies as POCI financial assets any credit exposures originating from the restructuring of impaired exposures that resulted in the granting of significant new funds.

C. Intangible assets with an indefinite useful life

As regards testing goodwill for impairment, when preparing the financial report, the Group carries out specific impairment tests on an annual basis as required by the accounting standards, normally at 31 December of each year, unless there have been changes or there are completely new situations that are likely to have had a material impact on the carrying amounts of assets and on the assumptions used the previous time the assets were measured (particularly the assumptions used to calculate the discount rate (Ke) and profit forecast (budget and business plans) of the Companies or CGUs whose goodwill is to be tested, i.e. subsidiaries and associates).
Para. 9 of IAS 36 requires an assessment to be made on each accounting reference date about whether or not an asset may be impaired; in addition, paras. 12 to 14 of IAS 36 describe certain situations that might be evidence of impairment.
In the case of goodwill, the cash generating unit (CGU) to which it has been allocated is tested for impairment. Any reduction in the value of goodwill is based on the difference between the recoverable amount of the CGU and its carrying amount if the latter is higher, up to the amount of goodwill on the books. The recoverable amount is the higher of the cash-generating unit's fair value, net of any selling costs, or its related value in use. The difference between the book value and the value in use is recognised in the income statement as "Net adjustments to intangible assets".

D. Equity investments

The Bank's equity investments are also subjected to impairment testing. In particular, the impairment test is carried out on an annual basis as required by the accounting standards, normally as at 31 December each year, unless there are changes or situations of discontinuity of particular importance with respect to the values and assumptions taken as a point of reference in the previous test; if specific impairment triggers are identified, the recoverable amount shall be determined, represented by the higher of the asset's fair value less costs of disposal and its value in use. These valuations are conducted in accordance with best market valuation practices (such as mainly income/financial valuation methods and, only residually, equity methods).

E. Property, plant, equipment and intangible assets with a finite useful life

Property, plant, equipment and intangible assets with a finite useful life, with the exception of properties held for investment purposes, are subjected to impairment testing if there is evidence that their carrying amounts may no longer be recoverable. The recoverable amount is determined with reference to the fair value of the property, plant and equipment or intangible asset, less costs of disposal, or to its value in use if this can be determined and exceeds fair value.

With regard to property, plant and equipment consisting in Property used in operations (IAS 16), paragraph 5 of IAS 36[155] applied by the BPER Banca Group leads to the conclusion that the only difference between an asset's fair value and its fair value less costs of disposal is the direct incremental costs attributable to the disposal of the asset. Two options are therefore possible:

- If the disposal costs are negligible, the recoverable amount of the revalued asset is necessarily close to its revalued amount. In this case, after the revaluation requirements have been applied, it is unlikely that the revalued asset is impaired;
- If the disposal costs are not negligible, the fair value less costs of disposal of the revalued asset is necessarily less than its fair value. Therefore, the revalued asset will be impaired.

If there is an indication that the remaining useful life of property may need to be significantly reviewed, this may be also be relevant for the recognition of an impairment.
In relation to the methods for determining the fair value, please refer to the following paragraph "Information on fair value".

As with property owned by the Bank, the right-of-use assets recognised in relation to leased buildings used in operations (IFRS 16) are also subjected to periodic impairment tests that consider their expected use (decisions to close branches and related contract amendments already carried out) and suitable market indications regarding the costs to be incurred in order to rent them out.

24. Business combinations: purchase price allocation

Introduction

The following description covers the general process required by IFRS 3 for the recognition of business combinations, being transactions or other events in which a company acquires control over one or more business activities and expects to consolidate the assets, liabilities and contingent liabilities acquired at their respective fair values, including any identifiable intangible assets not already recorded in the financial statements of the acquired business.
According to IFRS 3[156], a specific analysis to identify the characteristics of "Company's Business", has to be carried out with respect to the acquired entity, in order to identify a business combination to be accounted for according to the Acquisition Method.
The BPER Banca Group then proceeds with a qualitative analysis of the characteristics of the assets acquired in order to verify the simultaneous presence of i. Factors of production, ii. Processes, iii. Production as defined in IFRS 3, in particular with respect to the concept of Substantive Process.
Subsequently, on the basis of the Acquisition Method and on the date of acquisition of control, the Group allocates the price of the combination (Purchase Price Allocation - PPA) by recognising the assets acquired, liabilities assumed (including contingent liabilities) and minority interests to the related fair value, in addition to identifying the implicit intangible assets previously not accounted for in the accounts of the acquiree. Any differences that emerge between the price paid for the acquisition (also measured at fair value and considering any "potential consideration") and the fair value (net of tax effect) of the assets and liabilities acquired are, if positive, recognised as goodwill in the balance sheet and, if negative, credited to the income statement as badwill (or "gain on a bargain purchase").
IFRS 3 allows for the final allocation of the cost of the business combination to be made within twelve months of the acquisition date.

Fair value of purchased assets and liabilities

When accounting for a business combination, the Bank determines the fair value of the assets, liabilities and contingent liabilities purchased. Such amount is only identified separately if, at the acquisition date, the following criteria are met:

- in the case of assets other than intangible assets, it is likely that the purchaser will obtain any future economic benefits;
- in the case of liabilities other than contingent liabilities, it is likely that their settlement will require the use of resources capable of producing economic benefits;
- in the case of an intangible asset (IAS 38) or a contingent liability (IAS 37), the related fair value can be measured in a reliable manner.

Financial assets and liabilities must be measured at their fair value on the date of the business combination, even if they are measured using other criteria in the financial statements of the acquired company. The fair value of financial instruments not listed in active markets is determined in the manner described in chapter "Information on fair value", applying the internal measurement model that is most appropriate for the instrument concerned.

155 Pursuant to para. 5 of IAS 36, impairment tests apply to assets that are carried at revalued amount in accordance with other IFRSs, such as the revaluation model in IAS 16 (i.e. fair value at the date of the revaluation less any subsequent accumulated depreciation).

156 The amendments made to IFRS 3 with Commission Regulation (EU) 2020/551 have modified para. 3 and introduced paras. B7 - B12D, substantially revising the definition of "business" for the purpose of identifying transactions that can be classified as "business combinations".

Identification of intangible assets

Depending on the characteristics of the business acquired, an analysis is performed to identify any unrecorded assets that should be recognised separately, for example customer-related intangibles or client relationship, and marketing-related intangibles (brand name).
Customer-related intangible assets: these are recognised as intangible assets when they are separable and can be measured reliably, even though they may not always derive from contractual rights such as marketing-related intangibles.
This category includes:

- client lists: these comprise all the information held about clients (database containing: names, addresses, transaction history, demographic information etc.) that has a recognised market value, on condition that it can be rented or exchanged; such information cannot be treated as an intangible asset if it is considered so confidential that the combination agreement forbids its sale, rental or exchange in other forms;
- contracts with clients and the client relationships established as a consequence: contracts with clients satisfy the contractual/legal requirement for the recognition of an intangible asset, even if the combination contract forbids their sale or transfer separately from the business acquired; this category also includes long-established contacts with clients, even if there is no formal contract, and all other non-contractual relationships that can be separated and measured on their own;
- non-contractual relations with clients: this category includes all intangible assets that, being separable and transferable independently of the business acquired, may be valued individually and recognised as intangibles.

Marketing-related intangible assets: trademarks, commercial names, service brands, collective names and quality marks that derive from contractual rights or which are usually separable. Such assets reflect the collection of productive conditions that are economically correlated with the commercial name, the relationship with the market, and the reach of distribution.
An intangible asset must be measured initially at cost. If acquired as part of a business combination, its cost is its fair value at the time control is obtained.
Fair value, in this context, reflects market expectations about the likelihood that the owner will obtain the future economic benefits deriving from the asset. The entity must assess the probability of obtaining future economic benefits using reasonable and justifiable assumptions that reflect Management's best estimate of the economic conditions that will apply over the useful life of the asset.
The accounting standards do not specify the methodology to be used to measure the fair value of such assets but, among the possible alternatives, preference is given to those making reference to observable market prices. Failing this, the accounting standards allow the use of valuation models that include assumptions which are generally used and recognised by the market.
The fair value of customer-related intangible assets is determined by discounting the profit flows generated by deposits over the expected residual period of the relationships outstanding at the time of acquisition.
In general, brands are valued using market methods as well as methods based on the flows deriving from their management or a royalty recognised by the market.

Determination of Goodwill (Gain on a bargain purchase or "Badwill")

Goodwill represents the unallocated amount of purchase cost, being the excess of the cost of the business combination over the net fair value of the identifiable assets, liabilities and contingent liabilities acquired (including those intangibles and contingent liabilities that satisfy the requirements for recognition in the financial statements).
This represents the consideration recognised by the purchaser in exchange for the future economic benefits deriving from assets that cannot be identified individually and recognised separately. In substance, this includes the value of the expected synergies, the corporate image of the company acquired, its know how, its professionalism, its procedures and other non-specific factors.
The goodwill acquired as a result of a business combination is not amortised. The BPER Banca Group verifies each year, or at the end of the period in which a business combination was carried out and whenever there is evidence of possible impairment, that the recorded value of goodwill has not been impaired (impairment test).
If the residual amount allocated to the purchase value is negative, it is recognised as a benefit in the income statement under item *"Gain on a bargain purchase"*.

Business combinations among entities under common control

A business combination involving entities or businesses under common control ("Business combination under common control") is a business combination in which all of the entities or businesses are ultimately controlled by the same party or parties both before and after the combination and such control is not transitory[157].
This type of transaction[158] is excluded from the scope of IFRS 3[159].

157 IFRS 3 § B1:
158 Except for own mergers.
159 IFRS 3 § 2(c).

In the event that such transactions occur, the BPER Banca Group defines their accounting treatment in accordance with Assirevi preliminary guidelines on IFRS (OPI) No. 1 "Accounting treatment of "business combinations under common control" in the separate and consolidated financial statements and No. 2 "Accounting treatment of mergers in the separate financial statements".
With particular reference to transactions that do not have economic substance (or that do not have a significant influence on the future cash flows of the net assets transferred), the BPER Banca Group applies the "Principle of continuity of values", which results in the recognition in the statement of financial position of values equal to those that would have resulted if the combined companies had always been combined[160].

160 The net assets of the entity acquired and of the acquiring entity are recorded at the book values that they had in their respective accounts before the transaction. Subsequent accounting entries continue by carrying forward the values used for the previous entry. The income statement is the sum of the income statements of the two integrated entities at the date of the transaction. Adjustments are made to standardise the application of accounting policies and to eliminate intercompany items.

A.3 – INFORMATION ON TRANSFERS OF FINANCIAL ASSETS BETWEEN PORTFOLIOS

No financial assets were reclassified during the year.

A.4 – INFORMATION ON FAIR VALUE

Qualitative Information

Techniques for the determination of fair value

Paragraph 9 of IFRS 13 defines fair value 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".
When determining whether the fair value at initial recognition equals the transaction price, it is necessary to take into account factors specific to the transaction and to the asset and liability. It follows that, if the transaction price (consideration) differs from fair value, the difference should be recognised in the income statement.
It is also established that fair value excludes transaction costs.
In addition to the measurement of stand-alone financial instruments at fair value, the Group may also measure groups of similar assets and liabilities at fair value, where it is permitted to do so.
Measurement at fair value assumes that the transaction to sell an asset or transfer a liability takes place in a principal market, defined as the market with the greatest volume and level of trading for the asset or liability to be measured. In the absence of a principal market, reference should be made to the most advantageous market, which is the market that maximises the amount that would be received to sell an asset or minimises the amount that would be paid to transfer a liability, after taking into account transaction costs.

Identification of active markets

The process for measurement of fair value starts with determining whether there is an active market with regularly available quoted prices.
In order to consider a market as active, the Group takes account of the following factors:

- number of participants;
- frequency of price quotation or price update;
- the presence and size of a bid-ask spread;
- trading volume.

Whether a financial instrument qualifies as traded on an active market can only be determined through extensive research of all the existing markets in order to identify the principal or most advantageous market, taking into account "all information that is reasonably available" (IFRS 13 § 17). This needs to be done for each financial instrument for which the fair value has to be determined.
To determine whether, based on the information that is available, a market can be considered to be active, the Group assesses the importance and relevance of factors that include the following:

- low level of recent trading activity;
- available prices are not current;
- available prices vary significantly over time or between market-makers;
- it can be demonstrated that indices that previously had a close correlation with the fair value of an asset or a liability no longer have this correlation based on recent indications of fair value of that asset or liability;
- the presence of a significant increase in the embedded risk premiums (or default rates) of the transactions being considered or in quoted prices;
- the presence of a wide bid-ask spread or of a significant increase in it;
- a significant decline in the level of trading activity;
- a lack of publicly available information.

If compliance with the necessary requirements is verified periodically, a financial instrument can be considered to be traded on one or more active markets. Within the possible markets, a search is undertaken to identify the principal market or, in the absence of a principal market, the most advantageous market.

Fair value is determined with reference to:
- the closing bid price for assets held or liabilities to be issued;
- the closing ask price for liabilities already issued or assets to be purchased.

Closing bid and ask prices are the bid and ask prices referred to by the entity that regulates the market on which an instrument is traded.
In the absence of reference bid and ask prices, the last price set by the entity which regulates the market could be taken, provided that this price has the following features: advertising, liquidity, prompt adaptation to changing conditions and availability as envisaged by the standards.
For assets and liabilities with offsetting positions in market risks, the average of the bid and ask price can be used, provided that this is commonly used by market participants and is consistent with the objective of measuring fair value in accordance with IFRS 13.
In the case of open-ended mutual funds, the BPER Banca Group considers the Net Asset Value (NAV) as the best expression of the fair value of the instrument. No adjustments are made to the NAV to take into account the interval between the date redemption is requested and the actual redemption date (considered insignificant).
In the case of listed closed-end funds, the fair value is derived from the market quotation.
With regard to foreign shares, if these are listed on regulated stock exchanges, then they are considered to be traded in an active market. The price provided for this type of share, if the bid-ask spread is not available, is the last price. On the contrary, equity trading in OTC markets is not considered to take place in an active market.
Listed derivatives are measured using the last prices supplied by the clearing house.
Financial instruments listed on non-active markets are considered as "unlisted" instruments.
With regard to bonds not listed on regulated markets, in view of the role played by the Bank in the institutional market for financial instruments, the Bloomberg Professional system has been identified as an active market for front office operations, if the prices recorded therein have the appropriate features mentioned above.

Identification of the fair value of financial instruments not listed on active markets

If the market for a financial instrument does not meet the conditions required to qualify as an active market, the fair value of the instrument is determined through the use of valuation techniques.
Valuation techniques indicated by international accounting standards are:
- market approach: this uses prices and other relevant information generated by market transactions involving comparable assets;
- cost approach: this reflects the amount that would be required currently to replace the service capacity of an asset ("current replacement cost");
- income approach: this converts future cash flows or income and expenses to a single current amount.

For BPER Banca Group purposes, the following valuation techniques are valid:
- market approach for identical or comparable assets and liabilities;
- use of matrix pricing;
- present value techniques;
- option pricing models;
- the multi-period excess earnings method.

These techniques may be used if:
- they maximise the use of market data, while minimising the use of Group estimates and assumptions;
- they reasonably reflect how the market expects the price to be determined;
- the fair value measurement is determined on the basis of the value indicated by current market expectations and the risk and yield of the instrument being valued;
- they reflect the assumptions that market participants would use when pricing an asset or liability;
- they are consistent with commonly accepted methodologies;
- they are periodically subjected to verification and calibration to verify their capability to determine a fair value in line with actual trading prices for the instrument being valued.

In summary, the BPER Banca Group's preference is to adopt a market approach for the determination of fair value, even if an active market does not exist. Only in the event that it is not possible to apply the above valuation techniques, quantitative valuation methods may be used.
It is apparent that regulations governing valuation techniques do not authorise a neutral and objective use of quantitative methods. However, their use should be understood to be the development by the Group of an internal process that matches the fair value measurement with a price at which an instrument could be exchanged in a market transaction at current conditions.

As part of this process, it would thus appear necessary to give priority to the use of recent transaction prices (prices on non-active markets, prices provided by third-party participants), or the prices of similar instruments. In this context, quantitative methods can provide a benchmark to supplement, or correct, any differences between the instrument being valued and that observed in the market, or to reflect the impact of changes in the economic environment on market transactions.
Valuation techniques used to measure fair value are applied consistently. A change in a valuation technique or its application is appropriate if the change results in a measurement that is equally or more representative of fair value in the circumstances. That might be the case if any of the following events take place:

- new markets develop;
- new information becomes available;
- information previously used is no longer available;
- valuation techniques improve;
- market conditions change.

A.4.1 Fair value Levels 2 and 3: valuation techniques and inputs used

Valuation techniques

Specific techniques are applied in relation to particular types of financial instrument, in order to correctly identify their characteristics.

Equity instruments

For all unlisted shares, the valuation methodologies set out above apply. Failing this, they are measured at cost.
For unlisted shares, other than equity investments, the methods used the most for fair value measurement fall into the following categories:

- discounted cash flow;
- the use of multiples.

These methods require the availability of a significant amount of data to estimate future cash flows generated by a company or to identify the correct market multiples. They use uncertain estimates of various parameters (cash flows, dividends, beta, risk premium, cost of capital, asset values, etc.), the measurement of which is subjective and which do not always reflect market conditions. This leads to a valuation of a distribution of theoretical fair values. Where it is not possible to reliably determine the fair value with the above methods, securities and instruments are measured at cost.
As an alternative to the valuation techniques above, the value of the share may be based on book value, computed as the ratio between equity and the number of issued ordinary shares.

Plain vanilla debt securities

With regard to plain vanilla debt securities, the valuation technique applied is discounted cash flow analysis. There are three steps:

- mapping of cash flows: recognition of the cash flows expected from the instrument and their distribution of the duration of the contract;
- selection of the discounting curve, having regard for the risk factors affecting the cash flows;
- calculation of the present value of the instrument at the measurement date.

Having identified the cash flows, the appropriate discounting curve is calculated using the discount rate adjustment approach, which takes account of both rate risk and credit/liquidity risk. This information is used to calculate the instrument's fair value, as the sum of the present values of its cash flows.

Structured debt securities

With regard to certificates issued by the Company, in the absence of observable prices in active markets, measurement is performed using valuation techniques based on a discounted cash flow model, capable of considering all factors deemed relevant by market participants in determining the price of a hypothetical transaction.
In particular, to determine its creditworthiness, the BPER Banca Group uses market prices, if available, or the spreads implicit in comparable issuances in active markets (Euro TLX).
The derivative components embedded in the instruments are valued using the most widely accepted derivative valuation techniques on the market, as described below.

Closed-end funds

In order to take into account some specific features of unlisted closed-end real estate funds, such as the underlying's lack of liquidity, the absence of a liquid market and the specificity of the underlying, the most up-to-date NAV available may be corrected by a Price Adjustment (a.k.a. Price Adjustment) that takes account of the different components (expected and unexpected losses) that are relevant for determining the future cash flows arising from the disposal of the underlying assets.

Private equity funds

The primary benchmark for the valuation of closed-end private equity funds is the NAV, which is periodically updated by the asset management company in accordance with the guidelines established by the Bank of Italy for the preparation of management reports. The NAV is corrected by a difference (a.k.a. Price Adjustment), calibrated according to the individual assets of each fund, which incorporates both the stock market volatility of their returns in the relevant sectors and size clusters, as well as their risk premium (Sharpe ratio).

Funds that specialise in managing NPLs

In order to consider certain characteristics of unlisted closed-end funds that invest in non-performing loans (NPLs), such as the fair value measurement of their underlying assets and the absence of a liquid market, the most recent available NAV is adjusted by a margin (a.k.a. Price Adjustment) if the fund's expected future return is unprofitable compared to an estimated benchmark, taking into account the market rate scenario, the uncertainty regarding the recovery of the underlying exposures, and the corresponding risk premium (Sharpe ratio).

Asset-Backed Securities (ABS)

The primary basis for valuing the asset-backed securities (ABS) in the portfolio is their fair value, determined using methodologies that reflect the characteristics of the expected cash flows arising from the underlying assets and the specific operating rules of the securitisation structures. With the aim of maximising the use of market information, the Group has defined valuation methods according to the following hierarchy:

- "qualified" contributions (contribution approach);
- method based on market information (comparable approach);
- internal measurement model (waterfall).

With particular reference to the internal model approach, the valuation is carried out by means of a Monte Carlo simulation of the cash flows generated by the securitised assets and their allocation to the various tranches issued, in accordance with the contractually defined payment priorities and any trigger mechanisms in place. The fair value of the individual tranches is therefore determined as the average of the discounted cash flows resulting from the various simulated scenarios, ensuring consistency with the risk profile and subordination of the instruments. Furthermore, should the estimated fair value of the higher-risk tranches, such as the mezzanine and junior tranches, exceed the nominal (par) value, 'expert' intervention may be required to verify and, where necessary, adjust such gains.

Derivative instruments

The fair value of derivatives is determined using quantitative models that differ depending on the type of instrument concerned. In particular, a distinction is made between:

- Over-The-Counter (OTC) options represented by either stand-alone options or options embedded in complex financial instruments. Pricing techniques include:
  - options with pay-off that can be calculated precisely, priced using models generally accepted by the market (e.g. Black & Scholes and variants);
  - options with pay-off that cannot be calculated precisely, usually priced using simulation techniques (typically "Montecarlo" simulations);
- Interest Rate Swaps (IRS): the fair value of IRS is determined using net discounted cash flow analysis. In the case of a structured IRS, the instrument is decomposed into a plain component and an optional component ("building blocks"), so that their separate values can be determined and summed;
- Forward Outright contracts: the fair value measurement of FX Forward Outright contracts is given by the amount to be traded forward times the strike price, adjusted for the current difference between the spot exchange rate and the forward exchange rate.
- Credit default swaps (CDS): for the fair value measurement of CDS, the Standard ISDA model (v1) developed by Markit Group Ltd. is used
- Commodity Swap: the "net discounted cash flow analysis" technique is used for fair value measurement, applied to both fixed price flows (strike) and variable price flows;
- FX Swap: the "net discounted cash flow analysis" technique is used for FX Swap measurement, applied to the spot leg and the forward leg.
- Equity Swap: the "net discounted cash flow analysis" technique is used for fair value measurement, applied to the leg referring to the underlying stock and the fixed rate leg.

Tax credits classified in the trading portfolio

Depending on the features of the assets in question, the fair value at initial recognition - which represents the total price paid to acquire the tax credit (including any additional charges) - incorporates the time value of money and the ability to use it within the relevant maturity period, thus incorporating elements of uncertainty related to the absence of an active market. At subsequent measurement dates, fair value is determined by discounting the future cash flows, as specified in the forward sale agreements entered into by the Group (dates and forward sale prices set), at current market risk-free rates, increased by the same risk/commercial spread determined at initial recognition (which is not expected to change significantly over time), so that only the change in the risk-free component that has occurred since the purchase date is recognised.

Forward currency transactions

These transactions are measured with reference to the forward rates at period end for maturities corresponding to those of the contracts to be priced.

Balance sheet items measured at amortised cost

For financial instruments measured at amortised cost, the fair value is determined for the sole purpose of providing appropriate information in the Financial Report.
The fair value of loans with a contractual duration of less than twelve months is estimated to be their book value; the fair value of other loans is obtained by discounting the contract cash flows, net of the expected losses determined with reference to the credit rating of the borrower, using the corresponding rate curve for their maturities.

Credit Valuation Adjustment (CVA) and Debit Valuation Adjustment (DVA)

Current regulations state that the pricing of a derivative, in addition to being based on market factors, should also reflect the Credit risk of the counterparty determined by a Credit Valuation Adjustment (CVA) and a Debit Valuation Adjustment (DVA).
To assess the credit risk of the counterparty, the BPER Banca Group adopts the following methodology.
The term Credit Valuation Adjustment (CVA) refers to an adjustment in order to properly reflect the credit risk of the derivative counterparty made on the valuation of an OTC derivative (on positions with a positive fair value) transaction entered into by the Group with an external counterparty and may be considered to be the market value of a potential loss amount derived from changes in market prices, due to a worsening of the credit or default risk of the counterparty.
Conversely, the term Debit Valuation Adjustment (DVA) refers to an adjustment in order to properly reflect the Bank's own default risk made on the valuation of an OTC derivative (on positions with a negative fair value) entered into by the Group with an external counterparty, i.e. the market value of a potential gain derived from changes in market prices, due to a worsening of the BPER Banca Group's credit or default risk.
For the quantification of a CVA and a DVA, under certain conditions, IFRS 13 refers to a calculation that must be made by netting set or by counterparty and, thus, based on net exposure and not at individual contract level. In addition, it is necessary to consider whether any collateral has been provided or if there are any netting agreements.
BPER Banca Group currently makes use of bilateral agreements for the netting of derivative contracts, in accordance with which the reciprocal mark to market receivable and payable positions are offset automatically on a daily basis, leading to a single net balance, without any novation: this results in margin settlement being made solely by the net creditor. The foregoing has led to a considerable reduction in exposure to credit risk and, consequently, the impact of CVAs and DVAs on fair value.
In particular, for the BPER Banca Group, there are two factors that mitigate the impact of creditworthiness on fair value:

- the signing of ISDA (International Swap and Derivatives Association, the international standard of reference on OTC derivatives) agreements with major corporate counterparties and all institutional counterparties in OTC derivatives. Credit Support Annexes(CSA) were also concluded with institutional counterparties to regulate the pledging of collateral and further reduce the current exposure and resulting risk;
- the entry into force of the new platform on EMIR (European Market Infrastructure Regulation), with reference to the exclusion of derivatives stipulated on this platform/market from the scope of the CVA/DVA. On the basis of the assessments made, it is presumable that a large part of derivative transactions will be included in the new system as they are mainly composed of derivatives eligible for the purposes of the regulation.

IFRS 13 does not indicate a specific methodology for the calculation of CVAs and DVAs, but it requires the use of valuation techniques that, on the one hand, must be appropriate for the data available and, on the other hand, maximise the use of observable market data.
With reference to the above, in order to align with the best market practice, the Group decided to make use of use the bilateral CVA approach that considers the presence of two components to the calculation, with the aim of including the potential loss/gain arising from changes in the credit risk of the counterparty/Bank, but taking into account the joint probability of default by counterparties.

Market parameters

The following types of yield curve are used:
- "par swap" curves;
- bond curves derived from baskets of bonds;
- corporate curves by issuer, rating, and sector.

The following are derived from the "par swap" curves:
- zero coupon curves;
- forward rate curves;
- discount factor curves.

The zero coupon rate curves are obtained using the bootstrapping technique. These are used to extrapolate the discount factors used to determine the present value of the cash flows generated by the financial instruments to be priced. The forward rates are implicit in the zero coupon curve are determined with reference to the non-arbitrage theory.
The issuer curves are obtained by adding to the par swap rates the spreads that reflect the credit rating of the instrument's issuer. These are used to price unlisted bonds.
The credit rating curve of the BPER Banca Group is obtained by creating a basket of own issues and bank issuers that have similar characteristics and ratings. This is used to price all issued bonds.
The prices thus obtained are applied daily to organised systems of trading for the bonds issued by the Group Banks (HI-MTF) that are reflected in the fair value valuation in the financial statements.

Volatility and other parameters

Volatilities and correlations are used principally to price unlisted derivatives. The volatilities are classified as follows:
- historical volatilities, estimated as the standard deviation of a time series of daily observations of the logarithm of the yields of the underlying concerned;
- contributed volatilities, obtained from information providers;
- implicit volatilities, obtained from the market prices of listed options.

With regard to the correlations, multi-variant derivatives are priced using historical correlations.

Methods and frequency of identifying the fair value of own properties

For the purpose of determining the fair value of its properties, the BPER Banca Group uses an independent external firm of expert appraisers.
The mandate given to this firm envisages the possible methods of estimating fair values, depending on the characteristics, intended use and potential of each property, with the most relevant ones including[161]:
- comparative method: the value of the property derives from a comparison with current market prices for comparable properties through an adjustment process that appreciates the peculiarities of the property being valued with respect to the characteristics of the comparable properties. Specifically, unit market values and lease payments are determined on the basis of surveys of the reference real estate market for each individual asset, using the "Asking Prices" and "Asking Rents" found for similar assets at the date of the estimate, appropriately adjusted to reflect the characteristics of the assets being measured. Data from past transactions was not used as the information available is limited and does not reflect the most recent macroeconomic/financial conditions.
- Discounted Cash Flow (DCF) method: the value of the property derives from discounting the cash flows expected from the lease agreements and/or from the proceeds of sales, net of costs pertaining to the property; the procedure applied to determine the discount rates and capitalisation (or return) rates used in the DCF model was the "BuildUp Approach" was applied, according to which spreads commensurate with the investment risk related to each individual asset are added to the "risk-free" financial yields (10-year BTPs and 10-year EURIRS) found at the date of the estimate. Additional risk-outs were also prudently considered for the rates of return. The rates of return thus obtained were also compared, where available, with data obtained from the real estate market of reference;
- transformation method: transformation value means the market value of the asset in the hypothesis of its transformation according to the use envisaged by the urban planning instruments. The transformation value is obtained by determining the final market value of the property after the transformation, after deducting the costs to be incurred to carry out the transformation, taking into account the element of risk related to the uncertainty of the timing of the intervention and the future trend of the property market.

161 The specific characteristics of some assets could require different valuation methodologies from those indicated, whose application is shared by the specialised company with the competent functions of BPER Banca, once the consistency with the need to determine a fair value has been evaluated.

Real estate valuations also take due account of "climate risk", understood as the physical risk and transition risk to which the properties themselves are exposed, considering that: i. the parameters used for the valuations vary according to the geographical area in which the properties are located and the degree of exposure to extreme climatic events; ii. the valuations specifically implement certain certifications (e.g. "well", "lead" or "breem") on the individual property, while the Energy Performance Certificates - APE (Attestazioni di Prestazione Energetica) are already summarised in the valuation parameters used.

With regard to the frequency of evaluation updates, for properties held for investment purposes, for properties used in operations and for property inventories the Group requests a "desktop" valuation every year from a firm of expert appraisers, according to which the fair value is determined on the basis of the average value of comparable properties, without requiring an on-site inspection. Only for properties (individual buildings) with a value greater than the materiality threshold internally defined or in the event of a significant difference in value compared with the previous year, the Group periodically requests from a firm of expert appraisers a "full" valuation from the appraisal firm, according to which the fair value is determined on the basis of all information relating to the property, also acquired through an on-site inspection.
A "full" valuation is also provided for in the event of unexpected and non-recurring events affecting specific properties, which could impact their value.
For properties used in operations, the Group provides for an annual updating of the valuations in "desktop" mode. On the other hand, a "full" valuation is carried out only for properties that show a significant difference between their carrying amount at the measurement date and the "desktop" fair value estimate.
For the purposes of determining the fair value and useful life, the external appraiser takes into account any extraordinary maintenance costs (e.g. costs incurred for the expansion, modernisation or improvement of the structural elements of the property).

A.4.2 Measurement process and sensitivity

Financial assets and liabilities measured at fair value and classified in Level 3 of the fair value hierarchy mainly consist of:

- minority equity investments (unlisted equity instruments), often held in order to preserve local roots, or for the development of commercial relationships (measured at fair value mainly on the basis of equity methods);
- investments in Asset-Backed Securities (ABS) classified as "Financial assets measured at fair value through profit or loss - other financial assets mandatorily measured at fair value"[162];
- investments in closed-end real estate investment funds, classified as "Financial assets measured at fair value through profit or loss - other financial assets mandatorily measured at fair value" and acquired in exchange for real estate sales;
- investments in closed-end alternative investment funds, classified as "Financial assets measured at fair value through profit or loss - other financial assets mandatorily measured at fair value" and acquired in exchange for sales of UTP loan portfolios.

IFRS 13 requires that an analysis of the sensitivity of the fair value measurement to changes in unobservable inputs be provided for assets measured at fair value on a recurring basis and classified in Level 3 of the fair value hierarchy. The following analysis is provided for ABS instruments, Real Estate Funds and Non-Performing Loans Funds measured at fair value:

Financial asset/liability	Non-observable parameter	Change in parameter	Sensitivity (in thousands)	Change in parameter	Sensitivity (in thousands)
Investments in Asset Backed Securities	Risk Premium*	+10 bps	(872)	-10 bps	874
Investments in Real Estate Funds	Fund-specific risk premium**	+50 bps	(533)	-50 bps	524
Investments in Non-Performing Loan Funds	Fund-specific risk premium***	+50 bps	(2,151)	-50 bps	2,136
Investments in Private Equity Funds	Fund-specific risk premium****	+50 bps	(628)	-50 bps	628

(*) Investments in Asset-Backed Securities: the unobservable parameter used to construct the sensitivity is the risk premium by volatility point used for the risk-adjustment of risk parameters in securitisation transactions (Borsa Italiana risk premium).
(**) Investments in Real Estate Funds: the unobservable parameters used in the construction of the sensitivity are those underlying the specific risk premium of the fund considered in the construction of the NAV adjustment component.
(***) Investments in NPL Funds: the unobservable parameters used in the construction of the sensitivity are those underlying the specific risk premium of the fund considered in the construction of the NAV adjustment component.
(****) Investments in Private Equity Funds: the unobservable parameters used in the construction of the sensitivity are those underlying the specific risk premium of the fund considered in the construction of the NAV adjustment component.

162 For the sake of completeness, it should be noted that the portfolio contains ABS securities measured at amortised cost as they are part of the Hold To Collect (HTC) business model and with technical-financial characteristics such as to have passed the SPPI test required by IFRS 9. The fair value is also calculated for these instruments and provided for disclosure purposes only.

For the other instruments held in the portfolio (derivatives and equity instruments, in particular), no quantitative sensitivity analysis of the fair value was carried out with respect to the change in unobservable inputs, as either the fair value was drawn from third-party sources without making any adjustment, or it is the result of a model whose inputs are specific to the entity being valued (for example, the company's equity figures) and for which it is not reasonably conceivable to provide alternative amounts.

A.4.3 Fair value hierarchy

The BPER Banca Group classifies its financial assets and liabilities by decreasing levels of fair value quality on the basis of the following principles:

- Fair value level 1. Measurement is based on the price of the financial instrument concerned, being a quoted price in an active market.
- Fair value level 2. Measurement is not based on quoted prices in active markets for the financial instrument concerned, but on meaningful prices obtained from non-active markets or reliable info-providers, or on prices determined using an appropriate valuation technique largely based on observable market parameters, including credit spreads, derived from quotations of instruments that are substantially similar in terms of risk factors considered. The objective of the use of valuation techniques is to reaffirm the aim of obtaining a closing price at the valuation date from the point of view of a market participant that holds the financial instrument.
- Fair value level 3. Measurement is based on various inputs that include subjective parameters, that is, parameters whose value cannot be derived from quoted prices observable in active markets. Since the parameters are not observable directly in the market, it follows that the value is required to make estimates and assumptions.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorised within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.
The BPER Banca Group has set out:

- the analyses to be performed in the event of changes in valuation techniques used to measure fair value;
- the policy for determining when transfers between fair value hierarchy levels are deemed to have occurred and which is constantly adhered to.

As a general principle, to be allocated to Level 1 of the fair value hierarchy, if there is a quoted price in an active market for an asset or a liability, that price should be used without adjustment when measuring fair value. In fact, the fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs.
An allocation to Levels 2 and 3 depends on how the inputs used for the fair value measurement of an asset or liability are categorised within different levels of the fair value hierarchy: in those cases, the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.
Assessing the significance of a particular input to the entire measurement requires judgement, taking into account factors specific to the asset or liability.
The availability of relevant inputs and their relative subjectivity might affect the selection of appropriate valuation techniques.

A.4.4 Other information

IFRS 13 requires an entity to "disclose information that helps users of an entity's financial statements to assess the following:

- for assets and liabilities that are measured at fair value on a recurring or non-recurring basis in the statement of financial position after initial recognition, the valuation techniques and inputs used to develop those measurements;
- for recurring fair value measurements using significant unobservable inputs (Level 3), the effect of the measurements on profit or loss or other comprehensive income for the period."

The BPER Banca Group has a procedure in place to:

- identify transfers between levels;
- analyse and document the reasons for such transfers;
- monitor and control the reliability of the fair value of financial instruments.

In particular, for assets and liabilities measured at fair value on a recurring and non-recurring basis, adequate disclosure is made of the following aspects:

- the fair value measurement at the end of the reporting period, and for non-recurring fair value measurements, the reasons for the measurement;
- the level of the fair value hierarchy within which the fair value measurements are categorised in their entirety (Level 1, 2 or 3);
- for assets and liabilities categorised within Level 2 or 3, a description of the valuation techniques and inputs used and the reasons for any changes in valuation techniques used.

The BPER Banca Group provides, for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis, the amounts of any transfers between Level 1 and Level 2 of the fair value hierarchy, the reasons for those transfers and the policy for determining when transfers between levels are deemed to have occurred, while, for those categorised on a recurring basis within Level 3 of the fair value hierarchy, a reconciliation is provided from the opening balances to the closing balances.
Information is also provided on the policy for determining when transfers between fair value hierarchy levels are deemed to have occurred.
For assets or liabilities categorised within Level 3 of the fair value hierarchy, the following disclosures are provided:

- quantitative information about the significant unobservable inputs used in the fair value measurement;
- for recurring fair value measurements, the amount of the total gains or losses for the period included in profit or loss that is attributable to the change in unrealised gains or losses relating to those assets and liabilities held at the end of the reporting period, and the item(s) in profit or loss in which those unrealised gains or losses are recognised;
- a description of the valuation processes used for recurring and non-recurring fair value measurements;
- a narrative description of the sensitivity of the fair value measurement to changes in unobservable inputs if a change in those inputs to a different amount might result in a significantly higher or lower fair value measurement.

For financial assets and liabilities measured at amortised cost (not thus measured at fair value, but with fair value disclosure obligations) the following information is provided:

- the fair value hierarchy level;
- a description of the valuation techniques adopted for Levels 2 and 3, as well as the inputs used;
- if there has been any change in the valuation technique, a description of the change and the reason for it.

For own financial liabilities measured at fair value with credit enhancement (e.g. inseparable guarantees), information is provided on the existence of credit enhancement and the impact thereof on the determination of the fair value of the liability.
The application of the fair value option to loans and receivables and financial liabilities requires disclosure of the change in fair value attributable solely to changes in the credit risk associated with the instrument.
As mentioned, the risk factors are included in the discount curve using the discount rate adjustment approach.
This approach involves making separate and independent estimates of the various risk components (rate risk and credit risk), so that the partial fair value can be determined considering the changes in just one risk factor.
The following factors are considered in relation to credit risk:

- the risk-free market rate observed at the valuation date;
- the credit spread observed at the initial recording date or the previous valuation date;
- the credit spread observed at the valuation date.

The market fair value at the measurement date is compared with the fair value calculated using the credit risk observed at the initial recording date (or, alternatively, at the previous valuation date). This makes it possible to determine the changes in fair value due solely to changes in credit risk on a cumulative or periodic basis.

Quantitative information

A.4.5 Fair value hierarchy

A.4.5.1 Assets and liabilities measured at fair value on a recurring basis: breakdown by fair value levels

Assets/Liabilities measured at fair value	31.12.2025			31.12.2024		
	L1	L2	L3	L1	L2	L3
1. Financial assets measured at fair value through profit or loss	538,860	1,012,857	1,033,574	352,545	674,947	575,163
a) Financial assets held for trading	183,216	833,764	3,186	79,139	579,429	6,057
b) Financial assets designated at fair value	-	-	-	-	-	-
c) Other financial assets mandatorily measured at fair value	355,644	179,093	1,030,388	273,406	95,518	569,106
2. Financial assets measured at fair value through other comprehensive income	6,291,735	219,101	484,212	4,826,534	234,132	633,344
3. Hedging derivatives	-	779,557	-	-	649,437	-
4. Property, plant and equipment	-	-	2,186,941	-	-	1,719,720
5. Intangible assets	-	-	-	-	-	-
Total	**6,830,595**	**2,011,515**	**3,704,727**	**5,179,079**	**1,558,516**	**2,928,227**
1. Financial liabilities held for trading	4,555	308,381	3,751	94	219,866	4,334
2. Financial liabilities designated at fair value	-	3,467,869	-	-	2,712,050	-
3. Hedging derivatives	-	101,261	-	-	226,324	-
Total	**4,555**	**3,877,511**	**3,751**	**94**	**3,158,240**	**4,334**

Key: L1 = Level 1, L2 = Level 2, L3 = Level 3
Transfers of assets from Level 2 to Level 1 of the fair value hierarchy during the period amounted to Euro 103,387 thousand and those from Level 1 to Level 2 amounted to Euro 135,119 thousand.
The former were marked by an improvement in the market tradability of the instruments in terms of the volume, breadth and depth of the prices quoted and the number of contributors. The latter are due to a reduction in the number of contributors below the minimum threshold.

A.4.5.2 Annual changes in assets measured at fair value on a recurring basis (level 3)

	Financial assets measured at fair value through profit or loss				Financial assets measured at fair value through other comprehensive income	Hedging derivatives	Property, plant and equipment	Intangible assets
	Total	of which: a) financial assets held for trading	of which: b) financial assets designated at fair value	of which: c) other financial assets mandatorily measured at fair value				
1. Opening balance	**575,163**	**6,057**	**-**	**569,106**	**633,344**	**-**	**1,719,720**	**-**
2. Increases	**570,030**	**1,035**	**-**	**568,995**	**121,921**	**-**	**593,546**	**-**
2.1. Purchases	219,472	-	-	219,472	1,533	-	1,066	-
2.2. Gains recognised to:	23,746	4	-	23,742	23,893	-	52,006	-
2.2.1. Income Statement	23,746	4	-	23,742	-	-	24,851	-
- of which capital gains	22,192	4	-	22,188	-	-	2,896	-
2.2.2. Shareholders' equity	-	X	X	X	23,893	-	27,155	-
2.3. Transfers from other levels	-	-	-	-	-	-	10,669	-
2.4. Other increases	326,812	1,031	-	325,781	96,495	-	529,805	-
3. Decreases	**111,619**	**3,906**	**-**	**107,713**	**271,053**	**-**	**126,325**	**-**
3.1. Sales	1,908	1,086	-	822	4,631	-	6,898	-
3.2. Refunds	71,764	-	-	71,764	68	-	-	-
3.3. Losses recognised to:	37,944	2,820	-	35,124	18,740	-	44,424	-
3.3.1. Income Statement	37,944	2,820	-	35,124	-	-	27,999	-
- of which capital losses	35,190	2,819	-	32,371	-	-	1,959	-
3.3.2. Shareholders' equity	-	X	X	X	18,740	-	16,425	-
3.4. Transfers from other levels	-	-	-	-	-	-	49,149	-
3.5. Other decreases	3	-	-	3	247,614	-	25,854	-
4. Closing balance	**1,033,574**	**3,186**	**-**	**1,030,388**	**484,212**	**-**	**2,186,941**	**-**

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	**4,334**	**-**	**-**
2. Increases	**39**	**-**	**-**
2.1 Issues	-	-	-
2.2. Losses recognised to:	39	-	-
2.2.1. Income Statement	39	-	-
- of which capital losses	39	-	-
2.2.2. Shareholders' equity	X	-	-
2.3. Transfers from other levels	-	-	-
2.4. Other increases	-	-	-
3. Decreases	**622**	**-**	**-**
3.1. Refunds	-	-	-
3.2. Repurchases	-	-	-
3.3. Profits recognised to:	622	-	-
3.3.1. Income Statement	622	-	-
- of which capital gains	622	-	-
3.3.2. Shareholders' equity	X	-	-
3.4. Transfers from other levels	-	-	-
3.5. Other decreases	-	-	-
4. Closing balance	**3,751**	**-**	**-**

A.4.5.4 Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis: breakdown by fair value levels

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 measured at amortised cost	167,539,122	34,162,282	354,464	134,822,548	113,550,499	19,939,315	442,280	96,272,480
2. Property, plant and equipment held for investment	-	-	-	-	-	-	-	-
3. Non-current assets and disposal groups held for sale	345,782	-	-	52,509	41,020	-	-	35,245
Total	**167,884,904**	**34,162,282**	**354,464**	**134,875,057**	**113,591,519**	**19,939,315**	**442,280**	**96,307,725**
1. Financial liabilities measured at amortised cost	175,298,947	11,755,633	2,512,709	161,132,225	120,453,180	6,831,554	3,152,197	110,563,075
2. Liabilities associated with assets classified as held for sale	403,081	-	-	-	5,067	-	-	-
Total	**175,702,028**	**11,755,633**	**2,512,709**	**161,132,225**	**120,458,247**	**6,831,554**	**3,152,197**	**110,563,075**

Key: BV = Book value, L1 = Level 1, L2 = Level 2, L3 = Level 3

A.5 – INFORMATION ON "DAY ONE PROFIT/LOSS"

In the case of Level 3 transactions, the fair value according to the model may differ from the transaction price: in the case of a positive difference (day one profit), this is amortised over the residual life of the instrument; in case of a negative difference (day-one loss), it is charged to the Income Statement for prudential purposes.

There were no differences at 31 December 2025 between the value of transactions and their corresponding fair values.

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	1,010,452	824,913
b) Current accounts and on demand deposits with Central Banks	10,149,505	6,654,183
c) Current accounts and on demand deposits with banks	521,235	408,804
Total	**11,681,192**	**7,887,900**

The balance of the item as at 31 December 2025 includes, as envisaged in the 8th update of Bank of Italy Circular No. 262/2005, all on demand loans to banks and central banks in the technical forms of deposits and current accounts, having the nature of cash and cash equivalents pursuant to IAS 7, despite continuing to comply with the criteria for the recognition, measurement and derecognition of income statement items of the category "Assets at amortised cost".
The change in this item mainly reflects the expansion of the Group's scope following the acquisition of Banca Popolare di Sondrio and its subsidiaries.

Section 2 – Financial assets measured at fair value through profit or loss

Item 20

2.1 Financial assets held for trading: breakdown by product

Description/Amounts	Total 31.12.2025			Total 31.12.2024		
	L1	L2	L3	L1	L2	L3
A. On-balance sheet assets						
1. Debt securities	157,536	13,454	10	76,946	8,961	11
1.1 Structured securities	-	-	-	-	1,622	-
1.2 Other debt securities	157,536	13,454	10	76,946	7,339	11
2. Equity instruments	25,553	1,257	-	2,191	769	52
3. UCITS units	1	64,950	-	-	-	-
4. Loans	-	-	-	-	-	-
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	-	-	-	-
Total (A)	**183,090**	**79,661**	**10**	**79,137**	**9,730**	**63**
B. Derivative instruments						
1. Financial derivatives	126	754,103	3,176	2	569,699	5,994
1.1 trading	126	336,809	3,176	2	569,699	5,994
1.2 connected with the fair value option	-	417,294	-	-	-	-
1.3 other	-	-	-	-	-	-
2. Credit derivatives	-	-	-	-	-	-
2.1 trading	-	-	-	-	-	-
2.2 connected with the fair value option	-	-	-	-	-	-
2.3 other	-	-	-	-	-	-
Total (B)	**126**	**754,103**	**3,176**	**2**	**569,699**	**5,994**
Total (A+B)	**183,216**	**833,764**	**3,186**	**79,139**	**579,429**	**6,057**

An explanation of the fair value hierarchy used for classification has been given in Part A.4 of these Explanatory Notes.
Debt Securities shown in the table include instruments with flow variability clauses depending on whether or not the financed counterparty achieves certain ESG KPIs (known as "Sustainability-linked instruments"), for Euro 1.2 million; further details on the sustainability objectives pursued by the Group through such instruments are provided in Part 2 – 2025 Consolidated Sustainability Statement of the Directors' Report on Group Operations, to which reference is made.
The change in this item mainly reflects the expansion of the Group's scope following the acquisition of Banca Popolare di Sondrio and its subsidiaries.
Key: L1 = Level 1, L2 = Level 2, L3 = Level 3

2.2 Financial assets held for trading: breakdown by borrowers/issuers/counterparties

Description/Amounts	Total 31.12.2025	Total 31.12.2024
A. On-balance sheet assets		
1. Debt securities	171,000	85,918
a) Central Banks	-	-
b) Public Administrations	145,450	51,224
c) Banks	9,904	24,072
d) Other financial companies	5,870	6,609
of which: Insurance companies	-	-
e) Non-financial companies	9,776	4,013
2. Equity instruments	26,810	3,012
a) Banks	2,753	1
b) Other financial companies	4,068	1,148
of which: Insurance companies	278	-
c) Non financial companies	19,989	1,863
d) Other issuers	-	-
3. UCITS units	64,951	-
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 (A)	**262,761**	**88,930**
B. Derivative instruments		
a) Central counterparties	-	-
b) Other	757,405	575,695
Total (B)	**757,405**	**575,695**
Total (A+B)	**1,020,166**	**664,625**

2.2 ter UCITS units breakdown

Description	31.12.2025	31.12.2024
1. Equities	-	-
2. Property - closed end	-	-
3. Equities - open end	37,928	-
4. Balanced - open end	11,120	-
5. Bonds - open end	-	-
6. Equities - closed end	-	-
7. Speculative securities	-	-
8. Bonds - short term	-	-
9. Bonds - long term	11,021	-
10. Other	4,882	-
Total	**64,951**	**-**

2.5 Other financial assets mandatorily measured at fair value: breakdown by product

Description/Amounts	Total 31.12.2025			Total 31.12.2024		
	L1	L2	L3	L1	L2	L3
1. Debt securities	**85,405**	**-**	**46,392**	**-**	**-**	**29,159**
1.1 Structured securities	15,869	-	23,943	-	-	-
1.2 Other debt securities	69,536	-	22,449	-	-	29,159
2. Equity instruments	**-**	**-**	**14,007**	**2,401**	**-**	**11,703**
3. UCITS units	**270,239**	**41,318**	**938,534**	**271,005**	**-**	**497,971**
4. Loans	**-**	**137,775**	**31,455**	**-**	**95,518**	**30,273**
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	137,775	31,455	-	95,518	30,273
Total	**355,644**	**179,093**	**1,030,388**	**273,406**	**95,518**	**569,106**

An explanation of the fair value hierarchy used for classification has been given in Part A.4 of these Explanatory Notes.

The change in this item mainly reflects the expansion of the Group's scope following the acquisition of Banca Popolare di Sondrio and its subsidiaries.

Key: L1 = Level 1, L2 = Level 2, L3 = Level 3

2.6 Other financial assets mandatorily measured at fair value: breakdown by borrowers/issuer

	Total 31.12.2025	Total 31.12.2024
1. Equity instruments	**14,007**	**14,104**
of which: banks	422	333
of which: other financial companies	13,016	10,782
of which: non-financial companies	569	2,989
2. Debt securities	**131,797**	**29,159**
a) Central Banks	-	-
b) Public Administrations	46,670	-
c) Banks	38,734	-
d) Other financial companies	46,393	29,159
of which: Insurance companies	-	-
e) Non-financial companies	-	-
3. UCITS units	**1,250,091**	**768,976**
4. Loans	**169,230**	**125,791**
a) Central Banks	-	-
b) Public Administrations	-	-
c) Banks	-	-
d) Other financial companies	28,159	27,795
of which: Insurance companies	-	27,795
e) Non-financial companies	140,717	97,755
f) Households	354	241
Total	**1,565,125**	**938,030**

2.6 bis UCITS units breakdown

Description	31.12.2025	31.12.2024
1. Equities	13,374	10,795
2. Property - closed end	160,463	111,962
3. Equities - open end	83,650	8,721
4. Balanced - open end	13,647	5,144
5. Bonds - open end	8,058	7,799
6. Equities - closed end	144,203	109,353
7. Speculative securities	21,848	16,482
8. Bonds - short term	-	-
9. Bonds - long term	247,753	-
10. Other	557,095	498,720
Total	**1,250,091**	**768,976**

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

Description/Amounts	Total 31.12.2025			Total 31.12.2024		
	L1	L2	L3	L1	L2	L3
1. Debt securities	**6,274,370**	**214,788**	**52**	**4,812,861**	**230,227**	**-**
1.1 Structured securities	347,410	-	-	-	-	-
1.2 Other debt securities	5,926,960	214,788	52	4,812,861	230,227	-
2. Equity instruments	**17,365**	**4,313**	**484,160**	**13,673**	**3,905**	**633,344**
3. Loans	**-**	**-**	**-**	**-**	**-**	**-**
Total	**6,291,735**	**219,101**	**484,212**	**4,826,534**	**234,132**	**633,344**

An explanation of the fair value hierarchy used for classification has been given in Part A.4 of the Explanatory Notes in chapter "Techniques for the determination of fair value".
Debt Securities shown in the table include instruments with flow variability clauses depending on whether or not the financed counterparty achieves certain ESG KPIs (known as "Sustainability-linked instruments"), for Euro 49.2 million; further details on the sustainability objectives pursued by the Group through such instruments are provided in Part 2 – 2025 Consolidated Sustainability Statement of the Directors' Report on Group Operations, to which reference is made.

Key: L1 = Level 1, L2 = Level 2, L3 = Level 3

3.2 Financial assets measured at fair value through other comprehensive income: breakdown by borrowers/issuers

Description/Amounts	Total 31.12.2025	Total 31.12.2024
1. Debt securities	**6,489,210**	**5,043,088**
a) Central Banks	-	-
b) Public Administrations	4,143,262	2,469,380
c) Banks	1,360,853	1,334,728
d) Other financial companies	420,725	501,167
of which: Insurance companies	10,989	8,184
e) Non-financial companies	564,370	737,813
2. Equity instruments	**505,838**	**650,922**
a) Banks	259,183	251,712
b) Other issuers:	246,655	399,210
- other financial companies	118,898	281,417
of which: Insurance companies	-	225,073
- non financial companies	127,099	117,751
- other	658	42
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	**6,995,048**	**5,694,010**

3.3 Financial assets measured at fair value through other comprehensive income: gross value and total impairment provisions

	Gross value					Total impairment provisions				Total partial write-offs (*)
	Stage 1	of which: Low credit risk instruments	Stage 2	Stage 3	Purchased or originated credit impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired	
Debt securities	6,300,758	-	190,978	287	-	1,979	777	57	-	-
Loans	-	-	-	-	-	-	-	-	-	-
Total 31.12.2025	**6,300,758**	**-**	**190,978**	**287**	**-**	**1,979**	**777**	**57**	**-**	**-**
Total 31.12.2024	**4,902,226**	**-**	**142,714**	**-**	**-**	**1,789**	**63**	**-**	**-**	**-**

(*) Amount to be shown for information purposes

At 31 December 2025 none of the debt securities classified in Stage 3 have been written off.

For the approach used in the presentation of the gross value and total impairment provisions of impaired financial assets, reference should be made to Part A of these Explanatory Notes.

Section 4 - Financial assets measured at amortised cost

Item 40

4.1 Financial assets measured at amortised cost: breakdown by product of loans to banks

Type of transaction/Amounts	Total 31.12.2025						Total 31.12.2024					
	Book Value			Fair value			Book Value			Fair value		
	Stage 1 and 2	Stage 3	Purchased or originated credit impaired	L1	L2	L3	Stage 1 and 2	Stage 3	Purchased or originated credit impaired	L1	L2	L3
A. Loans to Central Banks	**1,408,953**	**-**	**-**	**-**	**-**	**1,408,953**	**1,013,730**	**-**	**-**	**-**	**-**	**1,013,730**
1. Time deposits	-	-	-	X	X	X	-	-	-	X	X	X
2. Compulsory reserve	1,408,953	-	-	X	X	X	1,013,730	-	-	X	X	X
3. Repurchase agreements	-	-	-	X	X	X	-	-	-	X	X	X
4. Other	-	-	-	X	X	X	-	-	-	X	X	X
B. Loans to banks	**6,915,064**	**-**	**-**	**5,484,179**	**224,854**	**1,110,878**	**6,667,501**	**-**	**-**	**5,720,905**	**224,489**	**530,472**
1. Loans	1,086,223	-	-	-	-	1,086,223	530,472	-	-	-	-	530,472
1.1.Current accounts	-	-	-	X	X	X	-	-	-	X	X	X
1.2. Time deposits	450,223	-	-	X	X	X	35,802	-	-	X	X	X
1.3. Other loans:	636,000	-	-	X	X	X	494,670	-	-	X	X	X
- Repurchase agreements	-	-	-	X	X	X	343,404	-	-	X	X	X
- Finance leases	-	-	-	X	X	X	-	-	-	X	X	X
- Other	636,000	-	-	X	X	X	151,266	-	-	X	X	X
2. Debt securities	5,828,841	-	-	5,484,179	224,854	24,655	6,137,029	-	-	5,720,905	224,489	-
2.1 Structured securities	583,764	-	-	572,061	-	15,289	-	-	-	-	-	-
2.2 Other debt securities	5,245,077	-	-	4,912,118	224,854	9,366	6,137,029	-	-	5,720,905	224,489	-
Total	**8,324,017**	**-**	**-**	**5,484,179**	**224,854**	**2,519,831**	**7,681,231**	**-**	**-**	**5,720,905**	**224,489**	**1,544,202**

An explanation of the fair value hierarchy used for classification was given in Part A.4 of the Explanatory Notes to the Consolidated Financial Report.

Key: L1 = Level 1, L2 = Level 2, L3 = Level 3

4.2 Financial assets measured at amortised cost: breakdown by product of loans to customers

Type of transaction/ Amounts	Total 31.12.2025						Total 31.12.2024					
	Book Value			Fair value			Book Value			Fair value		
	Stage 1 and 2	Stage 3	Purchased or originated credit impaired	L1	L2	L3	Stage 1 and 2	Stage 3	Purchased or originated credit impaired	L1	L2	L3
1. Loans	**127,089,034**	**1,047,453**	**601,578**	**-**	**-**	**130,723,248**	**88,796,001**	**911,192**	**429,196**	**-**	**-**	**94,033,938**
1.1. Current accounts	7,776,304	125,727	83,203	X	X	X	5,174,967	86,697	34,696	X	X	X
1.2. Repurchase agreements	1,294,868	-	-	X	X	X	-	-	-	X	X	X
1.3. Mortgage loans	83,317,619	663,638	460,677	X	X	X	61,477,627	596,538	334,126	X	X	X
1.4. Credit cards, personal loans and assignments of one-fifth of salary	6,166,452	66,204	12,681	X	X	X	5,190,175	50,880	8,104	X	X	X
1.5. Finance leases	2,370,654	26,556	9,106	X	X	X	2,718,807	33,390	13,530	X	X	X
1.6. Factoring	7,460,318	30,354	4,438	X	X	X	2,251,538	11,696	-	X	X	X
1.7. Other loans	18,702,819	134,974	31,473	X	X	X	11,982,887	131,991	38,740	X	X	X
2. Debt securities	**30,159,446**	**317,594**	**-**	**28,678,103**	**129,610**	**1,579,469**	**15,377,572**	**355,307**	**-**	**14,218,410**	**217,791**	**694,340**
2.1. Structured securities	1,512,317	-	-	471,698	-	1,041,220	-	-	-	-	-	-
2.2. Other debt securities	28,647,129	317,594	-	28,206,405	129,610	538,249	15,377,572	355,307	-	14,218,410	217,791	694,340
Total	**157,248,480**	**1,365,047**	**601,578**	**28,678,103**	**129,610**	**132,302,717**	**104,173,573**	**1,266,499**	**429,196**	**14,218,410**	**217,791**	**94,728,278**

The sub-item "Other loans", limited to the performing component (inclusive of Stage 1 and 2 equal to Euro 18,703 million, as well as the portion of POCI assets classified in Stage 2, equal to Euro 9.34 million), is composed as follows: Euro 11,691 million worth of short-term bullet loans (+61.52% compared to December 2024, of which+51.22% on the back of the acquisition of Banca Popolare di Sondrio and +10.30% of new originations), Euro 2,641 million in advances on invoices and bills subject to collection (+1.03% as compared to December 2024: , net difference between the +8.68% increase in assets contributed by Banca Popolare di Sondrio and the -7.65% reduction registered in existing customer accounts), Euro 1,837 million in import/export advances (+42.18% as compared to December 2024: an increase primarily brought about by assets contributed by Banca Popolare di Sondrio +45.36%), Euro 53 million in assignment of receivables (+10.42% as compared to December 2024 of which 8.33% from former Banca Popolare di Sondrio).

The portfolios of Loans and Debt Securities shown in the table include instruments with flow variability clauses depending on whether or not the financed counterparty achieves certain ESG KPIs (known as "Sustainability-linked instruments"), respectively for an amount of Euro 1,011.6 million and Euro 96.3 million; further details on the sustainability objectives pursued by the Group through such instruments are provided in Part 2 – 2025 Consolidated Sustainability Statement of the Directors' Report on Group Operations, to which reference is made.

An explanation of the fair value hierarchy used for classification was given in Part A.4 of the Explanatory Notes to the Consolidated Financial Report.

Key: L1 = Level 1, L2 = Level 2, L3 = Level 3

4.3 Financial assets measured at amortised cost: breakdown by borrowers/issuers of loans to customers

Type of transaction/Amounts	Total 31.12.2025			Total 31.12.2024		
	Stage 1 and 2	Stage 3	Purchased or originated credit impaired	Stage 1 and 2	Stage 3	Purchased or originated credit impaired
1. Debt securities	**30,159,446**	**317,594**	**-**	**15,377,572**	**355,307**	**-**
a) Public Administration	27,675,008	-	-	13,833,931	-	-
b) Other financial companies	1,839,840	317,594	-	1,180,914	355,307	-
of which: Insurance companies	62,301	-	-	5,016	-	-
c) Non financial companies	644,598	-	-	362,727	-	-
2. Loans:	**127,089,034**	**1,047,453**	**601,578**	**88,796,001**	**911,192**	**429,196**
a) Public Administration	3,552,395	2,272	1	2,894,056	3,090	-
b) Other financial companies	9,859,170	6,477	4,612	5,115,346	15,986	785
of which: Insurance companies	204,195	-	42	152,231	-	-
c) Non financial companies	57,070,762	580,634	352,300	38,145,105	484,943	289,380
d) Households	56,606,707	458,070	244,665	42,641,494	407,173	139,031
Total	**157,248,480**	**1,365,047**	**601,578**	**104,173,573**	**1,266,499**	**429,196**

Debt securities of Other financial companies classified under Stage 3 credit impairment are mostly represented by Senior tranches of ABS guaranteed by GACS, classified to that stage since the end of 2024 following underperformance in recoveries and resulting reductions in expected recoveries.

The classification of loans to customers between Stage 1 and Stage 2 is shown below, analysed by type of product and counterparty.

4.3 bis - Financial assets measured at amortised cost: - details of loans to customers: breakdown by type of product, stage and type of counterparty

Type of Product/Counterparty	Public Administrations			Other financial companies		
	Gross exposure	Total impairment provisions	Net exposure	Gross exposure	Total impairment provisions	Net exposure
Loans						
Current accounts	**214,586**	**(6,209)**	**208,377**	**1,479,241**	**(22,791)**	**1,456,450**
of which Stage 1	199,291	(463)	198,828	1,358,857	(4,299)	1,354,558
of which Stage 2	11,419	(3,366)	8,053	111,022	(11,803)	99,219
of which Stage 3	3,875	(2,380)	1,495	9,094	(6,561)	2,533
of which: purchased or originated credit impaired	1	-	1	268	(128)	140
Repurchase agreements	**-**	**-**	**-**	**1,294,878**	**(10)**	**1,294,868**
of which Stage 1	-	-	-	1,294,878	(10)	1,294,868
of which Stage 2	-	-	-	-	-	-
of which Stage 3	-	-	-	-	-	-
of which: purchased or originated credit impaired financial assets	-	-	-	-	-	-
Mortgage loans	**2,674,734**	**(2,562)**	**2,672,172**	**2,125,048**	**(23,724)**	**2,101,324**
of which Stage 1	2,650,517	(868)	2,649,649	1,922,581	(8,941)	1,913,640
of which Stage 2	24,217	(1,694)	22,523	191,925	(12,003)	179,922
of which Stage 3	-	-	-	5,088	(1,737)	3,351
of which: purchased or originated credit impaired	-	-	-	5,454	(1,043)	4,411
Other loans	**675,600**	**(1,481)**	**674,119**	**5,052,429**	**(34,812)**	**5,017,617**
of which Stage 1	669,094	(657)	668,437	4,930,689	(13,838)	4,916,851
of which Stage 2	5,027	(122)	4,905	105,978	(5,866)	100,112
of which Stage 3	1,081	(304)	777	15,678	(15,085)	593
of which: purchased or originated credit impaired	398	(398)	-	84	(23)	61
Total	**3,564,920**	**(10,252)**	**3,554,668**	**9,951,596**	**(81,337)**	**9,870,259**

(cont.)

Type of Product/Counterparty	Non-financial companies			Households			Total (net exposure)
	Gross exposure	Total impairment provisions	Net exposure	Gross exposure	Total impairment provisions	Net exposure	
Loans							
Current accounts	**5,369,507**	**(316,981)**	**5,052,526**	**1,382,437**	**(114,556)**	**1,267,881**	**7,985,234**
of which Stage 1	4,032,976	(26,266)	4,006,710	967,033	(5,269)	961,764	6,521,860
of which Stage 2	950,755	(44,482)	906,273	261,770	(20,871)	240,899	1,254,444
of which Stage 3	256,349	(178,668)	77,681	117,065	(73,047)	44,018	125,727
of which: purchased or originated credit impaired	129,427	(67,565)	61,862	36,569	(15,369)	21,200	83,203
Repurchase agreements	**-**	**-**	**-**	**-**	**-**	**-**	**1,294,868**
of which Stage 1	-	-	-	-	-	-	1,294,868
of which Stage 2	-	-	-	-	-	-	-
of which Stage 3	-	-	-	-	-	-	-
of which: purchased or originated credit impaired financial assets	-	-	-	-	-	-	-
Mortgage loans	**31,726,364**	**(665,835)**	**31,060,529**	**49,088,241**	**(480,332)**	**48,607,909**	**84,441,934**
of which Stage 1	25,955,869	(86,238)	25,869,631	45,484,313	(53,019)	45,431,294	75,864,214
of which Stage 2	4,806,986	(201,751)	4,605,235	2,792,632	(146,907)	2,645,725	7,453,405
of which Stage 3	645,712	(310,686)	335,026	570,477	(245,216)	325,261	663,638
of which: purchased or originated credit impaired	317,797	(67,160)	250,637	240,819	(35,190)	205,629	460,677
Other loans	**22,357,946**	**(467,305)**	**21,890,641**	**7,580,179**	**(146,527)**	**7,433,652**	**35,016,029**
of which Stage 1	19,898,868	(58,969)	19,839,899	6,955,756	(15,015)	6,940,741	32,365,928
of which Stage 2	1,907,555	(64,541)	1,843,014	406,070	(19,786)	386,284	2,334,315
of which Stage 3	452,885	(284,958)	167,927	189,312	(100,521)	88,791	258,088
of which: purchased or originated credit impaired	98,638	(58,837)	39,801	29,041	(11,205)	17,836	57,698
Total	**59,453,817**	**(1,450,121)**	**58,003,696**	**58,050,857**	**(741,415)**	**57,309,442**	**128,738,065**

4.4 Financial assets measured at amortised cost: gross value and total impairment provisions

	Gross value					Total impairment provisions				Total partial write-offs (*)
	Stage 1	of which: Low credit risk instruments	Stage 2	Stage 3	Purchased or originated credit impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired	
Debt securities	35,414,939	-	591,511	326,614	-	15,321	2,842	9,020	-	-
Loans	118,812,602	-	11,599,258	2,266,616	858,496	274,574	553,076	1,219,163	256,918	85,758
Total 31.12.2025	**154,227,541**	**-**	**12,190,769**	**2,593,230**	**858,496**	**289,895**	**555,918**	**1,228,183**	**256,918**	**85,758**
Total 31.12.2024	**103,837,823**	**-**	**8,650,436**	**2,266,743**	**659,873**	**220,677**	**412,778**	**1,000,244**	**230,677**	**38,972**

(*) Amount to be shown for information purposes

For the approach used in the presentation of the gross value and total impairment provisions of impaired financial assets, reference should be made to Part A of these Explanatory Notes.
Note that default interest is only recorded at the time of actual collection.

The loans that constitute new liquidity granted through public guarantee mechanisms issued in response to the Covid-19 pandemic are reported below.

Gross value				Total impairment provisions			
Stage 1	Stage 2	Stage 3	Credit-impaired purchased or originated	Stage 1	Stage 2	Stage 3	Credit-impaired purchased or originated
1,922,568	333,362	251,515	17,692	1,412	3,973	94,171	4,175

Section 5 – Hedging derivatives

Item 50

5.1 Hedging derivatives: breakdown by type of hedge and hierarchy level

	FV 31.12.2025			NV 31.12.2025	FV 31.12.2024			NV 31.12.2024
	L1	L2	L3		L1	L2	L3	
A. Financial derivatives								
1. Fair Value	-	777,935	-	15,782,724	-	649,437	-	9,270,174
2. Cash flows	-	1,622	-	51,064	-	-	-	-
3. Foreign investments	-	-	-	-	-	-	-	-
B. Credit derivatives								
1. Fair Value	-	-	-	-	-	-	-	-
2. Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**779,557**	**-**	**15,833,788**	**-**	**649,437**	**-**	**9,270,174**

Key: VN = Notional Value; L1 = Level 1; L2 = Level 2 L3 = Level 3

5.2 Hedging derivatives: breakdown by hedged portfolio and type of hedge

Transactions/Type of hedge	Fair Value							Cash flows		Foreign investments
	Specific						General			
	debt securities and interest rates	equity instruments and stock indexes	currencies and gold	credit	commodities	other		Specific	General	
1. Financial assets measured at fair value through other comprehensive income	32,903	-	-	-	X	X	X	-	X	X
2. Financial assets measured at amortised cost	560,510	X	-	-	X	X	X	1,622	X	X
3. Portfolio	X	X	X	X	X	X	85,030	X	-	X
4. Other transactions	-	-	-	-	-	-	X	-	X	-
Total assets	**593,413**	**-**	**-**	**-**	**-**	**-**	**85,030**	**1,622**	**-**	**-**
1. Financial Liabilities	99,492	X	-	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	-	X	-	X
Total liabilities	**99,492**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Forecast transactions	X	X	X	X	X	X	X	-	X	X
2. Portfolio of financial assets and liabilities	X	X	X	X	X	X	-	X	-	-

Section 6 – Change in value of macro-hedged financial assets
Item 60

6.1 Change in value of hedged financial assets: breakdown by hedged portfolio

Change in value of hedged financial assets / Group components	Total 31.12.2025	Total 31.12.2024
1. Positive changes	**655**	**-**
1.1 to specific portfolios:	655	-
a) financial assets measured at amortised cost	655	-
b) financial assets measured at fair value through other comprehensive income	-	-
1.2 overall	-	-
2. Negative changes	**(84,454)**	**-**
2.1 to specific portfolios:	(84,454)	-
a) financial assets measured at amortised cost	(84,454)	-
b) financial assets measured at fair value through other comprehensive income	-	-
2.2 overall	-	-
Total	**(83,799)**	**-**

Section 7 – Equity investments
Item 70

7.1 Equity investments: information on shareholdings

Company name	Registered head office	Operational head office	Type of relationship	Currency	Share capital	Nature of holding		% Available votes
						Parent company	% holding	
A. Companies subject to joint control								
1 Gility S.r.l. Benefit Corporation	Milan	Milan	7	eur	58,734	BPER Banca	42.565	
B. Companies subject to significant influence								
1 Alba Leasing s.p.a.	Milan	Milan	8	eur	357,953,058	BPER Banca	28.397	
						BP Sondrio	19.264	
2 Aquedotto dello Stelvio (1)	Bormio	Bormio	8	eur	20,800	Pirovano Stelvio	27.000	
3 Arca Vita s.p.a.	Verona	Verona	8	eur	208,279,080	BPER Banca	19.672	
						BP Sondrio	14.837	
4 Bormio Golf s.p.a.	Bormio	Bormio	8	eur	317,000	BP Sondrio	25.237	
5 Cassa di Risparmio di Fossano s.p.a.	Fossano	Fossano	8	eur	31,200,000	BPER Banca	23.077	
6 Cassa di Risparmio di Savigliano s.p.a.	Savigliano	Savigliano	8	eur	38,011,495	BPER Banca	31.006	
7 Gardant Bridge Servicing s.p.a.	Rome	Rome	8	eur	150,000	BPER Banca	30.000	
8 Lago di Como GAL s.c.r.l.	Canzo	Canzo	8	eur	22,450	BP Sondrio	14.606	
9 Lanciano Fiera - Polo Fieristico d'Abruzzo Consorzio	Lanciano	Lanciano	8	eur	250,000	BPER Banca	33.333	
10 Liquid Factory s.b.r.l.	Sondrio	Sondrio	8	eur	87,967	BP Sondrio	9.057	
11 NPLight s.p.a.	Ravenna	Ravenna	8	eur	300,000	BP Sondrio	40.000	
12 Nuova Erzelli s.r.l.	Genoa	Genoa	8	eur	20,000	BPER Banca	40.000	
13 Polis Fondi Immobiliari di Banche Popolari S.G.R. s.p.a.	Milan	Milan	8	eur	5,200,000	BP Sondrio	19.600	
						BPER Banca	6.130	
14 Resiban s.p.a.	Modena	Modena	8	eur	165,000	BPER Banca	20.000	
15 Sarda Factoring s.p.a.	Cagliari	Cagliari	8	eur	9,027,079	B. Sard.	13.401	
						BPER Banca	8.083	
16 SIFAS -Società impianti funiviari allo Stelvio s.p.a. (1)	Bozen	Bozen	8	eur	2,114,789	Pirovano Stelvio	21.614	
17 Unione Fiduciaria s.p.a.	Milan	Milan	8	eur	5,940,000	BPER Banca	24.000	
						BP Sondrio	24.000	

(1) These companies are not consolidated as the Parent is consolidated using the equity method.
The figure for share capital is provided as extra information as required by CONSOB Communication DEM/6064293 dated 28 July 2006.
The "% Available votes" column is only used if the actual share of votes exercisable at the Ordinary Shareholders' Meeting is different from the interest held in the company's share capital.

Key - Type of relationship: 7 = joint control; 8 = associated company

7.2 Significant equity investments: book value, fair value and dividends earned

Company name	Book Value	*Fair value*	Dividends received
A. Companies subject to joint control			
B. Companies subject to significant influence			
1. Alba Leasing s.p.a.	226,797	-	-
2. Arca Vita s.p.a.	392,220	-	21,920
3. Cassa di Risparmio di Fossano s.p.a.	53,720	-	2,077
4. Cassa di Risparmio di Savigliano s.p.a.	37,186	-	1,088
5. Gardant Bridge Servicing s.p.a.	43,224		5,355
6. Sarda Factoring s.p.a.	1,119	-	-
7. Unione Fiduciaria s.p.a.	20,976		1,423
Total	**775,242**	**-**	**31,863**

Please refer to Part A of the Explanatory Notes for an explanation of how these figures were calculated.

Equity investments are considered significant based on the materiality of total assets compared with the equivalent consolidated figure. Other investments, which are not considered significant, are reported in Table 7.4 "Non-significant equity investments: accounting information"; the controlling interests measured using the equity method are reported in table 7.10. "Companies subject to control measured with the application of the equity method".

7.3 Significant equity investments: accounting information

Company name	Cash and cash equivalents	Financial assets	Non-financial assets	Financial Liabilities	Non-financial liabilities	Total revenues	Net interest income
A. Companies subject to joint control							
B. Companies subject to significant influence							
1. Alba Leasing s.p.a.	X	4,841,963	84,058	4,469,315	228,357	141,266	X
2. Arca Vita s.p.a.	X	16,681,593	418,851	16,593,180	173,741	3,623,773	X
3. Cassa di Risparmio di Fossano s.p.a.	X	2,096,039	69,475	1,880,002	71,255	87,388	X
4. Cassa di Risparmio di Savigliano s.p.a.	X	1,785,380	90,189	1,755,108	57,698	62,347	X
5. Gardant Bridge Servicing s.p.a.	X	8,748	3,484	3,956	10,564	44,721	X
6. Sarda Factoring s.p.a.	X	56,180	1,289	48,680	660	4,705	X
7. Unione Fiduciaria s.p.a.	X	23,113	31,384	31,379	6,363	18,331	X

(cont.)

Company name	Net adjustments to property, plant and equipment and intangible assets	Profit (Loss) from current operations before tax	Profit (Loss) from current operations after tax	Profit (Loss) from discontinued operations after tax	Profit (Loss) for the year (1)	Other comprehensive income after tax (2)	Other comprehensive income (3)= (1)+(2)
A. Companies subject to joint control							
B. Companies subject to significant influence							
1. Alba Leasing s.p.a.	X	19,011	12,543	-	12,543	-	12,543
2. Arca Vita s.p.a.	X	183,189	138,964	-	138,964	-	138,964
3. Cassa di Risparmio di Fossano s.p.a.	X	49,910	31,438	-	31,438	-	31,438
4. Cassa di Risparmio di Savigliano s.p.a.	X	18,729	12,524	-	12,524	44	12,568
5. Gardant Bridge Servicing s.p.a.	X	28,882	20,679	-	20,679	4	20,683
6. Sarda Factoring s.p.a.	X	(1,664)	736	-	736	-	736
7. Unione Fiduciaria s.p.a.	X	4,266	3,179	-	3,179	-	3,179

Reconciliation of accounting information with the book value of significant equity investments pursuant to paragraph B14 b) IFRS 12

Company name	Shareholders' equity	Minority interests	Goodwill (positive/negative differences in shareholders' equity)	Other	Book Value
A. Companies subject to joint control					
B. Companies subject to significant influence					
1. Alba Leasing s.p.a.	475,855	226,797	-	-	226,797
2. Arca Vita s.p.a.	708,329	244,437	147,783	-	392,220
3. Cassa di Risparmio di Fossano s.p.a.	232,786	53,720	-	-	53,720
4. Cassa di Risparmio di Savigliano s.p.a.	126,865	39,336	-	(2,150)	37,186
5. Gardant Bridge Servicing s.p.a.	24,036	7,210	36,014	-	43,224
6. Sarda Factoring s.p.a.	9,114	1,958	-	(839)	1,119
7. Unione Fiduciaria s.p.a.	46,470	22,305	(1,329)	-	20,976

For the values and parameters, please refer to Part A.1 of these Explanatory Notes.

Alba Leasing s.p.a. was founded in 2010 on the initiative of some of the major Italian cooperative banks. It is a company that specialises in finance leases, which are distributed by the BPER Banca Group through its branch network.

Arca Vita s.p.a. is an insurance company specialising in bancassurance, i.e. the distribution of insurance products through partner banks.

Cassa di Risparmio di Fossano s.p.a. is a bank which offers a wide range of banking services, created with the aim of favouring the commercial, agricultural and industrial development of the Fossano area.

Cassa di Risparmio di Savigliano s.p.a. is an independent local bank at the service of that area, which dedicates resources and services to households, small/medium-sized enterprises, local institutions and associations.

Gardant Bridge Servicing s.p.a.is a joint-venture between the former Gardant Group (now doValue Group) and the BPER Group specialising in the management of unlikely-to-pay and non-performing loans originated by the BPER Group

Sarda Factoring s.p.a. offers financing and risk hedging services for businesses. It is the leader in Sardinia in factoring with recourse and has operations that are growing also at a national level.

Unione Fiduciaria s.p.a. was founded by a group of cooperative banks and offers organisational, administrative and tax services for companies, intermediaries and wealthy individuals, including complex situations.

7.4 Non-significant equity investments: accounting information

Company name	Book value of equity investments	Total assets	Total liabilities	Total revenues	Profit (Loss) from current operations after tax	Profit (Loss) from discontinued operations after tax	Profit (Loss) for the year (1)	Other comprehensive income after tax (2)	Other comprehensive income (3)= (1)+(2)
Companies subject to joint control	1,054	755	212	220	(422)	-	(422)	-	(422)
Companies subject to significant influence	3,123	3,089	1,290	2,189	58	-	58	-	58

Impairment testing of equity investments in companies subject to significant influence

In compliance with the provisions of the IAS/IFRS principles, the book value of each equity investment, after the application of the equity method under IAS 28, was tested for impairment in accordance with IAS 36 to determine whether there was any objective evidence of impairment.
A net investment is impaired and impairment losses shall exclusively by recognised if, there is objective evidence that one or more events occurring after an initial recognition of the investment, had an adverse impact on the recoverable value of the investment. The impairment may not necessarily be attributable to a single discrete event, but rather to the combined effect of several identifiable factors assessed through specific parameters used to determine the recoverable amount of the investment, some of which are expressly provided for in the international accounting standards.
For investments in associates and joint ventures, if the recoverable amount, determined by the higher of fair value less costs of disposal and value in use, is lower than book value, an impairment loss is recognised for the portion deemed unrecoverable. If, in subsequent financial years, the recoverable amount exceeds the new carrying amount and the circumstances that led to the previous impairment no longer apply, as a result of events occurring after the impairment was recognised, a reversal - limited to the carrying amount of the previously recognised impairment loss - is recognised in the income statement.
The recoverable amount is determined, as necessary, using market-based approaches (such as direct or comparable transactions and market multiples) where possible, or, alternatively, approaches based on economic and financial fundamentals, such as the discounting of expected future cash flows, calculated using an appropriate cost of capital.

From the checks carried out for the closing of the financial position as at 31 December 2025, the need emerged to make minimum value adjustments, following the adjustment to the equity share under the equity method. The most significant adjustment relates to the investment held in Cassa di Risparmio di Savigliano s.p.a., where the impairment test revealed the need to adjust the carrying amount by Euro 2.2 million.

7.5 Equity investments: annual changes

	Total 31.12.2025	Total 31.12.2024
A. Opening balance	**302,494**	**422,046**
B. Increases	**644,519**	**68,787**
B.1 Purchases	357,325	50
- of which: business combinations	355,522	-
B.2 Write-backs	-	-
B.3 Revaluations	-	-
B.4 Other decreases	287,194	68,737
C. Decreases	**77,076**	**188,339**
C.1 Sales	20,286	992
- of which: business combinations	-	-
C.2 Adjustments	5,759	86,279
C.3 Impairment	-	-
C.4 Other decreases	51,031	101,068
D. Closing balance	**869,937**	**302,494**
E. Total revaluations	**-**	**-**
F. Total adjustments	**283,040**	**277,281**

"Purchases" refers primarily to the business combination for the acquisition of control over Banca Popolare di Sondrio s.p.a. in relation to its investees Rajna Immobiliare s.r.l, Pirovano Stelvio s.p.a., Servizi Internazionali e strutture integrate 2000 s.r.l., Immobiliare Borgo Palazzo s.r.l., Immobiliare San Paolo s.r.l., Rent2Go s.r.l., Centro delle Alpi RE ,Centro delle Alpi SME s.r.l., Popso Covered Bond s.r.l., Prestinuova s.r.l – agenzia attività Finanziaria, Alba Leasing s.p.a., Unione Fiduciaria s.p.a., Arca Vita s.p.a., Polis Fondi Immobiliari di Banche Popolare SGR s.p.a., Liquid Factory s.b.r.l, NPLight s.p.a., Bormio Golf s.p.a., Lago di Como GAL s.c.r.l.

"Sales" refers to the disposal of 5.1% of the share capital of Alba Leasing s.p.a. This transaction reduced the Group's stake to 47.66%, resulting in the loss of control over the company and its subsequent deconsolidation.

"Adjustments" refers to write-downs resulting from impairment tests carried out in accordance with the applicable accounting standards.

"Other increases/decreases" mainly include the Group's share of the positive or negative results of the investees consolidated under the equity method and other adjustments through equity reserves.

7.6. Significant assessments and assumptions to establish the existence of joint control or significant influence

In addition to the comments in section 7.5 “Equity investments: annual changes”, reference is made to Section 3 of Part A of these Explanatory Notes.

7.7 Commitments referred to equity investments in companies subject to joint control

At 31 December 2025 there are no commitments related to companies under joint control.

7.8 Commitments related to equity investments in companies subject to significant influence

At 31 December 2025 there are no commitments related to companies subject to significant influence.

7.9 Significant restrictions

Among the Banks and Companies included in the BPER Banca Group’s scope of consolidation, there are no significant restrictions as foreseen by IFRS 12 § 13.

7.10 Other information

Companies subject to control measured with the application of the equity method

Company name	Book value of equity investments	Total assets	Total liabilities	Total revenues	Profit (Loss) from current operations after tax	Profit (Loss) from discontinued operations after tax	Profit (Loss) for the year (1)	Other comprehensive income after tax (2)	Other comprehensive income (3)= (1)+(2)
Companies subject to control measured with the application of the equity method	90,518	182,494	104,016	54,802	(9,011)	-	(9,011)	-	(9,011)

With regard to group companies consolidated under the equity method, i.e. subsidiaries, the valuation has been carried out with reference to their financial statements available prepared and approved at 31 December 2025.

Section 8 – Technical reserves carried by reinsurers

Item 80

There are no amounts to be disclosed in this Consolidated Financial Report.

Section 9 – Property, plant and equipment

Item 90

9.1 Property, plant and equipment used in operations: breakdown of assets measured at cost

Description/Amounts	Total 31.12.2025	Total 31.12.2024
1. Assets owned	**319,296**	**296,602**
a) land	-	-
b) buildings	-	-
c) furniture	78,394	73,489
d) electronic systems	109,709	100,385
e) other	131,193	122,728
2. Rights of use acquired through leases	**547,484**	**397,701**
a) land	-	-
b) buildings	464,842	325,636
c) furniture	-	-
d) electronic systems	71,323	63,619
e) other	11,319	8,446
Total	**866,780**	**694,303**
of which: arising from the enforcement of guarantees received	-	-

9.2 Property, plant and equipment held for investment: breakdown of assets measured at cost

There is no property, plant or equipment held for investment purposes measured at cost in this Consolidated Financial Report.

9.3 Property, plant and equipment used in operations: breakdown of revalued assets

Description/Amounts	Total 31.12.2025			Total 31.12.2024		
	L1	L2	L3	L1	L2	L3
1. Assets owned	**-**	**-**	**1,747,905**	**-**	**-**	**1,283,302**
a) land	-	-	933,106	-	-	668,109
b) buildings	-	-	814,799	-	-	615,193
c) furniture	-	-	-	-	-	-
d) electronic systems	-	-	-	-	-	-
e) other	-	-	-	-	-	-
2. Rights of use acquired through leases	**-**	**-**	**-**	**-**	**-**	**-**
a) land	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-
c) furniture	-	-	-	-	-	-
d) electronic systems	-	-	-	-	-	-
e) other	-	-	-	-	-	-
Total	**-**	**-**	**1,747,905**	**-**	**-**	**1,283,302**
of which: arising from the enforcement of guarantees received	-	-	-	-	-	-

Key: L1 = Level 1; L2 = Level 2 L3 = Level 3

9.4 Property, plant and equipment held for investment: breakdown of assets measured at fair value

Description/Amounts	Total 31.12.2025			Total 31.12.2024		
	L1	L2	L3	L1	L2	L3
1. Assets owned	**-**	**-**	**439,036**	**-**	**-**	**436,418**
a) land	-	-	212,649	-	-	204,207
b) buildings	-	-	226,387	-	-	232,211
2. Rights of use acquired through leases	**-**	**-**	**-**	**-**	**-**	**-**
a) land	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-
Total	**-**	**-**	**439,036**	**-**	**-**	**436,418**
of which: arising from the enforcement of guarantees received	-	-	20,522	-	-	23,641

Key: L1 = Level 1; L2 = Level 2 L3 = Level 3

9.5 Inventories of property, plant and equipment governed by IAS 2: breakdown

Description/Amounts	Total 31.12.2025	Total 31.12.2024
1. Inventories of property, plant and equipment arising from the enforcement of guarantees received	**78,867**	**88,066**
a) land	40,452	45,958
b) buildings	38,415	42,108
c) furniture	-	-
d) electronic systems	-	-
e) other	-	-
2. Other inventories of property, plant and equipment	**336**	**102**
Total	**79,203**	**88,168**
of which: measured at fair value less costs to sell	-	-

This item mainly refers to properties held by the BPER Banca Group's real estate companies.

9.6 Property, plant and equipment used in operations: annual changes

	Land	Buildings	Furniture	Electronic systems	Other	Total
A. Gross opening balance	**570,553**	**1,206,908**	**329,051**	**478,778**	**567,375**	**3,152,665**
A.1 Total net value adjustments	(97,556)	266,079	255,562	314,774	436,201	1,175,060
A.2 Net opening balance	**668,109**	**940,829**	**73,489**	**164,004**	**131,174**	**1,977,605**
B. Increases:	**281,664**	**587,255**	**16,371**	**101,679**	**86,789**	**1,073,758**
B.1 Purchases	140,466	497,557	12,368	42,431	47,529	740,351
- of which: business combinations	140,466	486,602	10,115	6,279	11,825	655,287
B.2 Capitalised expenditure on improvements	-	21,302	-	-	-	21,302
B.3 Write-backs	963	2,276	-	-	-	3,239
B.4 Positive changes in fair value allocated to	19,016	11,987	-	-	-	31,003
a) shareholders' equity	10,028	8,769	-	-	-	18,797
b) profit or loss	8,988	3,218	-	-	-	12,206
B.5 Positive exchange differences	266	452	13	39	16	786
B.6 Transfers from property, plant and equipment held for investment	939	1,337	-	-	-	2,276
B.7 Other decreases	120,014	52,344	3,990	59,209	39,244	274,801
C. Decreases:	**16,667**	**248,443**	**11,466**	**84,651**	**75,451**	**436,678**
C.1 Sales	-	-	316	168	2,953	3,437
- of which: business combinations	-	-	-	-	-	-
C.2 Depreciation	-	96,177	7,026	52,616	32,955	188,774
C.3 Impairment losses allocated to	-	387	2	-	-	389
a) shareholders' equity	-	-	-	-	-	-
b) profit or loss	-	387	2	-	-	389
C.4 Negative changes in fair value allocated to	9,299	11,158	-	-	-	20,457
a) shareholders' equity	7,210	252	-	-	-	7,462
b) profit or loss	2,089	10,906	-	-	-	12,995
C.5 Negative exchange differences	-	-	-	-	-	-
C.6 Transfers to:	7,368	7,805	-	2	-	15,175
a) property, plant and equipment held for investment	6,404	4,758	-	-	-	11,162
b) Non-current assets and groups of assets held for sale	964	3,047	-	2	-	4,013
C.7 Other decreases	-	132,916	4,122	31,865	39,543	208,446
D. Net closing balance	**933,106**	**1,279,641**	**78,394**	**181,032**	**142,512**	**2,614,685**
D.1 Total net value adjustments	(111,989)	437,494	293,552	374,589	547,791	1,541,437
D.2 Gross closing balance	**821,117**	**1,717,135**	**371,946**	**555,621**	**690,303**	**4,156,122**
E. Carried at cost	**767,364**	**1,148,769**	**-**	**-**	**-**	**1,916,133**

9.7 Property, plant and equipment held for investment: annual changes

	Total	
	Land	Buildings
A. Opening balance	**204,207**	**232,211**
B. Increases	**35,713**	**34,795**
B.1 Purchases	12,423	12,801
- of which: business combinations	12,423	12,801
B.2 Capitalised expenditure on improvements	-	12,666
B.3 Increases in fair value	15,520	3,235
B.4 Write-backs	-	-
B.5 Positive exchange differences	-	-
B.6 Transfers from property, plant and equipment used in operations	6,404	4,758
B.7 Other decreases	1,366	1,335
C. Decreases	**27,271**	**40,619**
C.1 Sales	3,194	3,124
- of which: business combinations	-	-
C.2 Depreciation	-	-
C.3 Decreases in fair value	3,471	17,017
C.4 Impairment losses	-	-
C.5 Negative exchange differences	-	-
C.6 Transfers to:	20,414	19,666
a) property, plant and equipment used in operations	939	1,337
b) Non-current assets and groups of assets held for sale	19,475	18,329
C.7 Other decreases	192	812
D. Closing balance	**212,649**	**226,387**
E. Valuation at fair value	-	-

9.8 Inventories of property, plant and equipment governed by IAS 2: annual changes

	Inventories of property, plant and equipment arising from the enforcement of guarantees received					Other inventories of property, plant and equipment	Total
	Land	Buildings	Furniture	Electronic systems	Other		
A. Opening balance	**45,958**	**42,108**	**-**	**-**	**-**	**102**	**88,168**
B. Increases	**2,031**	**7,771**	**-**	**-**	**-**	**1,141**	**10,943**
B.1 Purchases	-	-	-	-	-	-	-
- of which: business combinations	-	-	-	-	-	-	-
B.2 Write-backs	2,021	211	-	-	-	-	2,232
B.3 Positive exchange differences	-	-	-	-	-	-	-
B.4 Other decreases	10	7,560	-	-	-	1,141	8,711
C. Decreases	**7,537**	**11,464**	**-**	**-**	**-**	**907**	**19,908**
C.1 Sales	7,184	8,088	-	-	-	-	15,272
C.2 Impairment losses	353	3,376	-	-	-	-	3,729
C.3 Negative exchange differences	-	-	-	-	-	-	-
C.4 Other decreases	-	-	-	-	-	907	907
D. Closing balance	**40,452**	**38,415**	**-**	**-**	**-**	**336**	**79,203**

Useful life of the main categories of fixed assets used in operations

Category	Useful life
Land	not depreciated
Real estate	based on the useful life identified from specific appraisals
Office furniture and machines	100 months
Furnishings	80 months
Lifting equipment	160 months
Motor vehicles	48 months
Alarm systems	40 months
EDP hardware	60 months

Depreciation is calculated with reference to the estimated useful life of the assets concerned, commencing from when they enter into service.

9.9 Commitments to purchase property, plant and equipment

There are no such cases in this Consolidated Financial Report.

Section 10 – Intangible assets

Item 100

10.1 Intangible assets: breakdown by asset type

Description/Amounts	Total 31.12.2025		Total 31.12.2024	
	Finite useful life	Indefinite useful life	Finite useful life	Indefinite useful life
A.1 Goodwill	**X**	**575,706**	**X**	**170,018**
A.1.1 pertaining to group	X	575,706	X	170,018
A.1.2 pertaining to minority interests	X	-	X	-
A.2 Other intangible assets	**1,032,533**	**-**	**540,745**	**-**
of which Software	579,692	-	537,634	-
A.2.1 Assets measured at cost	1,032,533	-	540,745	-
a) intangible assets generated internally	-	-	-	-
b) other assets	1,032,533	-	540,745	-
A.2.2 Assets measured at fair value	-	-	-	-
a) intangible assets generated internally	-	-	-	-
b) other assets	-	-	-	-
Total	**1,032,533**	**575,706**	**540,745**	**170,018**

The component relating to "Goodwill" has increased following the Purchase Price Allocation – PPA relating to the business combination with Banca Popolare di Sondrio and resulting recognition of goodwill for Euro 405.7 million. The remaining component relates to the goodwill allocated to the CGU Arca Holding. The item "Other intangible assets" includes application software, measured at cost and amortised on a straight-line basis over a variable period, not exceeding five years, that depends on its useful life. It should also be noted that other intangible assets with a finite useful life were recognised as part of the PPA for the business combination with BP Sondrio; these relate specifically to the valuation of Assets Under Management & Administration and Core deposits arising from customer relationships with BP Sondrio, as well as the implied value attributed to BP Sondrio's Acquiring business unit, as described in detail in Part G of these Notes to the Financial Statements.

10.2 Intangible assets: annual changes

	Goodwill	Other intangible assets: generated internally		Other intangible assets: other		Total
		FIN	INDEF	FIN	INDEF	
A. Opening balance	**640,298**	**-**	**-**	**1,168,098**	**-**	**1,808,396**
A.1 Total net value adjustments	470,280	-	-	627,353	-	1,097,633
A.2 Net opening balance	**170,018**	**-**	**-**	**540,745**	**-**	**710,763**
B. Increases	**405,688**	**-**	**-**	**703,147**	**-**	**1,108,835**
B.1 Purchases	405,688	-	-	701,550	-	1,107,238
- of which: business combinations	-	-	-	478,481	-	478,481
B.2 Increases in internal intangible assets	X	-	-	-	-	-
B.3 Write-backs	X	-	-	-	-	-
B.4 Increases in fair value	-	-	-	-	-	-
- shareholders' equity	X	-	-	-	-	-
- profit or loss	X	-	-	-	-	-
B.5 Positive exchange differences	-	-	-	57	-	57
B.6 Other decreases	-	-	-	1,540	-	1,540
C. Decreases	**-**	**-**	**-**	**211,359**	**-**	**211,359**
C.1 Sales	-	-	-	80	-	80
- of which: business combinations	-	-	-	-	-	-
C.2 Impairment losses	-	-	-	210,888	-	210,888
- Depreciation	X	-	-	184,115	-	184,115
- Write-downs	-	-	-	26,773	-	26,773
+ shareholders' equity	X	-	-	-	-	-
+ profit or loss	-	-	-	26,773	-	26,773
C.3 Decreases in fair value:	-	-	-	-	-	-
- shareholders' equity	X	-	-	-	-	-
- profit or loss	X	-	-	-	-	-
C.4 Transfers to non-current assets held for sale	-	-	-	-	-	-
C.5 Negative exchange differences	-	-	-	-	-	-
C.6 Other decreases	-	-	-	391	-	391
D. Net closing balance	**575,706**	**-**	**-**	**1,032,533**	**-**	**1,608,239**
D.1 Total net value adjustments	290,977	-	-	1,133,380	-	1,424,357
E. Gross closing balance	**866,683**	**-**	**-**	**2,165,913**	**-**	**3,032,596**

All intangible assets are measured at cost.
The impairment test, carried out in compliance with IAS 36, called for the write-down of software deemed to have reached the end of its useful life ahead of time for Euro 26.8 million.

10.3 Other information

10.3.1 Goodwill

The goodwill booked in the Consolidated Financial Report is summarised in the following table:

(in thousands)

Goodwill	31.12.2025	31.12.2024
Banks/Other companies	**575,706**	**170,018**
- Arca Holding s.p.a.	*170,018*	*170,018*
- Banca Popolare di Sondrio s.p.a.	*405,688*	-
Total	**575,706**	**170,018**

Information on goodwill

The application of IFRS 3 to the accounting treatment of business combinations may result in the recognition of new intangible assets and the recognition of goodwill. For the accounting treatment of business combinations the accounting standard requires recognition of any intangible assets and goodwill arising from the transaction; goodwill, in particular, is measured as the difference between:

- the consideration transferred, measured in accordance with IFRS 3, which generally requires fair value at the acquisition date, and other items also indicated in the relevant accounting standard, and
- the net value, again at the acquisition date, of the identifiable assets acquired and liabilities assumed measured in accordance with IFRS 3, i.e. their fair value at the acquisition date.

In the case of the BPER Group, the business combinations carried out over the years have resulted in the recognition of certain amounts in respect of intangible assets and goodwill. In particular, in 2025 BPER Banca completed the acquisition of the BP Sondrio Group, a long-established, deeply rooted Italian bank founded in 1871, specialising in lending to households and businesses. The purchase price allocation (PPA) processes relating to this business combination, which was finalised in the 2025 accounts, resulted in the recognition of certain intangible assets and, to a lesser extent, goodwill; the latter amounted to Euro 405.7 million and was allocated in full to the CGU Banca Popolare di Sondrio. For more details on the transaction, please refer to Part G - Information on business combinations involving businesses or business units. The goodwill arising from the transaction described above is in addition to the goodwill already recognised in the consolidated financial statements in respect of CGU Arca Holding[163].

The table below summarises the carrying amounts of the recognised intangible assets attributable to the CGU Banca Popolare di Sondrio and the goodwill recognised in the consolidated financial statements, broken down by Cash Generating Unit (CGU). These amounts represent the groups of assets at the level of which impairment tests on intangible assets must be carried out, by estimating the recoverable amount and comparing it with the carrying amount.

(in thousands)

	31.12.2025	31.12.2024
CGU Arca Holding	**170,018**	**170,018**
- goodwill	170,018	170,018
CGU BPSO	**451,325**	**-**
- intangible A&M/AuA - customer relationships [(1)]	96,859	-
- intangible core deposits - customer relationships [(1)]	249,466	-
- intangible merchant acquiring [(1)]	105,000	-
- goodwill	405,687	-
Total CGUs	**1,027,030**	**170,018**
- intangible A&M and AuA - customer relationships [(1)]	96,859	-
- intangible core deposits - customer relationships [(1)]	249,466	-
- intangible merchant acquiring [(1)]	105,000	-
- goodwill	575,705	170,018

[(1)] The figures are shown net of amortisation for 2025.

163 As Arca Holding is already a subsidiary and is therefore fully consolidated by BPER Banca, the carrying amount of the investment held by BP di Sondrio in that company, together with the related increase in value arising from adjustments to the fair value as part of the PPA – which resulted in a total amount of Euro 363 million – constitute a transaction with third-party shareholders, to be treated in accordance with IFRS 10 as a direct offsetting entry to the BPER Banca Group's equity; this treatment resulted in a Euro 212 million reduction in the Group's equity, whereas the portion allocated to reduce minority interests amounted to Euro 151 million.

The recognised intangible assets with a finite useful life relate to customer relationships and pertain to the valuation of Assets under Management (AuM) and Assets under Administration (AuA) and Core Deposits, in addition to the valuation of the Merchant Acquiring business. In respect of the aforementioned intangible assets with a finite useful life, the portion of amortisation relating to the period following the accounting effective date of the business combination (1 July 2025) – i.e. relating to the second half of 2025 – has been recognised in the income statement (included in item "220. Net adjustments to intangible assets") for a total amount of Euro 11.9 million.

Under international accounting standards, IAS 36 requires that both intangible assets with an indefinite useful life and goodwill be tested for impairment annually, in order to measure their recoverable amount. Furthermore, intangible assets with finite useful lives shall also be tested for impairment when there are indications of a permanent impairment loss. Such a test, particularly in relation to intangible assets with indefinite useful lives such as goodwill, is required because they are not subject to amortisation and, therefore, their value must be reviewed at least annually – or in any event whenever there is evidence of impairment, as mentioned above – with the aim of testing the actual recoverability of the amount recognised in the financial statements.
According to IAS 36, an impairment test, i.e. the verification of an asset's recoverable amount, is performed by comparing the carrying amount of the CGU with its recoverable value, where recoverable value means the higher of its fair value less costs to sell and its value in use. The carrying amount is determined in a way that is consistent with the method used to determine its recoverable value. Generally speaking, the impairment loss shall be recognised immediately in profit or loss.
The annual verification can be carried out at any time during the reference year, provided that it is conducted in the same period in all years. In this context, the BPER Group carries out an annual impairment test at the time the year-end Consolidated Financial Report is prepared, whereas when Interim Reports are prepared, a check is performed to reasonably verify whether there are any signs of impairment (trigger events); in this case, if the check has a positive outcome, a specific impairment test is carried out.
In the context of estimating value in use, it should also be noted that, for the purposes of determining the value in use of intangible assets subject to impairment testing, IAS 36 stipulates that cash flows shall be estimated for the intangible asset in its current condition (at the date of the impairment test), without distinguishing between cash flows relating to assets recognised upon application of IFRS 3 and those relating to assets existing at the time of impairment testing. This approach is necessary because it would be difficult, particularly in certain circumstances, to distinguish the cash flows relating to the original activity from the others. This implies that, for the purposes of the goodwill impairment test, cash flows relating to all assets and liabilities included in the CGU must be considered, and not only those assets and liabilities for which goodwill was recognised upon application of IFRS 3
With regard to the impairment tests carried out as part of the process of preparing the 2025 Consolidated Financial Statements, in order to determine the recoverable amount for the purpose of assessing the value of goodwill, reference was made to the value in use, estimated using the Dividend Discount Model (DDM) in the Excess Capital Method (ECM), which takes into account the present value of the potentially distributable net cash flows that are likely to be generated in the future from the asset being valued. From this perspective, value in use is based on a long-term approach, according to which the value of an asset is directly linked to the cash flows it will be able to generate throughout its useful life.
The development of the Excess Capital Method requires the estimation of: (i) potentially distributable cash flows, (ii) the cost of equity, and (iii) the growth rate g. With regard to the first point, i.e. potentially distributable cash flows, the analytical estimates prepared internally for the period from 2026 up to and including 2030 were taken into account; for 2026, these estimates are based on forecasts derived from budget data, whereas the flows for subsequent financial years were estimated using a carry-forward method that takes into account the business plan targets and, from an inertial perspective, on the basis of macroeconomic projections.
It should be noted that the tests referred to above covered the CGUs, identified as legal entities, Arca Holding and BP Sondrio, which are the only ones identified and to which the goodwill recognised in the consolidated financial statements is allocated.
The results of the impairment test as at 31 December 2025 confirmed that there were no critical issues regarding the value of the goodwill recognised, and did not reveal any need to make adjustments to the amounts allocated to the individual CGUs.
Finally, it is specified that the methodologies, assumptions and results of the impairment test procedure for the identified intangible assets and goodwill were approved by the Board of Directors of Parent Company BPER Banca prior to the approval of the 2025 consolidated report.

Impairment testing of intangible assets

The intangible assets recognised in the BPER Group's consolidated financial statements relate to:

- customer relationships linked to AuM and AuA, which reflect the ability of relationships in place at the acquisition date to generate future income flows over their remaining useful lives; the value of these relationships is linked to trends in assets under management and administration, as well as to margins expected over time;
- customer relationships linked to Core Deposits, i.e. the value of customer relationships attributable to the future economic benefits that are implicit in demand deposits, given their stable nature and lower costs compared to market rates. In this context, the purchaser will have access to a base of demand deposits that can be allocated to lending and investment at remuneration rates lower than those prevailing on the interbank market as at the date of recognition. The related intangible asset consists in the value of the expected future margin ('deposit premium'), which can be regarded as an asset whose value is linked to the trend in market rates and the dynamics of funds raised;

- Merchant Acquiring, defined as the ability of contracts with merchants in place at the acquisition date to generate future income flows over their remaining useful life, in relation to the trend in transaction volumes, fees charged and retention rates.

All recognised intangible assets have a finite useful life. Consequently, they are subject to amortisation in accordance with the original schedule. Furthermore, they are entirely allocated to the CGU Banca Popolare di Sondrio, as they arose from the business combination with the banking group headquartered in Sondrio, and from the purchase price allocation (PPA) process subsequently carried out.
In light of the recent PPA exercise, which was completed during the second half of 2025 and led to the identification and valuation of the assets reported in the list, and given that no indication of impairment was identified at the consolidated financial report date – in the absence of material information liable to adversely impact their valuation, such as, for example, a decline in the return on assets, abnormal trends in the outflow of existing relationships or significant changes in benchmark interest rates – carrying out further impairment tests was not deemed necessary.
Furthermore, in light of the tests carried out on the sustainability of the goodwill allocated to the CGU Banca Popolare di Sondrio, the difference between the estimated value in use and the carrying amount of the CGU is clearly positive and supports the value of the intangible assets with a finite useful life recognised in the accounts.
As at 31 December 2025, taking into account the above, intangible assets are reported in the consolidated financial statements net of the amortisation for the second half of 2025, resulting in the following carrying amounts:

- AuM/AuA – customer relationships, Euro 96.9 million;
- Core Deposits – customer relationships, Euro 249.5 million;
- Merchant Acquiring, Euro 105.0 million.

Impairment test of CGUs and related goodwill

Identification of a Cash Generating Unit

Goodwill, identified as an intangible asset with an indefinite useful life, does not generate financial flows except with the contribution of other company assets; it is therefore necessary to preliminarily assign this asset to largely autonomous operational units, a.k.a. Cash Generating Units – CGUs, both in terms of independent cash flows generated and in terms of internal planning and reporting. According to IAS 36, the level at which goodwill is tested has to be correlated with the level of internal reporting of business performance and planning of future trends used by management to monitor the dynamics. In this regard, the definition of this level is closely dependent on the organisational models and the attribution of management responsibilities for the definition of operating activities and subsequent monitoring. The CGU can also not be larger than an operating segment, as defined in paragraph 5 of IFRS 8. The business model of the BPER Banca Group is now geared towards a structure focused on the types of customers and products/services offered, with flow interaction and operations increasingly based on business areas.

The goodwill allocated to the CGU Arca Holding, recognised in the Consolidated Financial Statements for an amount of Euro 170 million, arose from the Business Combination carried out to strengthen and enhance the value of the business related to wealth management and investment services, which led BPER Banca to consolidate its equity investment in Arca Holding s.p.a., coming to hold a majority stake of 57% of the capital. In this context, the CGU to which goodwill is allocated can be identified not only with a legal entity (i.e. Arca Holding s.p.a.) but also with a specific business area (i.e. asset management, included in the Private & Wealth Management segment), characterised by specific actual and forecast reporting, based on a consolidated and long-tested reporting system, which allowed for continuous monitoring of the sustainability of the recognised value, while also ensuring continuity with the past.
The remaining portion of goodwill, amounting to Euro 405.7 million was the result of the business combination with the BP Sondrio Group. In this context, the CGU is identified as the entire company, as the cash flows generated by the various business activities cannot be singled out separately in the medium to long term, given the forthcoming merger by absorption of BP di Sondrio into BPER Banca, which will lead to a redefinition of the scope and areas of operation in the short term. Against this background, the relevant CGU is assumed to coincide with the legal entity BP Sondrio Group and the operating segment of the same name. This approach is currently consistent with the management reporting structure temporarily adopted by the BPER Group pending completion of the merger by absorption.
Therefore, based on the above, each CGU to which total goodwill recognised in the Consolidated Financial Report of the BPER Group is allocated, prior to the impairment tests conducted during the year, is identified with the CGU Arca Holding and the CGU Banca Popolare di Sondrio.

Throughout 2025, the Italian stock market continued to grow, reflecting a generally positive sentiment among investors. Specifically, the FTSE MIB all-share index rose by 31% compared with its value at the start of the year, whilst the banking sector index recorded even stronger growth of around 66%. The banking industry continues to attract considerable interest from investors, not only at a national level; the Euro Stoxx Banks index – covering the European market – and the S&P 500 Banks index – covering the US market – grew by approximately +80% and +34% respectively compared to the beginnning of the year. Against this backdrop, the share prices of Italian companies in the asset management sector also saw strong growth in 2025, with double-digit growth rates in most cases.

Against this market backdrop, over the past twelve months, the BPER Group's share price showed a very positive trend, posting a significant increase in its market value. This performance is traceable to a number of factors, among which the strategic transaction launched with the BP Sondrio Group and the proposed future merger by absorption between the two entities are of particular significance. Since the start of the year, the share price has risen by approximately +89%. This trend reflects investors' positive expectations regarding the potential industrial and operational synergies arising from the merger, the stronger geographical footprint and the increased capacity to generate value in the medium to long term. In particular, the transaction is perceived as a means to improve operational efficiency, optimise costs and consolidate the Group's competitive position in the Italian banking system, in a macroeconomic and financial context characterised by high volatility and uncertainty.

In light of the most recent information, the expected macroeconomic scenario was partially revised compared to the assessments made during the impairment test as at 31 December 2024 and shows varying trends depending on the variables considered. The outlook for economic growth is generally more subdued compared to previous forecasts, with a more pronounced slowdown in the short term and a more gradual trend in the years to follow. This revision reflects an economic context that remains characterised by elements of fragility, which are affecting the pace of the recovery in economic activity. At the same time, labour market expectations show a more favourable evolution, with an improvement of the employment conditions over the forecast period. This trend helps to support the outlook for the disposable income of households and, more broadly, the resilience of domestic demand. Inflation forecasts have been revised slightly upwards, although they are converging towards an average of two per cent. As regards financial conditions, forecasts for 3-month Euribor rates point to a scenario that is, on average, more subdued than previously estimated, suggesting a potentially more accommodative environment for households and businesses. At the same time, growth forecasts for the asset management sector are more moderate – albeit still showing very positive trends of over 5% – partly because the particularly strong performance already recorded in previous years tends to narrow the scope for further expansion in the short term. Overall, while showing signs of gradual stabilisation after periods of greater uncertainty, the macroeconomic outlook outlined above continues to be significantly influenced by geopolitical tensions and restrictive trade policies. The tightening or continuation of tariffs poses a significant risk to the global economic recovery, as it could have a negative impact on the competitiveness of businesses, international trade and the confidence of households and economic operators, requiring a management approach based on prudence and flexibility. In this context, however, any adjustments to the economic policies and industrial strategies may help to mitigate, at least in part, the negative effects of trade restrictions, albeit within a framework that continues to be characterised by uncertainty and requires a careful assessment of the impacts in the medium to long term.

Carrying amount of the CGUs

The carrying amount of the CGUs is determined in a way that is consistent with the method used to estimate its recoverable value.
Given that it refers to companies operating in the financial sector, it is not possible to identify the cash flows generated by a CGU without considering the flows deriving from financial assets/liabilities. In other words, the recoverable value of the CGU is influenced by these flows, which means that the carrying amount has to be determined in line with the estimated recoverable value and therefore also has to include the financial assets/liabilities (so-called "equity side" approach).
The carrying amount of each CGU therefore corresponds to the total of: (i) the interest held in the shareholders' equity of the legal entity, including its results for the period; (ii) the goodwill allocated, net of any adjustments deriving from previous impairment tests; (iii) the carrying amount of the specific intangible assets with a finite useful life that were identified in the context of the business combination by applying the acquisition method (if any).

Criteria for estimating the recoverable value of CGUs

The recoverable value of the CGU is its fair value net of disposal costs or, if greater, its value in use. Under the standard it is not necessary to calculate both value in use and fair value when performing the impairment test, as it is sufficient for at least one of them to exceed the carrying amount in order to confirm that the asset is not impaired.
For the purpose of determining the recoverable amount, reference was made to the value in use estimated using the "Dividend Discount Model" - DDM. This method estimates the value in use of an asset by discounting the flows of potentially distributable dividends, determined by management on the basis of economic-financial projections linked to that asset. The cash flow expected in the last year of the forecast period is projected in perpetuity using an appropriate long-term growth rate "g" and the opportunity cost of capital in order to estimate the terminal value.

In the case of banks and financial institutions in general, the expected dividend flow is understood to mean the distributable cash flow, taking account of capital restrictions imposed by the Regulatory Authorities or considered reasonable in order to cover the typical risks of the business. Accordingly, future cash flows are identifiable as flows that could potentially be distributed after meeting the minimum capital allocation constraints; given this, the "Excess Capital Method" variant of the DDM is commonly used for appraisals in the banking sector, applying the following formula:

$$W = \sum_{i=0}^{n} CF_i(1 + k_e)^{-i} + TV(1 + k_e)^{-n}$$

Key:
W = value in use;
CF_i = potential cash flow available for distribution over time i;
i = reference year of cash flow;
n = period of time covered by the financial projections;
k_e = opportunity cost of capital, considering current assessments of the time value of money and specific business risks;
TV = terminal value; this corresponds to the present value of a perpetuity calculated based on long-term sustainable cash flow with a constant growth rate of "g".

The verification process as at 31 December 2025, conducted on the basis of considerations shown above, will be analysed in detail below. Testing involved the goodwill recognised for the CGU Arca Holding and the CGU Banca Popolare di Sondrio.

The impairment test conducted on 31 December 2025

Estimation of the carrying amount of CGUs

The following table summarises the carrying amounts of the CGU Arca Holding and the CGU Banca Popolare di Sondrio as at 31 December 2025 prior to verification of the sustainability of their amounts. The value is estimated on the basis of the pro-rata portion of the latest available value of the assets of each legal entity, duly adjusted to take account of the allocated goodwill and any impact of the intangible assets identified and attributable to the relevant CGU.

(in millions)

CGU	Net	of which: goodwill
CGU Arca Holding [1]	440	170
CGU Banca Popolare di Sondrio [2]	4,753	406

[1] Carrying amount net of minority interests.
[2] The carrying amount of the CGU includes the share of intangible assets identified during the PPA.

Estimation of the recoverable amount of CGUs

To estimate the recoverable amount, here identified with the value in use, the DDM-excess capital method was applied given the availability of cash flow forecasts drawn up by the management.
Details are provided below regarding the estimate of cash flows and other valuation parameters used in applying the valuation method described above.

Estimate of future cash flows

The value in use was estimated by discounting the expected cash flows over an explicit forecasting period of five years, until 2030, in line with the requirements of IAS 36. The forecasts, approved by the relevant administrative body, were prepared for based on the most recent information on actual performance, on the strategic actions limited to those already undertaken and related effects and the most recent banking system forecasts available close to the time when the figures are verified. The projections are based on reasonable and supportable assumptions which represent the best estimate of the range of economic conditions that will exist in subsequent years at the time of impairment testing.
A detailed analysis of the forecasts prepared for the CGU Arca Holding reveals the following:

- for 2025, preliminary year-end figures were used, representing the best estimate available when the budget data for 2026 were prepared, as were medium- to long-term forecasts;
- for 2026 reference was made to the budget for the year, as referred to in the previous item,presented at the Board of Directors' meeting and, together with the 2025 preliminary figures, approved by the BoD;
- the forecasts for 2027–2030 refer to those approved by the Company for the sole purpose of impairment testing in December 2025. The development of inertial forecasts, an approach that characterised the data analysis for this period, as required by the accounting standard, aims to reach a normalised situation at the end of the period, calculating a long-term sustainable income that can be used in estimating the Terminal Value. The normalisation process aims to mitigate the effects of anomalous and extraordinary external economic and market conditions, as well as the extraordinary and strategic transactions, already approved and being implemented, but which do not yet express their full effects at the time the impairment test is carried out, generating their effects on the structure once fully operational. Moreover, following an inertial logic and in line with the foregoing considerations, the last few years of forecasting do not reflect any extraordinary transactions which are not yet defined in detail, not approved by the administrative bodies or still not in an advanced phase of implementation;

For the purposes of estimating the future cash flows of the CGU BPSO, in consideration of its recent acquisition by the BPER Group, reference was made to the forecast figures for the 2025–2027 financial years, which are consistent with the BP Sondrio Group's Business Plan presented in March 2025 and approved by the Parent Company BP Sondrio, and which were also used in the merger application submitted by BPER Banca. In addition to the aforementioned data, an inertial forecast was prepared for 2028, based on the banking system expectations for macroeconomic parameters, as well as on the trend observed in the prior period.
The internal economic and financial calculations, in addition to considering ongoing or expected changes in the business model, reflect the effects of planned restructuring and strategic actions, which are useful for defining a normalised situation over the medium to long term. Only the effects of strategic actions approved by the Board of Directors and being implemented have been considered, consistent with the requirements of IAS 36. From this perspective, the impact of ongoing exceptional measures was taken into account, where necessary. For the 2028-2030 period, an inertial trend was assumed, as previously mentioned, based on the expected trend resulting from pre-defined macroeconomic parameters for the near future.
The distributable cash flows of the CGU Arca Holding have been estimated assuming a target minimum regulatory requirement in line with the supervisory provisions applicable to that type of business, taking into account potential expected developments based on guidance from the Supervisory Authority. With regard to the CGU Banca Popolare di Sondrio, the latest target minimum regulatory requirement applicable to the BPER Banca Group was taken into account, considering its recent entry into the Group and the thereto associated risk sharing (9.39%).
The estimate of value in use includes the calculation of Terminal Value, which quantifies the present value of the cash flows potentially distributable to shareholders in the period subsequent to that covered by explicit projections. Its estimate was developed on the basis of a normalised flow given by the profit of the last projection year (2030 for the CGU Arca Holding CGU, 2028 for the CGU Banca Popolare di Sondrio), taking into account a long-term tax burden, net of the physiological absorption of capital and capitalised at a rate that measures the difference between the opportunity "cost of equity" and the nominal "g" growth rate of 2.0%. The "g" rate, unchanged from that used in previous impairment tests, including the most recent one carried out as at 31 December 2024, is in line with the expected long-term inflation rate according to the latest estimates by the International Monetary Fund and other specialised infoproviders, as well as with the ECB's long-term target, which implicitly assumes average real growth of zero.

Estimation of the cost of equity

As noted above, the value in use is determined by discounting the expected cash flows at an appropriate rate reflecting the estimated opportunity cost of capital, consistent with the requirements of IAS 36 and the guidelines of the impairment testing of goodwill, using the Capital Asset Pricing Model (CAPM). The following formula is applied:

$$K_e = R_f + \beta \times (R_m - R_f)$$

Key:
R_f = Risk free rate;
$(R_m - R_f)$ = Market Risk Premium;
β = Beta.

The CAPM expresses a linear relationship, under conditions of market equilibrium, between the yield on an investment and its systematic risk. In detail, the yield on an investment is calculated as the sum of the risk-free rate (expression of the time value of money) and the risk premium, which is the beta of the security multiplied by the market risk premium.
The discount rate used incorporates the risk-free component and risk premiums correlated with the equity component observed over a sufficiently long period of time to take account of different market conditions and economic cycles.
The cost of equity was estimated at 10.42%, for the CGU Arca Holding (-6 basis points with respect to the figure estimated at the reporting date of the 2024 Financial Report) and 10.55% for the CGU Banca Popolare di Sondrio, obtained by considering the update of the following parameters in the CAPM formula:

- the risk free rate, being the time value of money corresponding to the yield on a risk-free investment, usually represented by government bonds. The general structure of the CAPM refers to a risk-free rate, but makes no reference to the period of time to be considered. The approach that prevailed for the valuation process was to select a rate of return on long-term government bonds (generally 10-year bonds). An average value of the 10-year BTP yield rates of 3.57%, calculated over a one-year observation period and obtained using the same approach as in the previous impairment tests, has been used here for both estimates. The figure shows an increase compared to the value used in the impairment test as at 31 December 2024 when the average value always calculated over a one-year observation period was 3.70%;
- the market risk premium, being the difference between the yield on a diversified portfolio of risky investments available on the market and the yield on a risk-free bond. It should be considered that the risk premium is generally associated with the long-term. Since this represents, in fact, the additional return over the risk free rate that an investor requires to invest in a portfolio of risky assets, it should not be linked to short-term market fluctuations. Specifically, a market risk premium of 5.50% was used for both estimates, unchanged with respect to the figure used in the previous impairment test. This figure is the result of a qualitative and quantitative analysis using information issued periodically by specialised info providers, which analyse the sector and macroeconomic trends or periodically record those used on average in practice by various operators when carrying out valuations;

- the beta, being the specific investment risk. The beta expresses the correlation between the yield on a single risky investment and that on a market portfolio. A coefficient equal to one indicates that the investment being considered follows the exact trend of the market portfolio, while a beta greater than "one" identifies an "aggressive" investment, the yield of which may vary more than the market return. A beta lower than one corresponds to a "defensive" investment; in this case variations in the investment yield are less sensitive. As part of the estimation of the cost of equity for each CGU, different betas were used, each representing the relevant operating segments of the CGU in question. For the CGU Arca Holding, in line with the approach adopted in the past, reference was made to the average beta of a sample of companies operating in asset management estimated over a sufficiently long period of time to minimise the distortive effects that may affect short periods – specifically, an observation period of five years with monthly data collection was taken into consideration. In light of the values obtained from a specialised external infoprovider, the beta used in the test as at 31 December 2025 was 1.25 (vs. 1.23 in the impairment test as at 31 December 2024). In estimating the cost of equity for the CGU Banca Popolare di Sondrio, the beta of the BPER Group was used, given the entry of the legal entity into the Group and its future merger by absorption. The beta as at 31 December 2025 for the BPER Group was 1.27, resulting from an observation period of five years with more frequent measurements. In the latter case, a figure resulting from the average of several measurements was used to mitigate the anomalous trend observed when a single measurement was used.

The rate estimated in this way is considered to reflect the real risk exposure of the CGU and be consistent with the risk exposure implicit in the economic projections, so there is no need to add any further risk premium. The approach adopted in estimating the opportunity cost of capital follows a well-established impairment testing process, referring the verification of the impact generated by any positive or negative deviations in the external market parameters on the value in use to the sensitivity analyses.

Results of the impairment test

An impairment test requires a comparison between the recoverable amount of the CGU to which goodwill has been allocated and its carrying amount. In accordance with applicable accounting standards, goodwill must be adjusted when the carrying amount of the CGU to which it has been allocated exceeds the recoverable amount, which in this case is assumed to be equal to the value in use. As at the reporting date of this Consolidated Financial Report, taking into account the measurements resulting from the update of the valuation parameters, the test confirmed the value of the goodwill allocated to both the CGU Arca Holding and the CGU Banca Popolare di Sondrio, as well as the value of the intangible assets identified as part of the PPA in relation to the CGU Banca Popolare di Sondrio, as mentioned above.
The Parent Company obtained an opinion from an independent external expert on the impairment testing process used by its internal organisations.

Sensitivity analysis

It should be noted that the main parameters used in the valuation model, such as cash flows and the opportunity cost of capital, may be significantly influenced by changes in the overall economic environment, although in the most recent period this has shown greater stability compared to the previous periods, which were affected by extraordinary events with global impacts. The effects of these changes on the cash flow projections and the main financial assumptions could render future results different from those used to verify the sustainability of goodwill.
For this reason and pursuant to IAS 36, sensitivity analyses were carried out to assess the impact of changes in the key parameters underlying the valuation model on the estimates of value in use and, therefore, on the results of the impairment test. This analysis is all the more necessary in periods characterised by significant market volatility and uncertainty of the impact of certain events beyond the scope of management control; factors which we tried to take into account by using all the information known on the date of testing, including the most up-to-date expectations at the macroeconomic and banking system level, but which in any case always carry an implicit risk related to the possible timing and actual extent of the events, which are currently unpredictable.
In this scenario, the impact on the value in use of a change in some key variables was assessed, among which the exogenous variables whose trend lies beyond the scope of management control:

- +25 bps and +50 bps on the cost of "basic" capital (equal to 10.42% for the CGU Arca Holding and 10.55% for the CGU Banca Popolare di Sondrio);
- -25 bps and -50 bps on the base long-term growth rate "g" (equal to 2.0% for both CGUs);
- -5% and -10% of normalised profit for both CGUs.

In addition, with regard to the CGU Banca Popolare di Sondrio, reference was made to -25 bps and -50 bps changes in the target CET1 ratio, given the sensitivity of the value to changes in this parameter. For the CGU Arca Holding, the different Supervisory requirement under the relevant regulations for the type of activity carried out makes a sensitivity analysis on this parameter less significant.

CGU	Change in Value in Use of CGUs							
	ke rate		"g" rate		Reduction of normalised profit		CET1 target ratio	
	+25 bps	+50 bps	-25 bps	-50 bps	-5%	-10%	+50 bps	+100 bps
CGU Arca Holding	-1.8%	-3.5%	-1.3%	-2.5%	-2.7%	-5.3%	n.s.	n.s.
CGU Banca Popolare di Sondrio	-2.1%	-4.1%	-1.1%	-2.1%	-3.4%	-6.7%	-1.8%	-3.7%

In all the sensitivity analyses considered, including those involving the simultaneous deterioration of two parameters such as the k_e rate and the g rate, no critical situations were identified regarding the stability of the goodwill values recognised for each CGU.

Again for stress testing purposes, alternative variations were considered for the opportunity cost of capital, for the profits expected in the analytical forecast period (including that used in the estimate of the normalised flow underlying the Terminal Value) and the normalised expected cash flow in the final period of the projections (used to estimate the Terminal Value), in order to reduce the value in use of the CGU to its carrying amount, or, in other words, the threshold value of the main inputs, beyond which impairment testing of the CGU would result in a loss.

CGU	Maximum ke rate	Maximum reduction of expected profits in the forecasting period and of normalised profit	Maximum reduction in the normalised flow
CGU Arca Holding	22.70%	-52%	-89%
CGU BPSO	14.51%	-28%	-40%

For example, this analysis shows that in relation to the CGU Arca Holding, the occurrence of either an increase by approximately over +1,228 bps in the opportunity cost of capital, from 10.42% to 22.70%, a reduction of 52% in profits in each year of the forecasting period (including the profit underlying the normalised cash flow) or, alternatively, a reduction of 89% in the cash flow underlying the Terminal Value, without prejudice to all other inputs in each scenario, would bring the recoverable value substantially into line with its carrying amount.

Section 11 – Tax assets and liabilities

Asset item 110 and liability item 60

11.1 Deferred tax assets: breakdown

	IRES	IRAP	Total 31.12.2025	Total 31.12.2024
Impairment losses on loans to customers	254,047	31,295	285,342	203,029
Impairment losses on equity investments and securities	27,579	7,164	34,743	53,046
Goodwill convertible into tax credits	235,245	54,158	289,403	282,946
Non-convertible goodwill	6,890	1,731	8,621	21,687
Personnel provisions	279,384	55,219	334,603	295,245
Endorsement credits, clawback action during bankruptcy proceedings and outstanding lawsuits	125,673	4,756	130,429	101,802
Impairment losses on loans to customers FTA IFRS 9	166,082	42,274	208,356	190,554
Non-convertible tax losses	21,797	-	21,797	188,135
Tax losses convertible into tax credits	-	-	-	4,729
ACE carried forward	769	-	769	7,570
Property, plant and equipment and intangible assets	15,146	1,313	16,459	2,329
Other deferred tax assets	103,610	13,977	117,587	33,092
Total	**1,236,222**	**211,887**	**1,448,109**	**1,384,164**

"Deferred tax assets" are determined on the basis of IRES and IRAP tax rates which are expected to be in force at the time of their recovery.
The total includes, for an amount of Euro 574.7 million, deferred tax assets relating to value adjustments to loans to customers, and goodwill convertible to tax credits pursuant to Law 214/2011.
The remaining deferred tax assets, for Euro 873.4 million, mainly refer to deductible temporary differences for Euro 850.8 million, to non-convertible tax losses and Euro 21.8 million and surplus ACE for Euro 0.8 million. These deferred tax assets were recognised on the basis of the positive outcome of the probability test carried out in compliance with the provisions of IAS 12, assuming that a time horizon of 5 years is used for the purposes of the recovery forecasts; the future taxable income considered is consistent with the financial forecasts recently updated in January/February 2026.
As at 31 December 2025, no deferred tax assets were recognised that are recoverable beyond the time horizon taken into consideration for the probability test, for an amount of Euro 164.5 million, largely due to mismatches between the carrying amount and the tax base of properties, goodwill and personnel funds.

11.2 Deferred tax liabilities: breakdown

	IRES	IRAP	Total 31.12.2025	Total 31.12.2024
Payments to FITD (Interbank Deposit Protection Fund)	196	54	250	236
Revaluations of equity investments and securities	18,322	12,849	31,171	17,834
Capital gains on shares and other securities	948	177	1,125	1,680
Personnel provisions	4,405	12	4,417	1,656
Property, plant and equipment and intangible assets	96,599	21,660	118,259	23,552
Other deferred taxes	192,760	47,070	239,830	12,147
Total	**313,230**	**81,822**	**395,052**	**57,105**

"Deferred tax liabilities" are determined on the basis of IRES and IRAP tax rates which are expected to be in force at the time of their recovery.
The item "Other deferred taxes" mainly refers to the mismatch between the carrying value and the tax value of both property, plant and equipment and intangible assets, and tax receivables held for sale.
As at 31 December 2025, no deferred tax liabilities were recognised with regard to temporary differences relating to investments in subsidiaries, branches, associates and companies under joint control.

11.3 Changes in deferred tax assets (through profit or loss)

	31.12.2025	31.12.2024
1. Initial amount	**1,299,525**	**1,724,617**
2. Increases	**447,432**	**185,970**
2.1 Deferred tax assets recognised in the year	154,991	183,963
a) relating to previous years	11,811	47,934
b) due to changes in accounting criteria	-	-
c) write-backs	-	-
d) other	143,180	136,029
2.2 New taxes or tax rate increases	33,246	-
2.3 Other increases	259,195	2,007
- of which: business combinations	257,999	-
3. Decreases	**384,606**	**611,062**
3.1 Deferred tax assets derecognised in the year	360,954	606,607
a) reversals	52,592	280,908
b) write-offs	-	-
c) due to changes in accounting criteria	-	-
d) other	308,362	325,699
3.2 Decreases in tax rates	-	-
3.3 Other decreases:	23,652	4,455
a) conversion into tax credit under Law No. 214/2011	7,088	4,455
b) other	16,564	-
4. Final amount	**1,362,351**	**1,299,525**

The amount recognised under 2.1 a) "Deferred tax assets recognised in the year relating to previous years" mainly refers to DTAs recognised in the year following the passing of the probability test relating to provisions for redundancies and amortisation of tax-aligned goodwill recoverable in 2030.
Item 2.1 d) "Deferred tax assets recognised in the year - other" mainly includes the increases in deferred tax assets on provisions for personnel funds and provisions for the pending litigation fund and for signature loans.
Item 2.2 "New taxes or tax rate increases" reflects the increase in deferred tax assets due to the higher IRAP (regional production tax) rate introduced by the 2026 Budget Law for the 2026-2028 three-year period.

Item 2.3 "Other Increases" mainly includes the deferred tax assets pertaining to the companies of the Banca Popolare di Sondrio Group, which has been part of the BPER Group since 1 July 2025.
The amount recognised under 3.1 a) "Deferred tax assets derecognised for the year - reversals" mainly includes derecognition of deferred tax assets related to provisions for staff costs and redundancy charges, provisions for the pending litigation fund and signature loans.
The amount recognised under 3.1 d) "Deferred tax assets derecognised for the year - other" includes the reversal of deferred tax assets related to the draw-downs of personnel provisions (redundancy fund and early-retirement incentives), the draw-downs of the provision for the litigation fund and the provision for clawback actions and signature loans, as well as the reversal of deferred tax assets relating to the portion of tax losses and ACE (allowance for corporate equity) surplus amounts used to reduce the separate and group taxable income.
The amount recognised under item 3.3 a) "Other decreases – conversion into tax assets as per Law 214/2011" reflects the decrease in DTAs recognised on the IRES tax losses for 2024 and on the negative value of production for 2024, which were converted into tax credits in 2025.

11.4 Changes in deferred tax assets pursuant to Law 214/2011 (through profit or loss)

	Total 31.12.2025	Total 31.12.2024
1. Initial amount	**490,704**	**683,535**
2. Increases	**91,550**	**6,736**
3. Decreases	**7,509**	**199,567**
3.1 Reversals	87	195,112
3.2 Conversion into tax credit	7,088	4,455
a) from losses for the year	-	-
b) from tax losses	7,088	4,455
3.3 Other decreases	334	-
4. Final amount	**574,745**	**490,704**

Art. 2, paragraphs 55 *et seq.* of Decree Law No. 225/2010, converted into Law by art. 1, para. 1, Law. No. 10/2011, as later amended by Article 9, para. 1b), of Law Decree 201/2011 introduced the system of converting into tax credits the DTAs recognised in the financial statements relating to value adjustments pursuant to Article 106, para. 3 of the TUIR (Consolidated Income Tax Act), to the value of goodwill and other intangible assets and the part of the IRES tax losses resulting from (and within the limits of) the deduction of the aforementioned items for the year.
Subsequently, Art. 1, para. 168 of Italian Law No 147/2013 extended the aforementioned conversion scheme to IRAP (regional production tax) DTAs relating to the same negative items that contributed to the formation of the "negative net production value".
This table shows the changes that took place during the year limited to these categories of DTAs (called "noble").
The amount under item "2. "Increases" refers primarily to deferred tax assets relating to the companies of the Banca Popolare di Sondrio Group, which joined the BPER Group on 1 July 2025, and increases in deferred tax assets linked to the higher IRAP rate introduced by the 2026 Budget Law for the three-year period 2026–2028.
Item 3.2 b) "Decreases - Conversion into tax credits from tax losses" represents the decrease in DTAs recognised on previous tax losses which were converted into tax credits in 2025.

11.5 Changes in deferred tax liabilities (through profit or loss)

	Total 31.12.2025	Total 31.12.2024
1. Initial amount	**14,707**	**13,949**
2. Increases	**316,279**	**3,131**
2.1 Deferred tax liabilities recognised in the year	1,832	3,020
a) relating to previous years	-	-
b) due to changes in accounting criteria	-	-
c) other	1,832	3,020
2.2 New taxes or tax rate increases	1,250	-
2.3 Other increases	313,197	111
- of which: business combinations	313,197	-
3. Decreases	**66,240**	**2,373**
3.1 Deferred tax liabilities derecognised in the year	3,071	2,343
a) reversals	777	33
b) due to changes in accounting criteria	-	-
c) other	2,294	2,310
3.2 Decreases in tax rates	-	-
3.3 Other decreases	63,169	30
4. Final amount	**264,746**	**14,707**

Item 2.2 "New taxes or tax rate increases" includes increases in deferred tax liabilities in connection with the higher IRAP (regional production tax) rate introduced by the 2026 Budget Law for the three-year period 2026–2028.
Item 2.3 "Other increases" refers to increases in deferred tax liabilities attributable to the companies of the Banca Popolare di Sondrio Group, which joined the BPER Group on 1 July 2025, and recognised as a result of mismatched between the carrying amount and tax base deriving from PPA adjustments.
Item 3.1 c) "Deferred tax liabilities derecognised in the year - other" refers to deferred taxes derecognised following the disposal of securities and equity investments and deferred tax assets derecognised after reabsorbtion of misalignment between the carrying amount and tax value of owned properties due to the fair value adjustment as at the reporting date for the financial year.
Item 3.3 "Other decreases" primarily reflects decreases in deferred taxes related to the reversal of mismatches between the carrying amount and tax base resulting from PPA adjustments.

11.6 Changes in deferred tax assets (through shareholders' equity)

	Total 31.12.2025	Total 31.12.2024
1. Initial amount	**84,639**	**109,872**
2. Increases	**29,751**	**4,997**
2.1 Deferred tax assets recognised in the year	5,069	4,997
a) relating to previous years	-	-
b) due to changes in accounting criteria	-	-
c) other	5,069	4,997
2.2 New taxes or tax rate increases	4	-
2.3 Other increases	24,678	-
- of which: business combinations	24,678	-
3. Decreases	**28,632**	**30,230**
3.1 Deferred tax assets derecognised in the year	27,989	29,542
a) reversals	2,457	799
b) write-offs	-	-
c) due to changes in accounting criteria	-	-
d) other	25,532	28,743
3.2 Decreases in tax rates	-	-
3.3 Other decreases	643	688
- of which: business combinations	-	688
4. Final amount	**85,758**	**84,639**

Item 2.1 c) "Deferred tax assets recognised in the year – other" refers mainly to deferred tax assets related to the provision for Section A pension fund and the fair value measurement of non-current securities.
Item 2.3 "Other increases" refers to increases in deferred tax assets attributable to the companies of the Banca Popolare di Sondrio Group, which joined the BPER Group on 1 July 2025.
Item 3.1 d) "Deferred tax assets derecognised in the year – other" refers mainly to deferred tax assets derecognised against the fair value measurement of non-current securities and the impact of the measurement of CFH derivatives.

11.7 Changes in deferred tax liabilities (through shareholders' equity)

	Total 31.12.2025	Total 31.12.2024
1. Initial amount	**42,398**	**42,822**
2. Increases	**94,076**	**6,280**
2.1 Deferred tax liabilities recognised in the year	2,590	5,870
a) relating to previous years	-	-
b) due to changes in accounting criteria	-	-
c) other	2,590	5,870
2.2 New taxes or tax rate increases	11,403	-
2.3 Other increases	80,083	410
- of which: business combinations	78,357	-
3. Decreases	**6,168**	**6,704**
3.1 Deferred tax liabilities derecognised in the year	2,289	4,134
a) reversals	1,181	284
b) due to changes in accounting criteria	503	-
c) other	605	3,850
3.2 Decreases in tax rates	-	-
3.3 Other decreases	3,879	2,570
4. Final amount	**130,306**	**42,398**

Item 2.1 c) "Deferred tax liabilities derecognised in the year – other" mainly includes deferred tax liabilities recognised on the fair value measurement of securities in the HTC&S portfolio.
Item 2.2 "New taxes or tax rate increases" includes increases in deferred tax liabilities recognised as a result of the higher IRAP (regional production tax) rate introduced by the 2026 Budget Law for the three-year period 2026–2028.

11.8 Other information

There is no information to be disclosed other than that already provided in this section.

Section 12 – Non-current assets and disposal groups classified as held for sale and related liabilities

Asset item 120 and liability item 70

12.1 Non-current assets and disposal groups classified as held for sale: breakdown by assets

	Total 31.12.2025	Total 31.12.2024
A. Assets held for sale		
A.1 Financial assets	289,854	-
A.2 Equity investments	-	-
A.3 Property, plant and equipment	53,821	38,861
of which: arising from the enforcement of guarantees received	1,612	1,778
A.4 Intangible assets	43	33
A.5 Other non-current assets	2,064	2,126
Total A	**345,782**	**41,020**
of which measured at cost	293,273	5,775
of which measured at fair value level 1	-	-
of which measured at fair value level 2	-	-
of which measured at fair value level 3	52,509	35,245
B. Discontinued operations		
B.1 Financial assets measured at fair value through profit or 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 measured at amortised cost:	-	-
B.4 Equity investments	-	-
B.5 Property, plant and equipment	-	-
of which: arising from the enforcement of guarantees received	-	-
B.6 Intangible assets	-	-
B.7 Other assets	-	-
Total B	**-**	**-**
of which measured at cost	-	-
of which measured at fair value level 1	-	-
of which measured at fair value level 2	-	-
of which measured at fair value level 3	-	-

(cont.)

	31.12.2025	31.12.2024
C. Liabilities associated with assets classified as held for sale		
C.1 Due to banks/customers	396,239	110
C.2 Securities	191	-
C.3 Other liabilities	6,651	4,957
Total C	**403,081**	**5,067**
of which measured at cost	403,081	5,067
of which measured at fair value level 1	-	-
of which measured at fair value level 2	-	-
of which measured at fair value level 3	-	-
D. Liabilities associated with discontinued operations		
D.1 Financial liabilities measured at 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 measured at cost	-	-
of which measured at fair value level 1	-	-
of which measured at fair value level 2	-	-
of which measured at fair value level 3	-	-

It is noted that the values shown in the table above refer to the following situations: i. assets and liabilities relating to subsidiaries classified as held for sale pursuant to IFRS 5; ii. loan and deposit accounts at branches that, by decision of the Italian Competition Authority (AGCM), must be sold on the market; - iii. tangible assets (property), whose disposal process has already started.

12.2 Other information

There is no information to be disclosed other than that already provided in this section.

Section 13 – Other assets

Item 130

13.1 Other assets: breakdown

	31.12.2025	31.12.2024
Taxes withheld on interest, withholdings and tax credits on dividends, advance taxation	792,725	377,652
Amounts recoverable from the tax authorities for higher taxes paid for previous years and related accrued interest (other than income taxes)	4,384	4,970
Sundry amounts to be charged to customers	398,264	312,359
Bank charges to be debited to customers or banks	128,847	131,582
Cheques being processed	581	129
Cheques drawn on other banks	85,543	90,078
Items relating to securities transactions	179,765	160,550
Pension fund assets	10,452	-
Leasehold improvement expenditure	12,428	14,554
Gold, silver and precious metals	71,397	80,371
Accrued income and prepaid expenses	116,350	13,862
Tax credits purchased from third parties	5,359,961	4,490,419
Other items for sundry purposes	345,198	197,044
Total	**7,505,895**	**5,873,570**

There are no contract assets, as defined in IFRS 15.

The item "Tax credits purchased from third parties" includes tax credits purchased from third parties under the Relaunch Decree No. 34/2020, measured at amortised cost, for the portion to be recovered by offsetting, and measured at fair value, for the amount corresponding to the sales contracts entered into at the end of the reporting period. The nominal value of tax credits acquired as at 31 December 2025, net of offsets and sales, amounted to Euro 5,728.9 million (Euro 5,002.4 million as at 31 December 2024). The recovery of credits by offsetting is confirmed by the assessment of individual and Group tax capacity, which is understood to be the estimate of future payments made through the F24 form.

In light of the complexity of the regulatory scenario described, despite the control protocols adopted by the Bank both in the phase of acquiring the tax credit and in its technical assessment, it is believed that BPER Banca remains exposed to a compliance/operational risk that, in the event of irregularities by the selling parties, could cause a deferral in the use of the receivables acquired. In respect of said risk, the Group made an allocation to the Provisions for risks and charges, better detailed in a later section of these Explanatory Notes, dedicated to liability items.

LIABILITIES

Section 1 – Financial liabilities measured at amortised cost

Item 10

1.1 Financial liabilities measured at amortised cost: breakdown by product of due to banks

Type of transaction/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	**1,217**	X	X	X	**-**	X	X	X
2. Due to banks	**10,094,460**	X	X	X	**5,047,675**	X	X	X
2.1 Current accounts and demand deposits	653,306	X	X	X	146,542	X	X	X
2.2 Time deposits	1,249,872	X	X	X	934	X	X	X
2.3 Loans	7,058,631	X	X	X	4,056,116	X	X	X
2.3.1 Repurchase agreements	6,405,239	X	X	X	3,695,586	X	X	X
2.3.2 Other	653,392	X	X	X	360,530	X	X	X
2.4 Payables for commitments to repurchase own equity instruments	-	X	X	X	-	X	X	X
2.5 Lease liabilities	8,602	X	X	X	10,816	X	X	X
2.6 Other liabilities	1,124,049	X	X	X	833,267	X	X	X
Total	**10,095,677**	**-**	**-**	**10,095,677**	**5,047,675**	**-**	**-**	**5,047,675**

The balance change mainly reflects the Group's scale up in size resulting from the acquisition of control over Banca Popolare di Sondrio and its subsidiaries.
An explanation of the fair value hierarchy used for classification has been given in Part A.4 of these Explanatory Notes.
Fair value is assumed to be the same as the carrying amount since they are sight or short-term transactions, mainly at floating rates.

Key: BV = Book value; L1 = Level 1; L2 = Level 2; L3 = Level 3

1.2 Financial liabilities measured at amortised cost: breakdown by product of due to customers

Type of transaction/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	**128,724,397**	**X**	**X**	**X**	**93,722,900**	**X**	**X**	**X**
2. Time deposits	**6,195,951**	**X**	**X**	**X**	**2,078,811**	**X**	**X**	**X**
3. Loans	**14,385,316**	**X**	**X**	**X**	**7,052,840**	**X**	**X**	**X**
3.1 Repurchase agreements	8,648,644	X	X	X	1,825,110	X	X	X
3.2 Other	5,736,672	X	X	X	5,227,730	X	X	X
4. Payables for commitments to repurchase own equity instruments	**-**	**X**	**X**	**X**	**-**	**X**	**X**	**X**
5. Lease liabilities	**562,677**	**X**	**X**	**X**	**402,257**	**X**	**X**	**X**
6. Other liabilities	**893,677**	**X**	**X**	**X**	**993,511**	**X**	**X**	**X**
Total	**150,762,018**	**-**	**-**	**150,762,018**	**104,250,319**	**-**	**-**	**104,250,319**

The balance change mainly reflects the Group's scale up in size resulting from the acquisition of control over Banca Popolare di Sondrio and its subsidiaries.
An explanation of the fair value hierarchy used for classification has been given in Part A.4 of these Explanatory Notes.
Fair value is assumed to be the same as the carrying amount since they are sight or short-term transactions, mainly at floating rates.

Key: BV = Book value; L1 = Level 1; L2 = Level 2; L3 = Level 3

1.3 Financial liabilities measured at amortised cost: breakdown, by product, of securities issued

Type of transaction/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	14,166,651	11,755,633	2,512,638	-	9,890,105	6,831,554	3,152,197	-
1.1 structured	2,388,060	2,194,438	187,337	-	-	-	-	-
1.2 other	11,778,591	9,561,195	2,325,301	-	9,890,105	6,831,554	3,152,197	-
2. other securities	274,601	-	71	274,530	1,265,081	-	-	1,265,081
2.1 structured	-	-	-	-	-	-	-	-
2.2 other	274,601	-	71	274,530	1,265,081	-	-	1,265,081
Total	**14,441,252**	**11,755,633**	**2,512,709**	**274,530**	**11,155,186**	**6,831,554**	**3,152,197**	**1,265,081**

"Bonds" include Euro 1,673 million of subordinated debt, none of which are convertible into shares.
The item change mainly reflects the Group's scale up in size resulting from the acquisition of control over Banca Popolare di Sondrio and its subsidiaries (of which Euro 641 million worth of subordinated bonds).
An explanation of the fair value hierarchy used for classification has been given in Part A.4 of these Explanatory Notes.

Key: BV = Book value; L1 = Level 1; L2 = Level 2; L3 = Level 3

1.4 Breakdown of subordinated securities

	Book Value 31.12.2025	Nominal value 31.12.2025	Book Value 31.12.2024	Nominal value 31.12.2024
BPER Banca EMTN Tier II subordinated non-convertible bond 3.625%, 2020-2030 callable	-	-	411,004	400,000
BPER Banca EMTN Tier II subordinated non-convertible bond 3.875%, 2022-2032 callable	601,804	585,000	615,339	600,000
BPER Banca Tier II subordinated non-convertible bond 5%, 2022-2032 callable	12,015	12,000	12,015	12,000
BPER Banca EMTN Tier II subordinated non-convertible bond 8.625%, 2022-2033 callable	418,171	385,000	437,317	400,000
Banca Monte Lucca s.p.a. bond loan Fixed rate with Reset, Tier II, 2020-2030 callable	-	-	1,022	1,208
Banca Popolare di Sondrio EMTN Tier II subordinated non-convertible bond 3.875%, 2021-2032 callable	312,153	300,000	-	-
Banca Popolare di Sondrio EMTN Tier II subordinated non-convertible bond 5.505%, 2024-2034 callable	328,970	300,000	-	-
Total non-convertible bonds	**1,673,113**	**1,582,000**	**1,476,697**	**1,413,208**
Total bonds	**1,673,113**	**1,582,000**	**1,476,697**	**1,413,208**

There are no convertible subordinated bonds outstanding at 31 December 2025 (as was the case in December 2024).

1.5 Breakdown of structured debts

There are no amounts to be disclosed in this Consolidated Financial Report.

1.6 Lease liabilities

Time bands	Present value 31.12.2025	Present value 31.12.2024
Up to 3 months	25,676	19,478
>3 months to 1 year	70,951	55,448
> 1 to 5 years	302,632	211,272
> 5 years	172,020	126,875
Total	**571,279**	**413,073**

Section 2 – Financial liabilities held for trading

Item 20

2.1 Financial liabilities held for trading: breakdown by product

Type of transaction/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	-	-	-	-	-	-	-	-	-	-
2. Due to customers	4,461	4,555	-	-	4,555	3	94	-	-	94
3. Debt securities	-	-	-	-	X	-	-	-	-	X
3.1 Bonds	-	-	-	-	X	-	-	-	-	X
3.1.1 Structured	-	-	-	-	X	-	-	-	-	X
3.1.2 Other bonds	-	-	-	-	X	-	-	-	-	X
3.2 Other securities	-	-	-	-	X	-	-	-	-	X
3.2.1 Structured	-	-	-	-	X	-	-	-	-	X
3.2.2 Other	-	-	-	-	X	-	-	-	-	X
Total A	**4,461**	**4,555**	**-**	**-**	**4,555**	**3**	**94**	**-**	**-**	**94**
B. Derivative instruments										
1. Financial derivatives	X	-	308,381	3,751	X	X	-	219,866	4,334	X
1.1 Trading	X	-	285,530	3,751	X	X	-	219,866	4,334	X
1.2 Connected with the fair value option	X	-	22,851	-	X	X	-	-	-	X
1.3 Other	X	-	-	-	X	X	-	-	-	X
2. Credit derivatives	X	-	-	-	X	X	-	-	-	X
2.1 Trading	X	-	-	-	X	X	-	-	-	X
2.2 Connected with the fair value option	X	-	-	-	X	X	-	-	-	X
2.3 Other	X	-	-	-	X	X	-	-	-	X
Total B	**X**	**-**	**308,381**	**3,751**	**X**	**X**	**-**	**219,866**	**4,334**	**X**
Total (A+B)	**X**	**4,555**	**308,381**	**3,751**	**X**	**X**	**94**	**219,866**	**4,334**	**X**

An explanation of the fair value hierarchy used for classification has been given in Part A.4 of these Explanatory Notes.

Key: VN = Nominal Value or Notional Value; L1 = Level 1; L2 = Level 2; L3 = Level 3; Fair value* = fair value calculated excluding value adjustments due to changes in the creditworthiness of the issuer since the issue date.

2.2 Breakdown of "Financial liabilities held for trading": subordinated liabilities

There are no amounts to be disclosed in this Consolidated Financial Report.

2.3 Breakdown of "Financial liabilities held for trading": structured debts

There are no amounts to be disclosed in this Consolidated Financial Report.

Section 3 – Financial liabilities designated at fair value
Item 30

3.1 Financial liabilities designated at fair value: breakdown by product

Type of transaction/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	X
- financial guarantees granted	-	X	X	X	X	X	X	X	X	X
2. Due to customers	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Structured	-	-	-	-	X	-	-	-	-	X
2.2 Other	-	-	-	-	X	-	-	-	-	X
of which:										
- commitments to disburse funds	-	X	X	X	X	X	X	X	X	X
- financial guarantees granted	-	X	X	X	X	X	X	X	X	X
3. Debt securities	**3,365,774**	**-**	**3,467,869**	**-**	**3,504,943**	**2,654,092**	**-**	**2,712,050**	**-**	**2,757,390**
3.1 Structured	3,365,774	-	3,467,869	-	X	2,654,092	-	2,712,050	-	X
3.2 Other	-	-	-	-	X	-	-	-	-	X
Total	**3,365,774**	**-**	**3,467,869**	**-**	**3,504,943**	**2,654,092**	**-**	**2,712,050**	**-**	**2,757,390**

The item includes capital protection certificates (structured debt securities). Classification into this category derives primarily from reconciliation of these liabilities to the portfolios managed by the Capital Market internal unit, which, according to the Group's policies, are measured at fair value considering the objectives pursued and reported performance. In addition, this classification makes it possible to pursue a "natural hedge" of derivatives entered into in order to "balance" the risks assumed with derivatives embedded in issued liabilities (derivatives that were classified as "trading" when recognised).
The increase recorded in 2025 is due to the issuing of 11 new certificates, for a currently outstanding total nominal value of Euro 1,064 million.

Key: VN = Nominal Value; L1 = Level 1; L2 = Level 2; L3 = Level 3; Fair value* = fair value calculated excluding value adjustments due to changes in the creditworthiness of the issuer since the issue date.

3.1 bis Financial liabilities designated at fair value: method of use of the fair value option

Description/Amounts	31.12.2025	31.12.2024
a) Natural hedges through derivatives	-	-
b) Natural hedges with other financial instruments	-	-
c) Other types of accounting mismatch	-	-
d) Financial instruments managed and measured at fair value	3,467,869	2,712,050
e) Embedded structured derivative products	-	-
Total	**3,467,869**	**2,712,050**

3.2 Breakdown of "Financial liabilities designated at fair value": subordinated liabilities

There are no amounts to be disclosed in this Consolidated Financial Report.

Section 4 – Hedging derivatives
Item 40

4.1 Hedging derivatives: breakdown by type of hedge and hierarchy levels

	Fair value 31.12.2025			NV	Fair value 31.12.2024			NV
	L1	L2	L3	31.12.2025	L1	L2	L3	31.12.2024
A. Financial derivatives	**-**	**101,261**	**-**	**4,131,893**	**-**	**226,324**	**-**	**5,407,819**
1) Fair value	-	101,261	-	4,131,893	-	223,075	-	5,350,066
2) Cash flows	-	-	-	-	-	3,249	-	57,753
3) Foreign investments	-	-	-	-	-	-	-	-
B. Credit derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**101,261**	**-**	**4,131,893**	**-**	**226,324**	**-**	**5,407,819**

An explanation of the fair value hierarchy used for classification has been given in Part A.4 of these Explanatory Notes.

Key: NV = Notional Value; L1=Level1; L2=Level2; L3=Level3

4.2 Hedging derivatives: breakdown by hedged portfolio and type of hedge

Transactions/Type of hedge	Fair Value							Cash flows		Foreign investments
	Specific						General			
	debt securities and interest rates	equity instruments and stock indexes	currencies and gold	credit	commodities	other		Specific	General	
1. Financial assets measured at fair value through other comprehensive income	304	-	-	-	X	X	X	-	X	X
2. Financial assets measured at amortised cost	54,045	X	-	-	X	X	X	-	X	X
3. Portfolio	X	X	X	X	X	X	960	X	-	X
4. Other transactions	-	-	-	-	-	-	X	-	X	-
Total assets	**54,349**	**-**	**-**	**-**	**-**	**-**	**960**	**-**	**-**	**-**
1. Financial Liabilities	2,253	X	-	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	43,699	X	-	X
Total liabilities	**2,253**	**-**	**-**	**-**	**-**	**-**	**43,699**	**-**	**-**	**-**
1. Forecast transactions	X	X	X	X	X	X	X	-	X	X
2. Portfolio of financial assets and liabilities	X	X	X	X	X	X	-	X	-	-

Section 5 – Change in value of macro-hedged financial liabilities
Item 50

5.1 Change in value of hedged financial liabilities

Change in value of hedged financial liabilities / Group components	31.12.2025	31.12.2024
1. Positive adjustment of financial liabilities	-	-
2. Negative adjustment of financial liabilities	(43,704)	(81,843)
Total	**(43,704)**	**(81,843)**

The balance of the item represents the valuation effect as at 31 December 2025 of the liability items (modelled direct funding, qualifying as "Demand Items") identified as subject to macro hedging of interest rate risk, as part of the macro-hedge accounting qualified strategy.

Section 6 – Tax liabilities

Item 60

Please refer to the information provided in section 11, Assets.

Section 7 – Liabilities associated with assets classified as held for sale

Item 70

For details about Liabilities associated with assets classified as held for sale, please refer to the information provided in section 12 of Part B, Assets.

Section 8 – Other liabilities

Item 80

8.1 Other liabilities: breakdown

	31.12.2025	31.12.2024
Amounts due to banks	27,740	50,790
Amounts due to customers	1,618,607	1,201,206
Net adjustments on collection of receivables for third parties	919,778	923,069
Staff emoluments and related social contributions	113,856	94,790
Amounts due to third parties for coupons, securities and dividends to be collected	266,855	19,840
Amounts due to the tax authorities on behalf of customers and personnel	437,797	313,428
Bank transfers for clearance	117,540	17,412
Advances for the purchase of securities	16	15
Due to suppliers	439,095	366,866
Third-party payments as surety for loans	2,530	1,048
Amounts due to the tax authorities for stamp duty	3,571	-
Repayment to be made to INPS	595	576
Pension fund liabilities	2,276	2,258
Items in transit	132,586	69,432
Accrued expenses and deferred income	149,416	120,029
Other liabilities to third parties	778,512	621,056
Total	**5,010,770**	**3,801,815**

From the analysis carried out for the purposes of IFRS 15, a single type of contract liability has been identified, amounting to Euro 18 million classified under the item “Accrued liabilities and deferred income”, which refers to the portion of consideration paid in advance by customers for warranty services provided by Group banks for a period of time (“over time performance obligation”), relating to the portion not yet accrued at the end of the period.

Section 9 – Employee termination indemnities
Item 90

9.1 Employee termination indemnities: annual changes

	Total 31.12.2025	Total 31.12.2024
A. Opening balance	**124,929**	**149,492**
B. Increases	**40,433**	**4,455**
B.1 Provisions for the year	9,719	4,189
B.2 Other decreases	30,714	266
- of which: business combinations	30,591	-
C. Decreases	**37,724**	**29,018**
C.1 Benefits paid	23,972	15,245
C.2 Other decreases	13,752	13,773
- of which: business combinations	-	-
D. Closing balance	**127,638**	**124,929**
Total	**127,638**	**124,929**

The item "Other decreases" (C.2) includes the portion of termination indemnities transferred to complementary pension funds (Euro 6.5 million).

9.2 Other information

The following tables detail the changes in employee termination indemnities, as well as the principal demographic and financial assumptions made in order to quantify the provision using the Projected Unit Credit Method (pursuant to IAS 19R, § 65-67); lastly, table 9.2.3 presents the comparative information required by law.

9.2.1 Changes in employee termination indemnities during the year

Description/Amounts	31.12.2025	31.12.2024
A. Opening balance	**124,929**	**149,492**
B. Increases	**40,433**	**4,455**
1. Current service cost	6,322	88
2. Financial charges	3,397	4,101
3. Contribution to the plan by employees	-	-
4. Actuarial losses	246	67
5. Exchange differences	-	-
6. Past service cost	-	-
7. Other	30,468	199
C. Decreases	**37,724**	**29,018**
1. Benefits paid	23,972	15,245
2. Past service cost	-	-
3. Actuarial gains	1,300	-
4. Exchange differences	-	-
5. Curtailments	-	-
6. Settlement	-	-
7. Other	12,452	13,773
D. Closing balance	**127,638**	**124,929**

The caption "Other increases" (B.7) includes the portion of termination indemnities acquired from the business combination with the Banca Popolare di Sondrio Group (Euro 31 million).
The caption "Other decreases" (C.7) includes the portion of termination indemnities transferred to complementary pension funds (Euro 6.5 million).

9.2.2 Description of the main actuarial assumptions

Main actuarial assumptions/Percentages	31.12.2025	31.12.2024
Discount rates	3.23%	2.97%
Expected increase in remuneration	n/a	n/a
Turnover	1.54%	1.96%
Inflation rate	2.00%	2.00%
Interest rate adopted for the calculation of interest cost	2.96%	3.03%

In addition to the average data included in the table, the approach taken to identify the principal actuarial assumptions is described below:

- Discount rates: the curve of "Euro Composite AA" rates for prime corporate bonds listed in the Euro market on the measurement date has been used.
- Turnover: time series analysis of the events giving rise to terminations and adjustments to take account of any "anomalies" that occurred in the past. The assumptions made about turnover took account of grade, vintage, age and gender.
- Inflation rate: a rate of 2.00% was used.
- Net interest cost: it was calculated at a rate that reflected the duration of the liability.

Demographic assumptions

As regards the demographic bases, the analyses performed on the time series of staff of companies included in the scope of consolidation focused on monitoring the trend in the following reasons for elimination:

- rate of employee mortality: except for the Section A pension fund, for which use was made of table A62, the ISTAT life expectancy table of resident population was used, broken down by age and gender;
- rate of employee disability: the tables used for the INPS model to generate "Initial projections for 2010" were used;
- frequency and amount of advances on termination indemnities: in order to take into account the effects that these advances have on the timing of severance payments and, consequently on the discounting of the Company's liability, a probability table for the release of part of the accrued volumes was created. The frequency of advance payments and the average percentage of termination indemnities requested as an advance were taken from corporate data;
- probability of retirement, resignation, dismissal: this was taken from corporate data; in particular, a table showing the propensity of departure from the Company was created, based on age and gender. With regard to retirement, the calculation considered a 100% probability of satisfying the AGO requirements aligned with Decree 4/2019.

9.2.3 Comparative information: history of plan

Description/Amounts	31.12.2025	31.12.2024
1. Present value of provisions (+)	127,638	124,929
2. Fair value of assets servicing the plan (-)	-	-
3. Plan (surplus) deficit (+/-)	127,638	124,929
4. Adjustments to plan liabilities based on historical experience - actuarial (gains)/losses	(1,054)	67
5. Adjustments to plan assets based on historical experience	-	-

The "Adjustments to plan assets based on historical experience" solely comprise actuarial gains and losses.

9.2.4 Sensitivity analysis on employee termination indemnities

As required by IAS 19 Revised, we carried out a sensitivity analysis on employee termination indemnities with respect to the more significant actuarial assumptions to show how the liability would change in relation to possible fluctuations in each of these assumptions. In particular, the following table shows how the provision would change in the event of a 50 basis point increase or decrease in the discount and inflation rates compared with the parameters actually used.

Employee termination indemnities	31.12.2025 DBO	+50 bps DBO	-50 bps DBO
discount rates	127,638	125,065	131,727
inflation rate	127,638	130,529	125,680

Section 10 – Provisions for risks and charges

Item 100

10.1 Provisions for risk and charges: breakdown

Description/Amounts	Total 31.12.2025	Total 31.12.2024
1. Impairment provisions for credit risk related to commitments and financial guarantees granted	155,095	54,022
2. Impairment provisions related to other commitments and guarantees granted	31,113	50,884
3. Provisions for pension and similar obligations	262,326	115,916
4. Other provisions for risk and charges	1,279,040	1,268,225
4.1 legal and fiscal disputes	219,141	246,156
4.2 personnel charges	823,596	825,314
4.3 other	236,303	196,755
Total	**1,727,574**	**1,489,047**

10.2 Provisions for risks and charges: annual changes

	Impairment provisions related to other commitments and guarantees granted	Provisions for pensions and similar obligations	Other provisions for risk and charges	Total
A. Opening balance	**50,884**	**115,916**	**1,268,225**	**1,435,025**
B. Increases	**6,796**	**193,468**	**511,667**	**711,931**
B.1 Provisions for the year	1,675	488	341,083	343,246
B.2 Time value changes	-	3,483	8,348	11,831
B.3 Increases due to discount-rate adjustments	-	-	-	-
B.4 Other decreases	5,121	189,497	162,236	356,854
- of which: business combinations	-	187,405	107,828	295,233
C. Decreases	**26,567**	**47,058**	**500,852**	**574,477**
C.1 Use during the year	-	44,058	355,514	399,572
C.2 Decreases due to discount rate adjustments	-	2,994	820	3,814
C.3 Other decreases	26,567	6	144,518	171,091
- of which: business combinations	-	-	-	-
D. Closing balance	**31,113**	**262,326**	**1,279,040**	**1,572,479**

The changes due to discount rate adjustments also include actuarial gains and losses, considering not just interest rate movements, but also other demographic and financial factors, where applicable.
The item "Provisions in for the year", relating to "Other provisions for risks and charges" mainly includes Euro 177.4 million worth of provisions for the workforce optimisation manoeuvre as per the agreement signed on 19 December 2025.

10.3 Impairment provisions for credit risk related to commitments and financial guarantees granted

	Impairment provisions for credit risk related to commitments and financial guarantees granted				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired	Total
Commitments to disburse funds	30,620	16,796	416	-	47,832
Financial guarantees granted	7,698	9,248	90,317	-	107,263
Total	**38,318**	**26,044**	**90,733**	**-**	**155,095**

10.4 Provisions for other commitments and other guarantees granted

This item consists solely of provisions for other commitments.

10.5 Provisions for pension with defined-benefits

10.5.1 Features of provisions and related risks

BPER Banca s.p.a., Arca Fondi SGR s.p.a, Banca Popolare di Sondrio s.p.a. and Banca Popolare di Sondrio (Suisse) s.a. contribute to the company pension fund; the required information on the various types of pension funds is provided below.

FIP BPER Banca s.p.a.

The in-house supplementary pension fund is not a separate legal entity and its assets are held together with those of the Bank; it is made up entirely of Section "A", classifiable as a "defined benefit" scheme.
Under the Regulations for Section A, beneficiaries receive a supplementary pension subject to revaluation, the cost of which is borne entirely by the Bank.
This section comprises all current employees hired by the Bank prior to 28 April 1993; it also includes all retired beneficiaries, or their heirs, of supplementary pension payments deriving from earlier agreements signed by BPER Banca or by the banks absorbed by the latter over time.
The following tables report the changes in the Fund.
The actuarial gains and losses relating to Section A are recognised as an equity reserve.

The benefits provided by Fund Section A represent post-employment defined benefits, as governed by IAS 19 Revised; accordingly, the liability for these benefits is determined using the actuarial "Projected Unit Credit Method" applied in relation to termination indemnities.

During the financial year, the merge into Section A of the Pension Fund for BPER Banca staff of the other pension schemes existing at the end of 2024, resulting from previous business combinations, was completed.

FIP Arca Fondi SGR s.p.a.

The fund recorded by Arca Fondi SGR relates to the guarantee given by the company to the members of the "Obiettivo TFR" section of the pension fund. This fund assures the guaranteed minimum represented by the net contributions paid in, having regard for the changes in yields and actuarial assumptions. The amount of the fund was determined by considering the expected yields on the investments made by the section and demographic assumptions about the death and invalidity of members, using a discounting rate - gross of taxation - that reflects the present value of money and the specific risks associated with the contingent liability.

FIP Banca Popolare di Sondrio s.p.a.

The Banca Popolare di Sondrio's pension fund for employees is an internal defined-benefit plan intended to supplement the pension paid to retired employees by the State. The plan is funded by contributions from the Bank and from employees which are determined on a percentage of income basis and credited each month. This plan is also a separate fund pursuant to art. 2117 of the Italian Civil Code.
The amount of the fund is adjusted taking into account the closed group of members referred to 28 April 1993. This closed group consists of 156 employees and 356 pensioners. Since 28 April 1993, employees have been given the chance to join an additional supplementary pension scheme as laid down by law and by contract.

FIP BPS (Suisse) s.a.

BPS Suisse SA is a member of the BVG collective foundation of Rentenanstalt, which guarantees a professional pension to its employees through Swiss Life.
The adequacy of the fund with respect to the present value of the obligation at the reference date was verified using calculations prepared by an independent actuary, making demographic assumptions that distinguish between age and gender, as well as technical-economic assumptions that reflect the theoretical changes in earnings and payments. The technical assessments made reference to dynamic economic and financial assumptions. The discounting rate reflects the yield on prime bonds.

10.5.2 Changes in the year of net liabilities (assets) with defined-benefits and redemption rights

Description/Amounts	31.12.2025	31.12.2024
Opening balance	**115,916**	**120,401**
A. Increases	**193,468**	**4,401**
1. Current service cost	488	-
2. Financial charges	3,483	3,522
3. Contribution to the plan by employees	-	-
4. Actuarial losses	-	879
5. Exchange differences	-	-
6. Past service cost	-	-
7. Other	189,497	-
B. Decreases	**47,058**	**8,886**
1. Benefits paid	44,058	8,886
2. Past service cost	-	-
3. Actuarial gains	2,994	-
4. Exchange differences	-	-
5. Curtailments	-	-
6. Settlement	-	-
7. Other	6	-
Closing balance	**262,326**	**115,916**

10.5.3. Information on fair value of plan assets

The pension funds are in-house defined-benefit plans; the resources to be utilised to cover these liabilities are invested, without separate identification, in operating assets, with the exception of the pension fund for the staff of Banca Popolare di Sondrio, for which details of the fund's assets are provided:

	31.12.2025
Debt securities	87,485
Bond UCITS	8,889
Equity UCITS	11,476
Real estate UCITS	16,966
Other assets	10,452
Total	**135,268**

10.5.4 Description of the main actuarial assumptions

The demographic assumptions made for the measurement were based on A62 tables on the probability of death of retired staff by gender.
The financial assumptions adopted were:

- Discount rates: the curve of "Euro Composite AA" rates for prime corporate bonds listed in the Euro market on the measurement date has been used.
- Inflation rate: a fixed rate of 2.00% was used
- Net interest cost: it was calculated at a rate that reflected the duration of the liability.

The following assumptions were used for the BPS (Suisse) s.a. pension fund:

- The technical discount rate was determined with reference to high quality corporate bonds on the Swiss market, the analysis is based on the yield of the SBI Basket AA as of 31.12.2025.
- Inflation rate: a fixed rate of 1.30% was used
- Expected rate of pay salary increases: 1.30%

10.5.5. Sensitivity analysis and information on the amount, timing and uncertainty of financial cash flows

As required by IAS 19 Revised, a sensitivity analysis was carried out on the obligation of pension funds with respect to the more significant actuarial assumptions to show how the liability would change in relation to reasonably possible movements in each of these assumptions. The following table shows how the provision would change in the event of a 50 basis point increase or decrease in the discount rate compared with the parameters actually used.

Provisions for pensions and similar obligations	31.12.2025	+50 bps discount rate	-50 bps discount rate
	DBO	*DBO*	*DBO*
BPER Banca s.p.a.	103,283	98,912	108,010
Banca Popolare di Sondrio s.p.a.	135,268	130,167	140,861
BPS (Suisse) s.a.	23,156	15,214	31,925
Arca Fondi SGR	618	618	619

In compliance with the requirements of IAS 19 Revised with regard to additional disclosures, an estimate of future cash flows was carried out at 31 December 2025, as shown in the following table:

Future cash-flows

Provisions for pensions and similar obligations	1st year	2nd year	3rd year	4th year	5th year
BPER Banca s.p.a.	8,767	8,534	8,290	8,034	7,764
Banca Popolare di Sondrio s.p.a.	4,713	4,616	4,500	4,384	4,250
BPS (Suisse) s.a.	10,686	14,215	17,944	12,919	14,177

10.5.6 Multi-employer plans

At 31 December 2025 there were no multi-employer plans in place.

10.5.7 Defined-benefit plans that share risks between entities under common control

At 31 December 2025 there were no plans of this type.

10.6 Provisions for risks and charges - other provisions

10.6.1 Legal disputes

	31.12.2025	31.12.2024
A. Opening balance	**246,156**	**259,240**
B. Increases	**96,543**	**48,801**
Provisions for the year	47,795	43,330
Other increases	48,748	5,471
C. Decreases	**123,558**	**61,885**
Other decreases	69,027	31,169
Uses for the year	54,531	30,716
D. Closing balance	**219,141**	**246,156**

The BPER Banca Group operates in a highly regulated sector, that of banking, which exposes the Group banks and companies to various types of legal risks. We refer mainly to disputes arising from the provision of banking and financial services to customers, therefore relating mainly to aspects of compound interest and usury, contractual invalidity and unauthorised activities, tax disputes, loan origination and management in its various phases, performing or non-performing, including therein bankruptcy claw-backs.

The banks and companies of the BPER Banca Group (including the legal entities then merged by absorption into the Parent Company) were also subject to various audits by the Tax Authorities. These activities concerned the taxable income declared for the purpose of income tax, VAT, registration tax, and more generally the manner in which the tax legislation in force at the time was applied. As a consequence of said inspections, the BPER Banca Group is involved in a number of legal proceedings.

All Legal and tax disputes are subject to specific analysis by the competent structures of the Parent Company, in order to identify those for which the settlement is likely to require the use of resources intended to produce economic benefits and, consequently, require the allocation of provisions.

The legal and tax risks in respect of which no allocations were recognised were identified as "contingent liabilities", consisting in:

- possible obligations, in that it has yet to be confirmed whether the entity has a present obligation that could lead to an outflow of resources embodying economic benefits;
- present obligations that do not meet the recognition criteria in IAS 37 (because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a sufficiently reliable estimate of the amount of the obligation cannot be made).

Lastly, contingent liabilities with the possibility of any outflow in settlement being deemed "remote" do not require any disclosure, pursuant to the provisions of IAS 37.

In relation to the contingent liabilities (possible risks) stemming from disputes brought in civil proceedings by customers who were the recipients of banking and financial services provided by the Group banks and companies, it should be noted that the high number of cases makes it difficult to provide a detailed list, while their varying nature makes it extremely difficult to group them into similar types. The total damages claimed by the claimants amounted to Euro 409.3 million as at 31 December 2025. In respect of this risk, even though not expressly required by IAS 37, the Group has provisions in place mainly due to the acquisition of positions of possible risk from business combinations[164], the estimate and allocation of non-recurring legal expenses and the substantially prudential approach adopted in the risk assessments.

The update of the main situations of possible legal risk are presented below.

BPER Banca (formerly Emro Finance Ireland Ltd) - fiscal years 2005-2009

Recalling that the Bologna Regional Tax Commission ruled on the appeal filed by the Revenue Agency, reversing the first instance sentences, entirely in favour of the Bank, the Bank submitted an appeal to the Court of Cassation in partial acceptance of the appeal filed by the Revenue Agency and in the absolute conviction of the correctness of its actions, as early as on 13 June 2018 and is still awaiting a date to be set for the hearing.
In the meantime, the Commission accepted the Bank's request to suspend the enforceability of the second-level sentence.
Also in light of the fiscal opinion issued by professionals and advisors with proven experience who do not consider the risk of losing as probable, at the date of preparation of this Financial Report no amount was set aside in the provisions for risks and charges, but a provision for the estimated legal fees was recorded.

10.6.2 Personnel charges

Description/Amounts	Other personnel provisions	
	31.12.2025	31.12.2024
Opening balance	**825,314**	**746,064**
Change in opening balances	-	-
A. Increases	**297,301**	**287,206**
1. Current service cost	194,137	266,569
2. Financial charges	5,193	8,500
3. Contribution to the plan by employees	882	-
4. Actuarial losses	925	664
5. Exchange differences	-	-
6. Past service cost	-	-
7. Other	96,164	11,473
B. Decreases	**299,019**	**207,956**
1. Benefits paid	249,793	204,405
2. Past service cost	636	70
3. Actuarial gains	422	720
4. Exchange differences	-	-
5. Curtailments	-	-
6. Settlement	-	-
7. Other	48,168	2,761
Closing balance	**823,596**	**825,314**

The item "Current service cost" includes the provision of Euro 177.4 million relating to the workforce optimisation manoeuvre as per the agreement signed on 19 December 2025.

164 Pursuant to IFRS 3 - Business Combinations, possible risks also require fair value measurement at the Purchase Price Allocation stage.

10.6.3 Other provisions

Items	31.12.2025		31.12.2024	
	Other provisions	Provision for charitable donations	Other provisions	Provision for charitable donations
A. Opening balance	**196,755**	**-**	**170,221**	**-**
B. Provisions	124,345	1,765	55,677	-
C. Uses	(86,302)	(260)	(29,143)	-
D. Closing balance	**234,798**	**1,505**	**196,755**	**-**

Section 11 – Technical reserves

Item 110

There are no amounts to be disclosed in this Consolidated Financial Report.

Section 12 – Redeemable shares

Item 130

There are no amounts to be disclosed in this Consolidated Financial Report.

Section 13 – Group shareholders' equity

Items 120, 130, 140, 150, 160, 170 and 180

13.1 "Share capital" and "Treasury shares": breakdown

The "Share capital" item relates solely to the Parent Company. It consists solely of ordinary shares with no par value, fully subscribed and paid in.
There are 2,387,716 treasury shares in the Parent Company's portfolio amounting to Euro 21,065 thousand.
There are also:

- 62,292 shares relating to -and held by- Bibanca s.p.a., for a total of approximately Euro 6 thousand;
- 2,921,239 shares relating to Banca Popolare di Sondrio s.p.a. - and held by the Banca Popolare di Sondrio Group, for a total of approximately Euro 20,476 thousand.

13.2 Share capital – Parent Company's number of shares: annual changes

Description/Types	Ordinary	Other
A. Initial number of shares	**1,421,624,324**	**-**
- fully paid-in	1,421,624,324	-
- not fully paid-in	-	-
A.1 Treasury shares (-)	(6,112,499)	-
A.2 Shares outstanding: opening balance	**1,415,511,825**	**-**
B. Increases	**548,124,166**	**-**
B.1 New issues	542,761,978	-
- against payment:	542,761,978	-
- business combinations	-	-
- conversion of bonds	14,536,338	-
- exercise of warrants	-	-
- other	528,225,640	-
- for free:	-	-
- to employees	-	-
- to directors	-	-
- other	-	-
B.2 Sales of treasury shares	5,362,188	-
B.3 Other decreases	-	-
C. Decreases	**1,637,405**	**-**
C.1 Cancellation	-	-
C.2 Purchase of treasury shares	1,637,405	-
C.3 Business disposal transactions	-	-
C.4 Other decreases	-	-
D. Shares outstanding: closing balance	**1,961,998,586**	**-**
D.1 Treasury shares (+)	2,387,716	-
D.2 Final number of shares	1,964,386,302	-
- fully paid-in	1,964,386,302	-
- not fully paid-in	-	-

B.1 – New issues against payment

This item includes:

- The shares issued after the voluntary conversion of part of the "Euro 150,000,000 Convertible Additional Tier 1 Capital Notes" issued on 25 July 2019 further to BPER Banca's Board of Directors resolution of 11 July 2019 on the basis of the power delegated by the extraordinary Shareholders' Meeting on 4 July 2019.
- The shares issued following the execution of the paid-in capital increase launched by BPER Banca, in divisible form and with the exclusion of option rights pursuant to Article 2441, paragraph 4, first sentence, of the Italian Civil Code. This capital increase was resolved to service the voluntary public tender and exchange offer (the "Offer") launched by BPER Banca on all the ordinary shares of Banca Popolare di Sondrio s.p.a.

Item B.2 "*Sales of treasury shares*" refers to treasury shares that BPER Banca has assigned free of charge to employees, in line with the provisions of the Remuneration Policies (e.g. for short-term and long-term incentive and/or severance schemes).

Item C.2 "*Purchase of treasury shares*" shows shares that BPER Banca purchased on the market to pay bonuses deriving from the application of short-term incentive schemes and ensure that additional shares are available to cover the alignment of the duration of the Long Term Incentive (LTI) Plan with that of the existing 2022-2025 Business Plan.
Information about transactions in treasury shares is presented in section 4.5 "Treasury shares held" of the Directors' Report on Operations.

13.3 Share capital - other information

The shares that make up the share capital of the Parent Company BPER Banca are not subject to rights, privileges or restrictions.

13.4 Reserves from profits: other information

Reserves from profits are generally established when the profit shown in the Separate Financial Report approved is specifically allocated to reserves.
The Italian Civil Code requires companies to set aside at least 5% of their profit for the year to a special reserve until it reaches one-fifth of the share capital. If, for whatever reason, the amount of the legal reserve falls below this limit of one-fifth of share capital, it has to be reinstated by setting aside at least one-twentieth of the profit until the shortfall is covered.
This item also includes the consolidation reserves generated following the elimination of the book value of equity investments against the corresponding portion of equity of each of them.
Lastly, this item includes any effects deriving from the first-time application of new international accounting standards.
The reserves can be used for different operations, depending on their constraints and nature; for the disclosures envisaged in art. 2427 paragraph 7 *bis* of the Italian Civil Code, please refer to the information provided in the Parent Company's separate financial statements.

13.5 Equity instruments: breakdown and change in year

Issuer	Interest rate	Step up	Issue date	Maturity date	Currency	Nominal Value (in Euro)
BPER Banca	8.75% fixed rate (up to the first Reset Date)	NO	25.07.2019	perpetual	Euro	150,000,000
BPER Banca	8.375% fixed rate (up to the first Reset Date)	NO	16.01.2024	perpetual	Euro	500,000,000
BPER Banca	6.50% fixed rate (up to the first Reset Date)	NO	20.11.2024	perpetual	Euro	500,000,000
BPER Banca	5.875% fixed rate (up to the first Reset Date)	NO	19.11.2025	perpetual	Euro	750,000,000

On 12 November 2025, BPER Banca successfully placed an Additional Tier 1 perpetual bond issuance, callable on 19 March 2031 ("First Reset Date") and, thereafter, on any interest payment date, for a total principal amount of Euro 750 million.
The Notes, reserved for institutional investors, were placed at par with a fixed coupon of 5.875% until the First Reset Date, payable semi-annually. If not called by the Bank, the coupon will be redetermined by adding a reset spread of 357.2 bps to the 5-year mid swap rate in Euro as at the First Reset Date.

13.6 Other information

With regard to the extraordinary contribution provided for in the 2026 Budget Law, the decision taken by the BPER Banca Group, which has already been explained in section A2 of these Explanatory Notes, it should be noted that the amount recognised at group level totals Euro 116.2 million (of which Euro 79.6 million was paid by the Parent Company).

Section 14 – Minority interests

Item 190

14.1 Breakdown of item 190 "Minority interests"

Company name	31.12.2025	31.12.2024
Equity investments in consolidated companies with significant minority interests	**1,025,983**	**210,125**
1. Banca Popolare di Sondrio s.p.a. (*)	943,026	-
2. Banco di Sardegna s.p.a.	5,640	5,288
3. Bibanca s.p.a.	6,439	5,815
4. Arca Holding (**)	70,022	198,235
5. Sardaleasing s.p.a.	856	787
Other equity investments	**4,471**	**288**
Total	**1,030,454**	**210,413**

(*) consolidation of the sub-holding company Banca Popolare di Sondrio s.p.a.
(**) consolidation of the sub-holding company Arca Holding and its wholly-owned subsidiary, Arca Fondi SGR s.p.a.

To determine the relevance of minority interests, see Part A of these Explanatory Notes.
Minority interests not considered significant have been recognised under "Other equity investments".

14.2 Equity instruments: breakdown and change in year

There are no amounts to be disclosed in this Consolidated Financial Report.

OTHER INFORMATION

1. Commitments and financial guarantees granted

	Nominal value on commitments and financial guarantees granted				Total 31.12.2025	Total 31.12.2024
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		
1. Commitments to disburse funds	**51,943,104**	**4,883,504**	**437,866**	**13,698**	**57,278,172**	**33,084,842**
a) Central Banks	-	-	-	-	-	-
b) Public Administrations	1,688,999	24,110	110	-	1,713,219	172,534
c) Banks	1,966,376	91,161	-	-	2,057,537	1,430,839
d) Other financial companies	2,656,484	106,331	834	-	2,763,649	1,638,128
e) Non-financial companies	41,846,347	4,375,574	417,994	11,905	46,651,820	27,826,555
f) Households	3,784,898	286,328	18,928	1,793	4,091,947	2,016,786
2. Financial guarantees granted	**9,752,489**	**1,113,490**	**217,335**	**-**	**11,083,314**	**883,543**
a) Central Banks	-	-	-	-	-	-
b) Public Administrations	136,636	3,435	1,074	-	141,145	25,589
c) Banks	722,726	5,377	102	-	728,205	-
d) Other financial companies	256,103	9,674	462	-	266,239	37,078
e) Non-financial companies	8,297,520	1,036,736	210,255	-	9,544,511	792,245
f) Households	339,504	58,268	5,442	-	403,214	28,631

2. Other commitments and other guarantees granted

	Nominal value	
	Total 31.12.2025	Total 31.12.2024
Other guarantees granted	**-**	**5,025,896**
of which: non performing exposures	-	68,307
a) Central Banks	-	1,623
b) Public Administrations	-	26,781
c) Banks	-	238,661
d) Other financial companies	-	123,009
e) Non-financial companies	-	4,504,725
f) Households	-	131,097
Other commitments	**1,861,517**	**2,091,480**
of which: non performing exposures	-	-
a) Central Banks	-	-
b) Public Administrations	-	-
c) Banks	-	-
d) Other financial companies	325,000	-
e) Non-financial companies	1,530,992	2,091,400
f) Households	5,525	80

3. Assets pledged as collateral for own liabilities and commitments

Portfolios	Amount 31.12.2025	Amount 31.12.2024
1. Financial assets measured at fair value through profit or loss	28,161	-
2. Financial assets measured at fair value through other comprehensive income	1,591,108	1,928,346
3. Financial assets measured at amortised cost	28,751,009	18,984,323
4. Property, plant and equipment	-	-
of which: inventories of property, plant and equipment	-	-

The assets sold to vehicle companies as part of Covered Bond transactions amounted to Euro 9,266 million.

4. Breakdown of investments for unit-linked and index-linked policies

There are no amounts to be disclosed in this Consolidated Financial Report.

5. Asset management and trading on behalf of third parties

Type of service	Amount
1. Trading on behalf of customers	
a) purchases	808,492
1. settled	807,827
2. unsettled	665
b) sales	486,834
1. settled	483,834
2. unsettled	3,000
2. Portfolio management	
a) individual	6,650,930
b) collective	51,047,636
3. Custody and administration of securities	
a) third party securities held in deposit: related to depositary bank activities (excluding portfolio management)	4,082,242
1. securities issued by companies included in consolidation	-
2. other securities	4,082,242
b) third party securities held in deposit (excluding portfolio management): other	129,212,086
1. securities issued by companies included in consolidation	8,076,413
2. other securities	121,135,673
c) third party securities deposited with third parties	131,639,464
d) own portfolio securities deposited with third parties	62,310,152
4. Other transactions	**41,942,525**

6. Financial assets subject to offsetting, master netting agreements and similar

Type	Gross amount of financial assets (a)	Amount of financial liabilities offset in the balance sheet (b)	Net amount of financial assets shown in the balance sheet (c=a-b)	Related amounts not subject to offsetting in the balance sheet		Net amount (f=c-d-e) 31.12.2025	Net amount (f=c-d-e) 31.12.2024
				Financial instruments (d)	Cash deposit received as collateral (e)		
1. Derivatives	1,469,831	-	1,469,831	290,472	887,425	291,934	33,688
2. Repurchase agreements	776,161	-	776,161	776,161	-	-	1,762
3. Securities lending	-	-	-	-	-	-	-
4. Other	-	-	-	-	-	-	-
Total 31.12.2025	**2,245,992**	**-**	**2,245,992**	**1,066,633**	**887,425**	**291,934**	**X**
Total 31.12.2024	**1,514,029**	**-**	**1,514,029**	**672,433**	**806,146**	**X**	**35,450**

The amounts shown in the table relate to standard master agreements such as ISDA (International Swaps and Derivatives Association) and CSA (Credit Support Annex) agreements for derivatives and GMRA (Global Master Repurchase Agreement) for repurchase agreement transactions.
Under the agreements executed using the ISDA standard, offsetting of OTC derivative contracts is permitted in the event of default of either party to the agreement and, for almost all institutional counterparties, the terms of the CSA provide for cash collateral that is revised daily based on the contracts' underlying value.
The specified repurchase agreement transactions are governed by the GMRA standard, which, in addition to the delivery of the securities pertaining to the transactions, provide for cash collateral that is revised daily based on the value of the securities.
None of the amounts shown has been offset in the financial statements as the criteria in paragraph 42 of IAS 32 are not satisfied.
For derivatives, the gross amounts (a) are recognised under item 20 a) "Financial assets measured at fair value through profit or loss - Financial assets held for trading" for Euro 690.3 million and under item 50 "Hedging derivatives" for Euro 779.5 million; the related financial instruments (d) consist of derivatives recorded under item 20 "Financial liabilities held for trading" and under item 40 "Hedging derivatives", whereas cash deposits received (e) are recorded under item 10 a) "Due to banks" and under item 10 b) "Due to customers".
For repurchase agreements, the gross amounts (a) are recognised under item 40 a) "Financial assets measured at amortised cost - Loans to customers" for an amount of Euro 776.2 million; the related financial instruments (d) represent the value of the securities pertaining to the transactions.

7. Financial liabilities subject to offsetting, master netting agreements and similar

Type	Gross amount of financial assets (a)	Amount of financial assets offset in the balance sheet (b)	Net amount of financial liabilities shown in the balance sheet (c=a-b)	Related amounts not offset in the balance sheet		Net amount (f=c-d-e) 31.12.2025	Net amount (f=c-d-e) 31.12.2024
				Financial instruments (d)	Cash deposit pledged as collateral (e)		
1. Derivatives	327,737	-	327,737	290,472	26,814	**10,451**	**6,345**
2. Repurchase agreements	12,459,484	-	12,459,484	12,426,361	3,781	**29,342**	**22,965**
3. Securities lending	-	-	-	-	-	**-**	**-**
4. Other transactions	-	-	-	-	-	**-**	**-**
Total 31.12.2025	**12,787,221**	**-**	**12,787,221**	**12,716,833**	**30,595**	**39,793**	**X**
Total 31.12.2024	**5,890,240**	**-**	**5,890,240**	**5,828,368**	**32,562**	**X**	**29,310**

The same considerations of the previous table are valid for framework agreements.
None of the amounts shown has been offset in the financial statements as the criteria in paragraph 42 of IAS 32 are not satisfied.
For derivatives, the gross amounts (a) are recorded under item 20 “Financial liabilities held for trading” for an amount of Euro 240 million and under item 50 “Hedging derivatives” for an amount of Euro 87.7 million; the related financial instruments (d) consist of opposite sign derivatives recorded under item 20 a) “Financial assets measured at fair value through profit or loss - Financial assets held for trading” and under item 50 “Hedging derivatives”, whereas cash deposits made (e) are recorded under item 40 a) “Loans to banks” and item 40 b) “Loans to customers”.
For repurchase agreements, the gross amounts (a) are recognised under item 10 a) “Due to banks” for an amount of Euro 3,345.6 million, and under item 10 b) “Due to customers” for an amount of Euro 9,113.9 million. The related financial instruments (d) represent the value of the securities pertaining to the transactions, whereas cash deposits made (e) are recognised under item 40 a) “Loans to banks” and, if any, 40 b) “Loans to customers”.

8. Securities lending

There are no amounts to be disclosed in this Consolidated Financial Report.

9. Disclosure on joint control activities

There are no amounts to be disclosed in this Consolidated Financial Report.

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 31.12.2025	Total 31.12.2024
1. Financial assets measured at fair value through profit or loss:	**10,977**	**365**	**555**	**11,897**	**6,752**
1.1 Financial assets held for trading	5,354	-	-	5,354	1,235
1.2 Financial assets designated at fair value	-	-	-	-	7
1.3 Other financial assets mandatorily measured at fair value	5,623	365	555	6,543	5,510
2. Financial assets measured at fair value through other comprehensive income	**120,652**	**-**	**X**	**120,652**	**100,808**
3. Financial assets measured at amortised cost:	**660,317**	**3,983,111**	**X**	**4,643,428**	**4,387,047**
3.1 Loans to banks	90,685	223,001	X	313,686	434,970
3.2 Loans to customers	569,632	3,760,110	X	4,329,742	3,952,077
4. Hedging derivatives	**X**	**X**	**82,745**	**82,745**	**248,269**
5. Other assets	**X**	**X**	**321,412**	**321,412**	**270,667**
6. Financial Liabilities	**X**	**X**	**X**	**2**	**-**
Total	**791,946**	**3,983,476**	**404,712**	**5,180,136**	**5,013,543**
of which: interest income on impaired financial assets	9,191	132,744	-	141,935	101,390
of which: interest income on finance lease	X	162,873	X	162,873	160,645

1.2 Interest and similar income: other information

1.2.1 Interest income on foreign currency financial assets

Items	31.12.2025	31.12.2024
Interest income on foreign currency financial assets	96,094	49,054

The change in this item mainly reflects the expansion of the Group's scope following the acquisition of Banca Popolare di Sondrio and its subsidiaries.

1.3 Interest and similar expense: breakdown

Items/Technical forms	Loans	Debt Securities	Other transactions	Total 31.12.2025	Total 31.12.2024
1. Financial liabilities measured at amortised cost	896,102	444,159	X	1,340,261	1,484,350
1.1 Due to central banks	149	X	X	149	9,760
1.2 Due to banks	209,468	X	X	209,468	250,812
1.3 Due to customers	686,485	X	X	686,485	794,977
1.4 Debt securities issued	X	444,159	X	444,159	428,801
2. Financial liabilities held for trading	125	-	-	125	16
3. Financial liabilities designated at fair value	-	-	-	-	-
4. Other liabilities and provisions	X	X	1,338	1,338	779
5. Hedging derivatives	X	X	29,472	29,472	151,522
6. Financial assets	X	X	X	421	-
Total	**896,227**	**444,159**	**30,810**	**1,371,617**	**1,636,667**
of which: interest expense on lease liabilities	16,972	X	X	16,972	15,718

1.4 Interest and similar expense: other information

1.4.1 Interest expense on foreign currency liabilities

Items	31.12.2025	31.12.2024
Interest expense on foreign currency liabilities	132,471	160,027

Interest in foreign currency relates mainly to repurchase agreements with non-resident banks, down compared to the previous year.

1.5 Spreads on hedging transactions

Items	Total 31.12.2025	Total 31.12.2024
A. Positive spreads on hedging transactions	383,475	547,904
B. Negative spreads on hedging transactions	(330,202)	(451,157)
C. Balance (A-B)	**53,273**	**96,747**

Section 2 – Commissions
Items 40 and 50

2.1 Commission income: breakdown

Type of service/Amounts	Total 31.12.2025	Total 31.12.2024
a) Financial instruments	415,277	347,158
1. Placement of securities	303,584	265,162
1.1 Through underwriting and/or on a firm commitment basis	-	-
1.2 Without a firm commitment basis	303,584	265,162
2. Reception, transmission and execution of orders on behalf of customers	44,718	29,383
2.1 Reception and transmission of orders for one or more financial instruments	43,063	29,383
2.2. Execution of orders on behalf of customers	1,655	-
3. Other commission income related to activities connected to financial instruments	66,975	52,613
of which: dealing on own account	3,766	3,257
of which: individual portfolio management	59,887	48,904
b) Corporate Finance	4,166	2,619
1. Mergers and acquisitions advisory	630	562
2. Treasury services	-	-
3. Other commission income related to corporate finance services	3,536	2,057
c) Investment advice	2,533	2,005
d) Clearing and settlement	-	-
e) Collective portfolio management	501,424	440,843
f) Custody and administration	31,708	30,898
1. Depositary bank	2,764	-
2. Other commission income related to custody and administration services	28,944	30,898
g) Central administrative services for collective portfolio management	-	-
h) Fiduciary services	-	-
i) Payment services	856,881	757,972
1. Current accounts	390,276	364,107
2. Credit cards	95,321	85,474
3. Debit cards and other payment cards	156,340	113,163
4. Bank transfers and other payment orders	162,719	140,734
5. Other commission income related to payment services	52,225	54,494
j) Distribution of third-party services	325,946	287,885
1. Collective portfolio management	45	32
2. Insurance products	296,394	253,792
3. Other products	29,507	34,061
of which: individual portfolio management	5,463	6,079
k) Structured finance	52,099	44,589
l) Securitisation servicing	51	46
m) Commitments to disburse funds	-	-
n) Financial guarantees granted	68,828	51,296
of which: credit derivatives	-	-
o) Financing transactions	304,696	240,357
of which: factoring transactions	36,559	16,664
p) Currency dealing	15,909	16,164
q) Commodities	-	-
r) Other commission income	92,130	76,150
of which: management of multilateral trading facilities	-	-
of which: management of organised trading facilities	-	-
Total	**2,671,648**	**2,297,982**

2.2 Commission expense: breakdown

Type of services/Amounts	Total 31.12.2025	Total 31.12.2024
a) Financial instruments	8,628	1,711
of which: trading in financial instruments	8,507	1,617
of which: placement of financial instruments	-	24
of which: individual portfolio management	55	70
- Own portfolios	55	70
- Third party portfolios	-	-
b) Clearing and settlement	-	-
c) Collective portfolio management	107,105	114,683
1. Own portfolios	107,105	114,683
2. Third party portfolios	-	-
d) Custody and administration	8,501	5,949
e) Collection and payment services	108,668	100,258
of which: credit cards, debit cards and other payment cards	97,635	89,560
f) Securitisation servicing	-	-
g) Commitments to receive funds	-	-
h) Financial guarantees received	11,741	4,894
of which: credit derivatives	-	-
i) "Out-of-branch" offer of financial instruments, products and services	13,542	9,551
j) Currency dealing	-	-
k) Other commission expense	32,162	20,765
Total	**290,347**	**257,811**

Section 3 – Dividends and similar income

Item 70

3.1 Dividends and similar income: breakdown

Items/Income	Total 31.12.2025		Total 31.12.2024	
	Dividends	Similar income	Dividends	Similar income
A. Financial assets held for trading	1,746	16	7,961	1
B. Other financial assets mandatorily measured at fair value	273	24,958	115	8,707
C. Financial assets measured at fair value through other comprehensive income	35,770	1	25,037	-
D. Equity investments	-	-	-	-
Total	**37,789**	**24,975**	**33,113**	**8,708**

Section 4 – Net income from trading activities
Item 80

4.1 Net income from trading activities: breakdown

Transactions/Income items	Capital gains (A)	Profits on trading (B)	Capital losses (C)	Losses on trading (D)	Net Result [(A+B) - (C+D)]
1. Financial assets held for trading	**20,899**	**47,378**	**(1,053)**	**(6,886)**	**60,338**
1.1 Debt securities	362	2,643	(334)	(1,485)	1,186
1.2 Equity instruments	2,435	9,357	(719)	(1,841)	9,232
1.3 UCITS units	3,282	2,030	-	(151)	5,161
1.4 Loans	-	-	-	-	-
1.5 Other	14,820	33,348	-	(3,409)	44,759
2. Financial liabilities held for trading	**-**	**-**	**-**	**-**	**-**
2.1 Debt securities	-	-	-	-	-
2.2 Debts	-	-	-	-	-
2.3 Other	-	-	-	-	-
3. Financial assets and liabilities: exchange differences	**X**	**X**	**X**	**X**	**85,129**
4. Derivative instruments	**405,701**	**465,504**	**(254,880)**	**(424,375)**	**135,410**
4.1 Financial derivatives:	405,701	465,504	(254,880)	(424,375)	135,410
- on debt securities and interest rates	203,553	385,213	(125,707)	(364,310)	98,749
- on equities and stock indexes	185,750	38,681	(113,621)	(17,363)	93,447
- on currency and gold	X	X	X	X	(56,540)
- other	16,398	41,610	(15,552)	(42,702)	(246)
4.2 Credit derivatives	-	-	-	-	-
of which: natural hedges connected with the fair value option	X	X	X	X	-
Total	**426,600**	**512,882**	**(255,933)**	**(431,261)**	**280,877**

The item includes capital gains from valuation relating to the operational hedging of Certificates, for a total amount of Euro 147.7 million.

Section 5 – Net income from hedging activities
Item 90

5.1 Net income from hedging activities: breakdown

Income items/Amounts	Total 31.12.2025	Total 31.12.2024
A. Income from:		
A.1 Fair value hedges	403,922	152,452
A.2 Hedged financial assets (fair value)	54,081	222,735
A.3 Hedged financial liabilities (fair value)	53,278	25,253
A.4 Cash-flow hedging derivatives	-	-
A.5 Foreign currency assets and liabilities	-	-
Total income from hedging activity (A)	**511,281**	**400,440**
B. Charges from:		
B.1 Fair value hedges	110,613	248,087
B.2 Hedged financial assets (fair value)	350,206	18,339
B.3 Hedged financial liabilities (fair value)	54,147	132,241
B.4 Cash-flow hedging derivatives	-	-
B.5 Foreign currency assets and liabilities	-	-
Total charges from hedging activity (B)	**514,966**	**398,667**
C. Net income from hedging activities (A-B)	**(3,685)**	**1,773**
of which: result of hedging on net positions	-	-

Section 6 – Gains (Losses) on disposal or repurchase

Item 100

6.1 Gains (Losses) on disposal or repurchase: breakdown

Items/Income items	Total 31.12.2025			Total 31.12.2024		
	Gains	Losses	Net result	Gains	Losses	Net result
Financial assets						
1. Financial assets measured at amortised cost	49,051	(9,111)	39,940	77,154	(11,936)	65,218
1.1 Loans to banks	1,741	(1,782)	(41)	7,341	(1,180)	6,161
1.2 Loans to customers	47,310	(7,329)	39,981	69,813	(10,756)	59,057
2. Financial assets measured at fair value through other comprehensive income	14,642	(3,658)	10,984	9,214	(3,777)	5,437
2.1 Debt securities	14,642	(2,895)	11,747	9,214	(3,777)	5,437
2.2 Loans	-	(763)	(763)	-	-	-
Total assets (A)	**63,693**	**(12,769)**	**50,924**	**86,368**	**(15,713)**	**70,655**
Financial liabilities measured at amortised cost						
1. Due to banks	-	-	-	-	-	-
2. Due to customers	-	-	-	-	-	-
3. Debt securities issued	1,157	(93)	1,064	91	(74)	17
Total liabilities (B)	**1,157**	**(93)**	**1,064**	**91**	**(74)**	**17**

The net result relating to “Financial assets” mainly refers to the disposal of loans (Euro 22.8 million) and debt securities (Euro 28.1 million) classified in the HTC and HTC&S portfolios.

Section 7 – Net income on other financial assets and liabilities measured at fair value through profit or loss

Item 110

7.1 Net change in value of other financial assets and liabilities measured at fair value through profit or loss: breakdown of financial assets and liabilities designated at fair value

Transactions/Income items	Capital gains (A)	Gains on disposal (B)	Capital losses (C)	Losses on disposal (D)	Net Result [(A+B) - (C+D)]
1. Financial assets	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-
1.2 Loans	-	-	-	-	-
2. Financial Liabilities	**49,028**	**4,026**	**(108,493)**	**(144,806)**	**(200,245)**
2.1 Debt securities issued	49,028	4,026	(108,493)	(144,806)	(200,245)
2.2 Due to banks	-	-	-	-	-
2.3 Due to customers	-	-	-	-	-
3. Foreign currency financial assets and liabilities: exchange differences	X	X	X	X	**-**
Total	**49,028**	**4,026**	**(108,493)**	**(144,806)**	**(200,245)**

The results shown on Securities in Issue refer to the Certificates issued and are attributable to the change in fair value attributable to interest rate risk, to the change in fair value of the derivative component embedded in the instruments issued (which is similarly recognised with an entry of opposite sign in item 80 "Net income from trading activities" against the valuation of derivatives entered into on the market to balance the bank's position).

7.2 Net change in value of other financial assets and liabilities measured at fair value through profit or loss: breakdown of other financial assets mandatorily measured at fair value

Transactions/Income items	Capital gains (A)	Gains on disposal (B)	Capital losses (C)	Losses on disposal (D)	Net Result [(A+B) - (C+D)]
1. Financial assets	**39,167**	**21,562**	**(36,891)**	**(62)**	**23,776**
1.1 Debt securities	135	19,129	(2,074)	(22)	17,168
1.2 Equity instruments	2,304	140	(19)	-	2,425
1.3 UCITS units	34,915	2,293	(34,798)	(40)	2,370
1.4 Loans	1,813	-	-	-	1,813
2. Foreign currency financial assets: exchange differences	**X**	**X**	**X**	**X**	**86**
Total	**39,167**	**21,562**	**(36,891)**	**(62)**	**23,862**

Section 8 – Net impairment losses/write backs for credit risk

Item 130

8.1 Net impairment losses for credit risk relating to financial assets measured at amortised cost: breakdown

Transactions/Income items	Impairment losses (1)						Write-backs (2)				Total 31.12.2025	Total 31.12.2024
	Stage 1	Stage 2	Stage 3		Purchased or originated credit impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		
			Write-offs	Other	Write-offs	Other						
A. Loans to banks	**(1,372)**	**(545)**	**-**	**-**	**-**	**-**	**184**	**2,706**	**2,253**	**-**	**3,226**	**50**
- Loans	(438)	-	-	-	-	-	51	2,706	2,253	-	4,572	48
- Debt securities	(934)	(545)	-	-	-	-	133	-	-	-	(1,346)	2
B. Loans to customers	**(92,626)**	**(181,975)**	**(16,966)**	**(584,232)**	**(4,862)**	**(121,898)**	**66,213**	**69,397**	**312,266**	**86,078**	**(468,605)**	**(331,808)**
- Loans	(83,790)	(181,949)	(16,966)	(584,232)	(4,862)	(121,898)	65,887	67,746	312,266	86,078	(461,720)	(322,844)
- Debt securities	(8,836)	(26)	-	-	-	-	326	1,651	-	-	(6,885)	(8,964)
Total	**(93,998)**	**(182,520)**	**(16,966)**	**(584,232)**	**(4,862)**	**(121,898)**	**66,397**	**72,103**	**314,519**	**86,078**	**(465,379)**	**(331,758)**

8.2 Net impairment losses for credit risk relating to financial assets measured at fair value through other comprehensive income: breakdown

Transactions/Income items	Impairment losses (1)						Write-backs (2)				Total 31.12.2025	Total 31.12.2024
	Stage 1	Stage 2	Stage 3		Purchased or originated credit impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		
			Write-offs	Other	Write-offs	Other						
A. Debt securities	**(107)**	**(755)**	**-**	**-**	**-**	**-**	**581**	**435**	**-**	**-**	**154**	**(209)**
B. Loans	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- to customers	-	-	-	-	-	-	-	-	-	-	-	-
- to banks	-	-	-	-	-	-	-	-	-	-	-	-
Total	**(107)**	**(755)**	**-**	**-**	**-**	**-**	**581**	**435**	**-**	**-**	**154**	**(209)**

Section 9 - Gains (Losses) from contractual modifications without derecognition

Item 140

9.1 Gains (losses) from contractual modifications: breakdown

The item in question includes the economic impact of contractual modifications that do not qualify for derecognition of the assets and which, as a result, entail a change in the related amortised cost based on discounting the new contractual flows at the original Internal Rate of Return (IRR).

The scope of the exposures under consideration is represented by a portion of the forborne exposures (performing and non-performing) or situations in which the contractual modification is linked to the borrower's financial difficulty and does not fall within the concept of a "substantial modification" for the BPER Banca Group.

The impact calculated on the basis of this scope is added to the write-downs envisaged by the Group in application of its own policies for the assessment of performing and non-performing loans and, for the two types of exposures, comes to a total amount of Euro 1.5 million (Euro 1.3 million as at 31 December 2024)

Section 10 – Net insurance premiums
Item 160

There are no amounts to be disclosed in this Consolidated Financial Report.

Section 11 – Other net insurance income (expense)
Item 170

There are no amounts to be disclosed in this Consolidated Financial Report.

Section 12 – Administrative expenses
Item 190

12.1 Staff costs: breakdown

Type of costs/Amounts	Total 31.12.2025	Total 31.12.2024
1) Employees	**1,936,650**	**1,862,441**
a) wages and salaries	1,291,318	1,189,750
b) social security charges	334,281	306,667
c) termination indemnities	67,070	68,403
d) pension expenses	4,660	650
e) provision for employee termination indemnities	9,719	4,189
f) provision for pension and similar commitments:	8,107	3,068
- defined contribution plan	-	-
- defined benefit plans	8,107	3,068
g) payments to external supplementary pension funds:	44,801	42,634
- defined contribution plan	44,801	42,634
- defined benefit plans	-	-
h) costs from share-based payments	6,077	11,778
i) other personnel benefits	170,617	235,302
2) Other not-retired employees	**19,529**	**22,411**
3) Directors and Statutory Auditors	**14,442**	**12,392**
4) Retired employees	**89**	**634**
Total	**1,970,710**	**1,897,878**

The item "Other personnel benefits" includes i) the cost of Euro 177.4 million relating to the workforce optimisation manoeuvre as per the agreement signed on 19 December 2025.

12.2 Average number of employees by category

	31.12.2025	31.12.2024
Employees:	**19,812**	**18,782**
a) Managers	364	372
b) Middle managers	7,130	6,753
c) Remaining employees	12,318	11,657
Other personnel	**289**	**327**

12.2.1 Number of employees by category: banking group

	31.12.2025	31.12.2024
Employees:	**22,259**	**19,508**
a) Managers	373	370
b) Total 3rd and 4th level middle managers	3,247	2,761
c) Total 1st and 2nd level middle managers	4,659	4,231
d) Remaining employees	13,980	12,146
Other personnel	**307**	**171**

The number of employees does not include staff on leave (28 resources)

12.3 Defined benefit company pension funds: costs and revenues

Type of costs/Amounts	31.12.2025	31.12.2024
Provisions for defined-benefit pension plans	8,107	3,068

For more information on defined-benefit pension plans, please refer to Part B of these Explanatory Notes, section 10 "Provisions for risks and charges".

12.4 Other employee benefits

Type of costs/Amounts	31.12.2025	31.12.2024
Other employee benefits	170,617	235,302

For more information on the composition of the item, please refer to the footnotes in table 12.1 Personnel expenses: breakdown.

12.5 Other administrative expenses: breakdown

Items	31.12.2025	31.12.2024
Indirect taxes and duties	**374,628**	**339,490**
Stamp duty	312,495	284,407
Other indirect taxes with right of recourse	28,787	21,826
Municipal property tax	22,542	21,330
Other	10,804	11,927
Other costs	**921,555**	**894,405**
Maintenance and repairs	159,261	116,632
Rental expense	20,695	19,343
Post office, telephone and telegraph	30,078	23,862
Data transmission fees and use of databases	73,077	57,519
Advertising	40,411	43,997
Consulting and other professional services	235,866	205,054
Lease of IT hardware and software	91,478	85,493
Insurance	27,107	26,249
Cleaning of office premises	15,346	11,934
Printing and stationery	15,433	13,581
Energy and fuel	34,117	36,327
Transport	16,245	15,783
Staff training and expense refunds	15,350	17,622
Information and surveys	17,914	14,235
Security	13,988	10,932
Administrative services	15,707	15,989
Use of external data gathering and processing services	34,564	19,256
Membership fees	13,732	12,134
Condominium expenses	10,937	10,859
Contributions to systemic funds	11,851	111,684
Sundry other	28,398	25,920
Total	**1,296,183**	**1,233,895**

The item "Contributions to systemic funds" refers to the regular contribution paid to the DGS (Deposit Guarantee Scheme) of Euro 9.6 million and the estimated annual contribution to the Guarantee Fund for life insurance of Euro 2.2 million.

Section 13 – Net provisions for risks and charges

Item 200

13.1 Net provisions for credit risk on commitments to disburse funds and financial guarantees granted: breakdown

Type of risks and charges	Impairment losses				Write-backs				31.12.2025	31.12.2024
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		
Commitments to disburse funds	(5,586)	(1,499)	(322)	-	1,134	3,975	93	-	(2,205)	(120)
Financial guarantees granted	(1,972)	-	(13,546)	-	54	4,928	15,554	-	5,018	3,365
Total	**(7,558)**	**(1,499)**	**(13,868)**	**-**	**1,188**	**8,903**	**15,647**	**-**	**2,813**	**3,245**

13.2 Net provisions on other commitments and other guarantees granted: breakdown

Type of risks and charges	Impairment losses	Write-backs	31.12.2025	31.12.2024
Other guarantees granted	(1,675)	18	(1,657)	11,600
Other commitments	(260)	2,400	2,140	3,572
Total	**(1,935)**	**2,418**	**483**	**15,172**

13.3 Net provisions for other risks and charges: breakdown

Type of risks and charges	31.12.2025	31.12.2024
A. Provisions	**(92,103)**	**(104,604)**
1. for legal disputes	(50,690)	(51,183)
2. other	(41,413)	(53,421)
B. Write-backs	**33,800**	**27,534**
1. for legal disputes	30,537	17,309
2. other	3,263	10,225
Total	**(58,303)**	**(77,070)**

Section 14 – Net adjustments/write-backs on property, plant and equipment

Item 210

14.1. Net adjustments to property, plant and equipment: breakdown

Asset/Income items	Depreciation (a)	Impairment losses (b)	Write-backs (c)	Net result (a + b - c)
A. Property, plant and equipment				
1. Used in operations	(189,456)	(389)	3,240	(186,605)
- Owned	(98,151)	(2)	2,245	(95,908)
- Rights of use acquired through leases	(91,305)	(387)	995	(90,697)
2. Held for investment	(266)	-	-	(266)
- Owned	-	-	-	-
- Rights of use acquired through leases	(266)	-	-	(266)
3. Inventories	X	(1,496)	-	(1,496)
B. assets available for sale	X	(369)	299	(70)
Total	**(189,722)**	**(2,254)**	**3,539**	**(188,437)**

Section 15 – Net adjustments write/backs on intangible assets
Item 220

15.1 Net adjustments to intangible assets: breakdown

Asset/Income items	Depreciation (a)	Impairment losses (b)	Write-backs (c)	Net result (a + b - c)
A. Intangible assets				
of which: software	(180,673)	(26,773)	-	(207,446)
A.1 Owned	(184,126)	(26,773)	-	(210,899)
- Generated internally by the company	-	-	-	-
- Other	(184,126)	(26,773)	-	(210,899)
A.2 Rights of use acquired through leases	-	-	-	-
Total	**(184,126)**	**(26,773)**	**-**	**(210,899)**

The item "Impairment losses" for Euro 26.8 million refers to software whose useful life has been reviewed

Section 16 – Other operating expense (income)
Item 230

16.1 Other operating expense: breakdown

Description/Amounts	31.12.2025	31.12.2024
Loss from loss data collection	35,666	23,739
Amortisation of leasehold improvement expenditure	3,590	3,616
Other expense	58,868	80,207
Total	**98,124**	**107,562**

16.2 Other operating income: breakdown

Description/Amounts	31.12.2025	31.12.2024
Rental income	9,892	10,680
Recovery of taxes	336,215	303,733
Income from Loss data collection	77,313	43,928
Fast-track facility fee	11,913	10,686
Other income	141,595	138,340
Total	**576,928**	**507,367**

The item "Other income" is mainly affected by a contingent asset associated with the acquisition of Banca Carige (Euro 34 million) in addition to recovery of appraisal fees from customers for new loans (Euro 17.1 million), recovery of insurance premiums (Euro 2.6 million), income from the management of the securitisation vehicles' liquidity (Euro 8.2 million), reimbursement of training expenses and other staff-related charges (Euro 6.5 million).

Section 17 – Gains (Losses) of equity investments
Item 250

17.1 Gains (Losses) of equity investments: breakdown

Income items/Sectors	Total 31.12.2025	Total 31.12.2024
1) Companies subject to joint control		
A. Gains	-	-
1. Revaluations	-	-
2. Gains on disposals	-	-
3. Write-backs	-	-
4. Other income	-	-
B. Losses	(1,481)	(937)
1. Write-downs	-	-
2. Impairment losses	(1,481)	(937)
3. Losses from disposals	-	-
4. Other expense	-	-
Net result	**(1,481)**	**(937)**
2) Companies subject to significant influence		
A. Gains	48,139	171,369
1. Revaluations	48,139	20,369
2. Gains on disposals	-	151,000
3. Write-backs	-	-
4. Other income	-	-
B. Losses	(20,940)	(118,072)
1. Write-downs	(4,226)	(32,730)
2. Impairment losses	(4,278)	(85,342)
3. Losses from disposals	(12,436)	-
4. Other expense	-	-
Net result	**27,199**	**53,297**
Total	**25,718**	**52,360**

"Revaluations" and "Write-downs" reflect the results of the companies consolidated under the equity method.
"Losses on disposals" mainly refer to the loss arising from the disposal of a stake in Alba Leasing s.p.a.
The amount shown under "Impairment losses" refers to the impairment test on equity investments. The main write-downs relate to the shareholdings held in Cassa di Risparmio di Savigliano s.p.a. (Euro 2.2 million), Gility s.r.l. (Euro 1.5 million), Sardafactoring s.p.a. (Euro 0.8 million) and Annia s.r.l. (Euro 0.7 million).

Section 18 – Valuation differences on property, plant and equipment and intangible assets

Item 260

18.1 Net result of measurement at fair value (or at a revalued amount) or at the estimated realisable value of property, plant and equipment and intangible assets: breakdown

Asset/Income items	Revaluations (a)	Write-downs (b)	Exchange differences		Net result (a-b+c-d)
			Positive (c)	Negative (d)	
A. Property, plant and equipment	**19,690**	**(18,304)**	**-**	**-**	**1,386**
A.1 Used in operations:	14,357	(11,238)	-	-	3,119
- Owned	14,347	(11,238)	-	-	3,109
- Rights of use acquired through leases	10	-	-	-	10
A.2 Held for investment	5,333	(7,066)	-	-	(1,733)
- Owned	5,333	(7,066)	-	-	(1,733)
- Rights of use acquired through leases	-	-	-	-	-
A.3 Inventories	-	-	-	-	-
B. Intangible assets	**-**	**-**	**-**	**-**	**-**
B.1 Owned	-	-	-	-	-
B.1.1 Generated internally by the company	-	-	-	-	-
B.1.2 Other	-	-	-	-	-
B.2 Rights of use acquired through leases	-	-	-	-	-
Total	**19,690**	**(18,304)**	**-**	**-**	**1,386**

Section 19 – Impairment losses on goodwill

Item 270

19.1 Impairment losses on goodwill: breakdown

The impairment test, carried out in accordance with IAS 36, did not identify any need to to record impairment losses on goodwill. For further details on how the impairment test is carried out and the related results, please refer to Part B, Section 10 - Intangible Assets in these Explanatory Notes.

Section 20 – Gains (Losses) on disposal of investments
Item 280

20.1 Gains (losses) on disposal of investments: breakdown

Income items/Amounts	Total 31.12.2025	Total 31.12.2024
A. Real estate	(293)	592
- Gains on disposal	1,055	2,225
- Losses on disposal	(1,348)	(1,633)
B. Other assets	(192)	(1,049)
- Gains on disposal	2,364	24
- Losses on disposal	(2,556)	(1,073)
Net result	**(485)**	**(457)**

Section 21 – Income taxes for the year on current operations
Item 300

21.1 Taxes on income from continuing operations: breakdown

Income items/Sectors	Total 31.12.2025	Total 31.12.2024
1. Current tax (-)	(721,315)	(209,023)
2. Change in current taxes of prior years (+/-)	2,706	14,948
3. Reduction in current taxes of the year (+)	-	-
3. bis Reductions in current taxes of the year due to tax credit pursuant to Law 214/2011 (+)	6,736	4,455
4. Changes in deferred tax assets (+/-)	(196,383)	(425,092)
5. Changes in deferred tax liabilities (+/-)	65,903	(758)
6. Tax for the year (-) (-1+/-2+3+3bis+/-4+/-5)	**(842,353)**	**(615,470)**

21.2 Reconciliation of theoretical and actual tax charges

IRES	31.12.2025	Tax rate %
Profit (loss) from current operations before tax	**2,734,954**	
Theoretical IRES tax charge at the applicable rate	**747,663**	**27.34%**
Temporary differences (+/-)	5,289	
Temporary differences not related to components of the gross result (+/-)	(4,442)	
Permanent differences (+/-)	(4,603)	
Permanent differences not related to components of the gross result (+/-)	(98,692)	
Use of ACE surplus amounts	(162,734)	
Use of previous tax losses	(650,935)	
IRES tax base	-	
Current IRES tax charge	**550,266**	**26.39%**
Current IRES taxes recognised in equity	3,396	
Change in IRES DTA/DTL linked to changes in the tax base for the year	173,814	
Actual IRES tax charge	**727,476**	**26.60%**

IRAP	31.12.2025	Tax rate %
Profit (loss) from current operations before tax	**2,734,954**	
Income statement components not relevant for IRAP purposes	**(163,995)**	
Theoretical IRAP tax charge at the applicable rate	**150,789**	**5.87%**
Temporary differences (+/-)	(35,930)	
Temporary differences not related to components of the gross result (+/-)	-	
Permanent differences (+/-)	495,128	
Permanent differences not related to components of the gross result (+/-)	(25,440)	
IRAP tax base	3,004,716	
Current IRAP tax charge	**166,607**	**6.48%**
Current IRAP taxes recognised in equity	1,046	
Change in IRAP DTA/DTL linked to changes in the tax base for the year	3,914	
Actual IRAP tax charge	**171,567**	**6.67%**

Out-of-period IRES and IRAP tax rates and other taxes	31.12.2025	Tax rate %
Change in IRES/IRAP DTA/DTL not linked to changes in the tax base for the year	(53,984)	
Current IRES tax charge relating to previous financial years	109	
Current IRAP tax charge relating to previous financial years	(2,815)	
Actual tax charge - other taxes	**(56,690)**	**-2.07%**
Total actual tax charge	**842,353**	**30.80%**

Section 22 – Gains (Losses) from non-current assets and disposal groups classified as held for sale after tax

Item 320

There are no amounts to be disclosed in this Consolidated Financial Report.

Section 23 – Profit (Loss) for the year pertaining to minority interests

Item 340

23.1 Breakdown of item 340 "Profit (Loss) for the year pertaining to minority interests"

Company name	31.12.2025	31.12.2024
Consolidated equity investments with significant minority interests	**57,833**	**35,873**
1. Banca Popolare di Sondrio s.p.a. (*)	34,550	-
2. Banco di Sardegna s.p.a.	804	620
3. Bibanca s.p.a.	847	761
4. Arca Holding (**)	21,556	34,451
5. Sardaleasing s.p.a.	76	41
Other equity investments	**4,186**	**(12)**
Total	**62,019**	**35,861**

(*) consolidation of the sub-holding company Banca Popolare di Sondrio s.p.a.
(**) consolidation of the sub-holding company Arca Holding and its wholly-owned subsidiary, Arca Fondi SGR s.p.a.

To determine the relevance of minority interests, see Part A of these Explanatory Notes.
Minority interests not considered significant have been recognised under "Other equity investments".

Section 24 – Other information

The information contained in the above sections is deemed to be detailed and completed, thus providing a full picture of the consolidated income statement.

Section 25 – Earnings per share

IAS 33 requires disclosure of basic and diluted earnings per share (EPS), specifying how each is calculated.
Basic earnings per share reflect the relationship between:

- the earnings attributable to ordinary shareholders,
- and the weighted average number of shares outstanding during the period.

Diluted earnings per share reflect the relationship between:

- the earnings used to calculate Basic EPS, as adjusted by the economic effects of converting all outstanding convertible bonds into shares at period end;
- the number of shares in circulation used to calculate basic EPS, as adjusted by the weighted average of the potential ordinary shares with a diluting effect deriving from the conversion of bonds outstanding at period end.

	31.12.2025			31.12.2024		
	Attributable earnings	Weighted average ordinary shares	Earnings per share (Euro)	Attributable earnings	Weighted average ordinary shares	Earnings per share (Euro)
Basic EPS	1,818,447	1,645,691,559	1.105	1,402,649	1,415,505,208	0.991
Diluted EPS	1,818,447	1,670,077,743	1.089	1,402,649	1,448,994,996	0.968

The following tables reconcile the weighted average number of ordinary shares outstanding used to calculate basic earnings per share with the number of ordinary shares used to calculate diluted earnings per share; they also reconcile net profit for the period with the net income used to determine basic and diluted earnings per share.

25.1 Average number of ordinary shares (fully diluted)

	31.12.2025	31.12.2024
Weighted average number of outstanding ordinary shares for Base EPS calculation	1,645,691,559	1,415,505,208
Weighted dilutive effect deriving from the potential conversion of convertible bonds	24,386,184	33,489,788
Weighted average number of outstanding ordinary shares for diluted EPS calculation	1,670,077,743	1,448,994,996

25.2. Other information

	31.12.2025	31.12.2024
Profit (Loss) for the year	1,818,447	1,402,649
Allocations not attributable to the shareholders	-	-
Net profit for Basic EPS calculation	1,818,447	1,402,649
Change in income and charges deriving from conversion	-	-
Net profit for diluted EPS calculation	1,818,447	1,402,649

PART D

Consolidated Other Comprehensive Income

Consolidated detailed Statement of Other Comprehensive Income

Items		31.12.2025	31.12.2024
10.	**Profit (Loss) for the year**	**1,880,466**	**1,438,510**
	Other comprehensive income that will not be reclassified to profit or loss	**(136,381)**	**13,338**
20.	Equity instruments designated at fair value through other comprehensive income:	(174,187)	48,038
	a) change in fair value	9,806	52,690
	b) transfer to other components of shareholders' equity	(183,993)	(4,652)
30.	Financial liabilities designated at fair value through profit or loss (changes in own creditworthiness):	8,869	(41,556)
	a) change in fair value	14,465	(41,311)
	b) transfer to other components of shareholders' equity	(5,596)	(245)
40.	Hedge of equity instruments measured at fair value through other comprehensive income:	194	(6,876)
	a) change in fair value (hedged instrument)	(1)	(2,384)
	b) change in fair value (hedging instrument)	195	(4,492)
50.	Property, plant and equipment	10,406	14,630
60.	Intangible assets	-	-
70.	Defined benefit plans	5,810	(570)
80.	Non-current assets and disposal groups classified as held for sale	-	-
90.	Share of the valuation reserves of equity investments carried at equity	5,097	(1,017)
100.	Financial revenues or costs relating to insurance contracts issued	-	-
110.	Income taxes relating to other comprehensive income that will not be reclassified to profit or loss	7,430	689
	Other comprehensive income that may be reclassified to profit or loss	**64,954**	**51,742**
120.	Hedge of foreign investments:	**-**	**-**
	a) changes in fair value	-	-
	b) reclassification to profit or loss	-	-
	c) other changes	-	-
130.	Foreign exchange differences:	**327**	**-**
	a) changes in value	327	-
	b) reclassification to profit or loss	-	-
	c) other changes	-	-
140.	Cash flow hedges:	(1,746)	1,671
	a) changes in fair value	(1,746)	1,671
	b) reclassification to profit or loss	-	-
	c) other changes	-	-
	of which: result of net positions	-	-
150.	Hedging instruments (not designated elements):	**-**	**-**
	a) changes in value	-	-
	b) reclassification to profit or loss	-	-
	c) other changes	-	-
160.	Financial assets (no equity instruments) measured at fair value through other comprehensive income	99,865	75,338
	a) changes in fair value	90,252	60,557
	b) reclassification to profit or loss	9,613	14,781
	1. impairment losses for credit risk	281	209
	2. gains/losses on disposal	9,332	14,572
	c) other changes	-	-
170.	Non-current assets and disposal groups classified as held for sale	**-**	**-**
	a) changes in fair value	-	-
	b) reclassification to profit or loss	-	-
	c) other changes	-	-
180.	Share of the valuation reserves of equity investments carried under the equity method	**-**	**-**
	a) changes in fair value	-	-
	b) reclassification to profit or loss	-	-
	1. impairment adjustments	-	-
	2. gains/losses on disposal	-	-
	c) other changes	-	-
190.	Financial revenues or costs relating to insurance contracts issued	-	-
	a) changes in fair value	-	-
	b) reclassification to profit or loss	-	-
	c) other changes	-	-
200.	Financial revenues or costs relating to outwards reinsurance	-	-
	a) changes in fair value	-	-
	b) reclassification to profit or loss	-	-
	c) other changes	-	-
210.	Income taxes relating to other comprehensive income that may be reclassified to profit or loss	(33,492)	(25,267)
220.	**Total other comprehensive income**	**(71,427)**	**65,080**
230.	**Other comprehensive income (Items 10+220)**	**1,809,039**	**1,503,590**
240.	Consolidated other comprehensive income pertaining to minority interests	59,416	35,984
250.	**Consolidated other comprehensive income pertaining to the Parent Company**	**1,749,623**	**1,467,606**

PART E

Information on risks and related hedging policies

Introduction

A summary of the organisation of the BPER Banca Group's risk governance and the related processes and key functions involved is described in this paragraph.

The configuration of the Internal Control and Risk Management System of the BPER Group (hereinafter, the "System") is defined, alongside its principles, in the "Group Policy on the Internal control System" (Policy), which also includes the information flows for the integration of the components of the System.
The Policy, prepared in compliance with the Supervisory Provisions, was approved by the Board of Directors of the Parent Company and implemented by the Group Banks and Companies.
The System comprises policies, structures, procedures, resources and processes aimed at ensuring that:

- the activities carried out by BPER and by the Group Banks and Companies are in line with internal practices, industry standards and external regulations;
- risks are adequately monitored and mitigated.

All Group Structures contribute to risk control and every Group Bank and Company ensures correct operations by performing controls and submitting information flows to its Corporate Bodies and to the Corporate Bodies of the Parent Company.
The System includes three lines of defence:

- First-level controls: line controls embedded in processes and procedures and carried out by operating and business units;
- Second-level controls (Risk and compliance controls) entrusted to the: i) Compliance Function (which includes the Data Protection Officer - DPO); ii) Risk Management Function; iii) Validation Function; iv) Anti-Money Laundering Function;
- Third-level controls: entrusted to Internal Audit which operates in compliance with international standards.

Second- and Third-Level Control Functions are independent, separate and distinct from the structures that take on the risks and are in charge of line controls.

As a general rule, the System envisages outsourcing to the Parent Company of the second and third-level control functions, if any, of the Group Banks and Companies under Italian law; however, as required by the regulations, the latter still remain responsible for their performance.

The Internal Control System also includes:

- the Whistleblowing System to anonymously communicate facts or behaviours that may represent a violation of the regulations governing the banking/financial activities;
- the Supervisory Body pursuant to Legislative Decree No. 231/2001;
- the Manager responsible for preparing the Company's financial reports pursuant to Italian Law 262/2005, who uses the Financial & Sustainability Reporting Supervision Unit to carry out his/her duties.

Every year, the Control Functions submit to the Board of Directors a report on the activities carried out substantiated by their analyses, results, identified weaknesses and proposals for interventions to be implemented with a view to strengthening the controls in place. The Control Functions submit a plan of activities to the Corporate Bodies for approval at least once a year, subject to the prior review of the Control and Risk Committee.

The document "Public Disclosure - Pillar 3" as at 31 December 2025, prepared pursuant to the requirements of Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 (CRR) and subsequent updates, illustrates the key metrics used by the BPER Banca Group (own funds, capital requirements, financial leverage and liquidity coverage ratio) as required by art. 447 of Regulation (EU) No. 575/2013, as later amended.

The disclosure at 31 December 2025 is published on the same date as or as soon as possible after the Consolidated Financial Report is published on the Parent Company's website https://https://group.bper.it/en/.

Risk management (RAF)

As part of the Group's Internal Control System, the BPER Banca Group identifies the Risk Appetite Framework (RAF) as a tool for overseeing the risk profile that the Group intends to take in the implementation of its business strategies, considering it as an essential element to ensure that the risk governance policy and process by which risks are managed comply with the principles of sound and prudent business management.

The key principles of the RAF are formalised and approved by the Parent Company, which periodically reviews them, ensuring that they are in line with the strategic guidelines, business model and regulatory requirements in force at any given time.

Through a coordinated and representative series of metrics, the RAF outlines the risk objectives (risk appetite), any Early Warning thresholds, the tolerance thresholds (risk tolerance), risk limits and the operating limits, which the Group intends to comply with in the pursuit of its strategic guidelines, defining the levels of consistency with the maximum risk that can be accepted (risk capacity).

In order to ensure effective and pervasive transmission of the risk objectives, the Group sets its overall risk appetite, establishing risk limits that govern the operations of the organisational structures to which they are assigned (so-called "risk takers"), in a structured framework consistent with the policies of governance and control of individual risks.

The activities comprising the set-up process of the RAF are updated annually, or more frequently, and whenever necessary following changes in the internal or external conditions.

In 2025, the Risk Appetite Statement was updated with the involvement of the Corporate Bodies on various occasions, considering the objectives established by the plan forecasts and the expectations/guidelines of the Supervisory Authorities. The latest version, which implements the new SREP requirements notified by the ECB on 9 October 2025, was examined by the Board of Statutory Auditors and by the Control and Risk Committee on 3 November 2025 and by the Board of Directors on 5 November 2025.

The Group periodically monitors the overall RAF metrics, in order to promptly control any overruns of the tolerance thresholds (or of the Early Warning levels, if any) and/or risk limits assigned and, if appropriate, activate the envisaged escalation processes, by handling the necessary communications to the Corporate Bodies and subsequent remedies, as required by the RAF management macro-process Regulation.

Development of the internal control system

The Parent Company manages the Group's Internal Control System through a process that involves the following phases:
- design;
- implementation;
- assessment;
- external communication.

The development process phases are outlined below, indicating the related responsibilities of the Corporate Bodies[165] involved.

Design of the internal control system

The Board of Directors of the Parent Company defines and approves:
- the Internal Control System of the Parent Company and the Group;
- the risk objectives, tolerance thresholds (where identified) and risk governance policies;
- the remedies needed to restore a normal situation after any overrun of the tolerance thresholds;
- the criteria for identifying significant transactions to be submitted to the risk management function;
- system standards for carrying out all activities;
- the Parent Company's code of ethics must be followed by all employees and members of the Corporate Bodies, as well as any third parties operating directly or indirectly for or with the Bank.

At least annually, the Parent Company's Board of Directors approves the programme of activities and examines the annual reports prepared by the Corporate Control Functions and by the Manager responsible for preparing the company's financial reports - Financial & Sustainability Reporting Supervision Unit. More specifically, the Board of Directors of the Parent Company, with the assistance of the Control and Risk Committee and at the proposal of the CEO, establishes and approves:
- the business model;
- the strategic plan and its periodic review;
- Internal system for reporting violations;
- Stress testing programme;
- the structure of the Corporate Control Functions and Control Functions and their coordination methods;

165 Corporate Bodies include all bodies with strategic supervision, management and control functions. The definition of Corporate Body also includes the sub-committees of the Board of Directors ("Board Committees").

- internal information flows to ensure that the Corporate Bodies and Control Functions are fully aware of the various risk factors and have the ability to govern them;
- formalised coordination and liaison procedures between the Companies of the Group and the Parent Company;
- the ICAAP and ILAAP processes, ensuring consistency with the RAF;
- the Recovery Plan;
- the process for managing anomalies identified by the Corporate Control Functions and Control Functions, as well as the methods for handling, and possibly accepting, identified residual risk in compliance with the RAF;
- asset measurement policies and processes;
- the process for the development and validation of internal risk measurement;
- the "Product Governance" process for approving new products and services, the launch of new activities, entering new markets;
- Group policy for outsourcing business functions.

The Parent Company's Board of Directors ensures that:

- implementation of the RAF is consistent with the approved levels of risk appetite and risk tolerance thresholds (where identified);
- the strategic plan, the RAF, the ICAAP, ILAAP, budgets and Internal Control System are consistent, bearing in mind any developments in the internal and external conditions in which the Group operates;
- the amount and the allocation of capital and liquidity held are consistent with the risk appetite, risk governance policies and risk management process;
- adequate governance processes are in place to support resolution planning activities.

The Board of Directors of the Parent Company appoints and dismisses the heads of the Corporate Control Functions and the Manager responsible for preparing the company's financial reports, based on prior identification and proposal by the Control and Risk Committee, with the contribution of the Nominations and Corporate Governance Committee, the Board of Statutory Auditors and the Chief Executive Officer, each for matters within their competence.

The Board of Directors of each Bank and Company within the Group supplements the structure of their respective Internal Control Systems, in line with the coordination and liaison procedures defined by the Parent Company and incorporates and approves the RAF elements applicable to their own Bank and Company, in accordance with the Group's Risk Appetite Framework.

Implementation of the internal control system

The Board of Directors of the Parent Company vests the Chief Executive Officer with adequate duties, powers and resources to implement the strategic guidelines, RAF and risk governance policies defined by the Board when the Internal Control System is designed. The Chief Executive Officer is responsible for adopting all the actions needed to ensure the compliance of the organisation and the Internal Control System with the standards and requirements provided for under Supervisory laws, monitoring them to ensure continued compliance.

The Chief Executive Officer has the power to propose resolutions regarding the Internal Control and Risk Management System and oversees the execution of the resolutions of the Board of Directors.

The Chief Executive Officer, supported by the competent functions:

- ensures integrated management of all corporate risks, evaluating the internal and external factors from which they may originate and their reciprocal interrelationships and is responsible for adopting the necessary initiatives to ensure the compliance of the organisation and the Internal Control System with the regulatory principles and requirements, continuously monitoring their observance at the Bank and Group level;
- assumes the provisions designed to ensure that the various Corporate Functions implement the risk management and control process for the Bank and the Group, also overseeing the set-up and the functioning of the internal risk measurement systems and the ICAAP and ILAAP processes, in line with the Supervisory Provisions, the strategic guidelines, the RAF and the risk governance policies defined and approved by the Board.

Finally, the Chief Executive Officer additionally has the power to request audits or investigations to be carried out, also with regard to specific irregularities, without prejudice to similar powers lying with the Bodies of strategic supervision, management and control, of the Parent Company and/or of the Group Banks and Companies.

The Board of Directors of each Group Bank and Company vests its corporate functions with the task of implementing the choices made by the Parent Company when planning the Internal Control Systems in their own organisations.

Assessment of the internal control system

With regard to internal risk measurement systems for the determination of capital requirements, the Board of Directors of the Parent Company:

- periodically verifies the choices of model made to ensure that they remain valid over time, approving significant changes to the System and carrying out overall supervision to ensure that it functions properly;
- monitors, with the assistance of the relevant Functions, effective use of internal systems for management purposes and their compliance with regulatory requirements;
- reviews at least once a year the results of the validation process and passes a formal resolution, with the approval of the Board of Statutory Auditors, by which it certifies compliance with the requirements for the use of internal measurement systems.

The Parent Company's Board of Directors periodically assesses the adequacy and effectiveness:

- of the RAF and the compatibility between actual risk and the risk objectives;
- of the Group's[166] internal control and risk management system - with the help of the Control and Risk Committee - identifying possible areas of improvement and defining the steps needed to correct any weaknesses. To this end, Internal Audit prepares the overall assessment of the Internal Control System which capitalises on the results of the activities performed by the other Corporate Control Functions and by the Manager Responsible for Preparing the Company's Financial Reports - Financial & Sustainability Reporting Supervision Unit.

The Board of Directors:

- receives, either directly or through the CEO, the information flows required to gain full awareness of the various risk factors and the ability to govern them, so as to plan and implement interventions to ensure the compliance and adequacy of the Internal Control System;
- receives the reports drawn up by the Control Functions along with the Board of Statutory Auditors, the Control and Risk Committee and the Chief Executive Officer.

External communication on the internal control system

The Board of Directors of each Group Company, especially that of the Parent Company as regards the Group Internal Control System, ensures that disclosure on the Internal Control and risk management system is given in all cases foreseen by law. This guarantees the correctness and completeness of the information provided. In this context, it is important to make the disclosures to the general public required by Pillar 3. For this, the Board of Directors of the Parent Company assigns control responsibilities and duties to the corporate Bodies and the various Functions involved in the different stages of the disclosure governance.

Levels of control envisaged by the Supervisory Authority

As part of the Group internal control system, the following control functions are identified at the levels provided for in the Supervisory instructions for banks, taking into account of the fact that the second and third level control functions always apply to the entire Group:

- Third-level controls: designed to
  - identify violations of procedures and regulations,
  - to periodically assess the completeness, suitability, functionality (in terms of efficiency and effectiveness) and reliability of the Internal Control System and information system, in relation to the nature and intensity of the risks involved.
- These controls are conducted on an ongoing basis, periodically or at random, including spot checks, by various units that are independent of business structures. In the parent company BPER, these activities are entrusted to Internal Audit.
- Second-level controls ("risk and compliance controls"): the second level control functions have been developed and identified with the following objectives:
  - to check on an ongoing basis that company procedures are consistent with the goal of preventing money laundering and terrorist financing or financing of programmes for the development of weapons of mass destruction, and to prevent and combat money laundering and financing of terrorism by reporting suspicious transactions and by performing constant second-level controls. This activity is entrusted to the Anti-Money Laundering Function;

166 Supervisory instructions for banks – Circular 285 of the Bank of Italy, Part I, Title IV, Chapter 3, Section II, paragraph 2 "assures that: [...] "b) the internal control system and corporate structure are consistently in line with the principles mentioned in Section I and the control functions satisfy the requirements and comply with the provisions of Section III. In the event of weaknesses or anomalies, it promotes timely adoption of appropriate corrective measures and assesses their effectiveness".

- to identify non-compliance risks, examining the standards applicable to the Group on an ongoing basis and assessing their impact on Group companies. To establish, depending on the risks that have been identified and assessed, the control objectives foreseen, by proposing organisational and procedural interventions to ensure adequate protection from any risks of non-compliance and monitoring their implementation. These activities are entrusted to the Compliance Function;
- to collaborate in the definition and implementation of the Risk Appetite Framework (RAF) and the related risk governance policies, through an adequate risk management process. To define methodologies, processes and tools to be used for risk management. To ensure consistency of the measurement and risk control systems with processes and methodologies to assess business operations. To ensure the correct representation of the risk profile and assessment of loan positions, to perform assessments of loan monitoring and recovery processes, to supervise the process for the allocation/monitoring of the official rating and to perform second-level controls over the lending process. These activities are entrusted to various offices and units of the Risk Management Function;
- qualitative and quantitative ratification of internal risk measurement models adopted by the Parent Company, as used to estimate internal capital and capital requirements, ensuring compliance with the instructions issued by the Supervisory Authority for this process, as well as consistency with the operational needs of the company and the evolution of the market. This activity is carried out by the Internal Validation Office which reports directly to the Chief Risk Officer. The organisational positioning of this Office guarantees independence from the structures responsible for the development and use of internal risk models subjected to validation.

- First level controls ("line controls") (designed to ensure that operations are carried out properly by the operating teams or embedded in procedures or performed as part of back-office activities).

In addition to the levels of control laid down by Supervisory Regulations, the legal system and the sources of self-regulation attribute monitoring roles to specific structures/roles other than the Corporate Control Functions, whose activities are incorporated in the Internal Control System (Supervisory Body, Manager Responsible for Preparing the Company's Financial Reports).

Control roles and duties attributed to BPER Banca Group functions

Internal Audit Function

The Internal Audit carries out an independent and objective assurance and advisory activities aimed at increasing and protecting the value of the Banks and Companies of the BPER Group by providing objective services to promote, through a systematic and structured professional approach:

- the effectiveness and efficiency of processes and controls;
- balanced and conscious risk management.

On the basis of the results of its controls, it:

- identifies the possible improvements - with specific reference to the RAF, the risk management process and their measurement and control tools - bringing them to the attention of the Corporate bodies;
- formulates specific recommendations to be submitted to a formal monitoring procedure in order to guarantee (and report about) their effectiveness and timely implementation.

Internal Audit contributes to the dissemination of risk & control culture awareness and the key principles that guide the BPER Banca Group.

The Function carries out its activities:

- as part of the management and coordination of the Parent Company, with respect to the Group Banks and Group Legal Entities, taking into account the breadth and depth of the Internal Control System and in compliance with the principles of proportionality and cost-effectiveness;
- based on specific outsourcing contracts, for the Banks and Companies that have outsourced Internal Audit to the Parent Company, i.e. all banks and companies under Italian law with an Internal Audit Department with the exception of Arca Fondi s.p.a. SGR and the companies of the former Banca Popolare di Sondrio Group, for which the Boards of Directors of the Parent Company and Banca Popolare di Sondrio have approved an exemption from the centralisation of control functions until the merger of Banca Popolare di Sondrio into BPER Banca, in accordance with the provisions of the Group's Internal Control System Policy.

The Internal Audit Function operates in compliance with international standards for the professional practice of internal auditing.

With a view to continuous improvement and in line with the Global Internal Audit Standards issued by the Institute of Internal Auditors, the Function has set up an internal evaluation process - Quality Assurance and Improvement Programme (QAIP) - the results of which are submitted annually to the Parent Company's Board of Directors.

Risk Management Function

The Risk Management Function, which also includes the model validation function[167], aims to collaborate in the definition and implementation of the Risk Appetite Framework and the related risk governance policies, through an adequate risk management process.
An integral part of its mission is to ensure adequate reporting to the Corporate Bodies of the Parent Company and Group companies.
The Risk Management Function extends its area of responsibility to all of the Group companies included in the current risk map, given that the Group Policy "Internal Control System" provides for centralised management of the risk management function by the Parent Company.
The Group companies that have this function outsource it to the Parent Company, with the exception of the Luxembourg based company[168].
The mission of the Risk Management Function is carried out as part of the Parent Company's direction and coordination activity as an outsourcer for Group Banks and Companies.
The Risk Management Function operates at Group companies through a Contact identified at the various Group companies.

With regard to the companies of the former Banca Popolare di Sondrio Group, in order to ensure compliance with the Group's RAF and risk management regulations, while maintaining continuity in monitoring risks at the individual companies level and pending the merger by absorption of Banca Popolare di Sondrio, BPER's Board of Directors approved the organisational model to be adopted by the corporate control functions and the Manager responsible for preparing the Company's financial reports. Specifically, with regard to the Risk Management Function, the following is noted:

- Banca Popolare di Sondrio s.p.a.: the risk management function is to be temporarily devolved to the Subsidiary until the merger, and it will operate in accordance with the Parent Company's direction and coordination;
- Banca Nuova Terra s.p.a. and Factorit s.p.a.: the corporate control functions are to be retained by Banca Popolare di Sondrio until the merger, with the corresponding functions of the Parent Company BPER being responsible for direction and coordination;
- Banca Popolare di Sondrio (Suisse) SA: the company's decentralised risk management function is to be maintained, in accordance with the regulatory and banking environment in which it operates.

The Risk Management Function is independent of the business functions, which are responsible for the "operational management" of risks that affect the risk-taking of the business units and change the risk profile of the Bank.

This function is hierarchically positioned to report directly to the Parent Company's Board of Directors and is accountable to that body for its tasks and responsibilities.

Responsibility for the Risk Management Function lies with the Chief Risk Officer.

The Contact Persons of the Risk Management Function, identified at the Companies falling within the sphere of competence, functionally depend on the function itself and hierarchically depend on the Management Body of the Company they belong to. The main activities of the Risk Management Function are listed below:

- within the scope of the Risk Appetite Framework, proposing to the Corporate Bodies the quantitative and qualitative parameters necessary for its definition, both in the normal course of business and in situations of stress, ensuring their adequacy over time in relation to changes in the internal and external context;
- proposing the risk governance policies that do not fall within the competence of the other control functions, ensuring the adequacy and update with regard to risk management and exposure and operating limits, and helps in implementing them, ensuring consistency with the Risk Appetite Framework;
- developing risk management methodologies, processes and tools[169] via the identification, measurement/assessment, monitoring and reporting of risks inclusive of prospective and retrospective analyses, ensuring their adequacy over time through the development and application of indicators designed to highlight anomalous situations and inefficiencies;

167 Bank of Italy Circular no. 285 of 2013 of the Bank of Italy, part I, title IV, section III, point 3.3. The banks adopt internal systems for risk measurement, if consistent with the nature, size and complexity of the activities carried out, and identify, within the risk control function, units responsible for validating said systems independent from the units responsible for developing them.

168 Update of circular CSSF 12/552 on the central administration, internal governance and risk management "120. Outsourcing the compliance function and risk control function is not authorised".

169 With the participation of the organisational units of the Chief Operating Officer and the Chief Information Officer.

- monitoring the actual risk profile assumed in relation to the risk objectives defined in the Risk Appetite Framework, collaborating in the definition and monitoring of operating limits for the assumption of various types of risk and constantly verifying their adequacy, reporting any overruns to Corporate Bodies;
- providing prior opinions on the consistency with the Risk Appetite Framework of the Most Significant Transactions;
- supporting the CEO in implementing the ICAAP and ILAAP;
- coordinating the various activities involved in the internal stress testing programme;
- checking the adequacy and effectiveness of the measures taken to correct weaknesses in the risk management macro-processes;
- controlling the macro process of assigning and monitoring the official rating;
- developing, ratifying[170] and maintaining the IFRS 9 model framework for calculation of provisions;
- analysis of risks deriving from new products/services and from entry into new business segments;
- performance of second-level checks on the lending process, verifying the existence of effective supervision over credit exposures (especially if impaired), the proper classification of risk and the adequacy of provisions; the comprehensive effectiveness of the bad loan recovery process;
- is responsible for managing the Parent Company's Risk Committee and Operational & ICT Committee (management committees supporting the Chief Executive Officer).

Moreover, the Risk Management Function, before their approval by the Corporate Bodies, is involved in defining:
- of the Group strategy, assessing the related impacts on risk;
- of the strategic developments of the Internal Control System of the Group.

Anti-money laundering function

The Anti-Money Laundering Function's duty is:
- to prevent and combat money laundering and financing of terrorism through the reporting of suspicious transactions and the execution of continuing second-level control activities (Anti-Money Laundering control);
- to check that the IT and organisational procedures adopted by Group Banks and Companies are consistent with laws and regulations, as well as self-regulation for preventing money laundering and terrorist financing or financing of programmes for the development of weapons of mass destruction (Anti-Money Laundering Function).

The organisational model adopted by the Group provides for centralised management at the Parent Company of the anti-money laundering function and supervision of the Italian Group Banks and Companies subject to money laundering regulations, except for Arca Fondi SGR s.p.a.[171], in light of the specific nature of its business.
As regards the Parent Company's guidance and coordination activities, performed for all Group Banks and Companies subject to anti-money laundering regulations, the Anti-Money Laundering Function has the following responsibilities:
- it identifies and evaluates the Group's exposure to the risk of money laundering and financing of terrorism;
- it identifies any risk of non-compliance with anti-money laundering legislation to which the Group is exposed, continuously examining the rules applicable to the Group and assessing their impact;
- it makes an annual assessment of the principal money laundering and terrorism financing risks, at Group level and for each Group Bank and Company, and presents that assessment ("Report of the Anti-Money Laundering Function of the BPER Banca Group") to the Management Bodies of the Parent Company. This report identifies the action taken and the training provided to personnel, highlighting any issues and making planning proposals for the related corrective actions, as well as for the preventive actions needed to tackle any new non-conformity risks identified. The report also includes the results of the self-assessment carried out. With regard to Arca Fondi SGR[172], a self-assessment carried out independently by the subsidiary is acquired. For the Luxembourg subsidiary, BPER Bank Luxembourg SA, it reports in the same document any critical issues arising from the opinions expressed and data provided by its relevant Corporate Functions;
- it proposes changes to the Group policy for governing the risks of money laundering and the financing of terrorism;
- it defines methods, processes and tools for performing the activities of the Anti-Money Laundering Function and uses the reports defined in coordination with other control functions (corporate or otherwise);

170 Through the Internal Validation Service.

171 The centralised model is currently subject to a temporary exemption, also with reference to Banca Popolare di Sondrio and the companies within the Banca Popolare di Sondrio Group that are subject to anti-money laundering regulations, given the transitional nature of the BPER Group's current structure. From the date of Banca Popolare di Sondrio's merger by absorption into the BPER Group, the Group's organisational structure will be fully implemented.

172 In addition to Banca Popolare di Sondrio and the companies within the Banca Popolare di Sondrio Group that are subject to anti-money laundering regulations.

- for the foreign companies that have not outsourced the function to the Parent Company (the Luxembourg subsidiary BPER Bank Luxembourg SA[173]), it defines the general standards regarding customer due diligence, retention of data and reports on suspicious transactions, making sure they are implemented;
- it ensures adequate reporting on the outcome of its activities to the Corporate Bodies, highlighting the main non-compliance issues and events of particular risk as they emerge;
- it proposes organisational and procedural changes to the guidance and coordination processes aimed at preventing and combating money laundering and terrorist financing, in order to ensure adequate control over the non-compliance risks that have been identified and to monitor that it is carried out;
- supports the Chief AML Officer (CAMLO) , as Head of Group suspicious transactions (SOS), in the in-depth analysis and assessment, in terms of Group, of the reports filed and transactions reported to the Financial Intelligence Unit for Italy (FIU) or to the various Competent local authorities by Italian and foreign Group companies. This type of support is also provided with reference to reports filed and transactions reported to the competent local authorities by the Group's Luxembourg subsidiary;
- supports the Chief Corporate & Investment Banking Officer – CCIBO of the Parent Company in assessing the opening of correspondence accounts with correspondent entities of third Countries by the Parent Company and Group Companies, issuing a specific opinion;
- supports the Chief AML Officer (CAMLO) in their instructions regarding the authorisation to open, or maintain, ongoing relationships with residents or entities based in high-risk third Countries under current EU regulations or Group policies for the BPER Group and other Italian banking companies. For non-banking Companies, it receives the information report regarding the implementation of continuous relationships/maintenance of relationships with these persons and evaluates any weaknesses by issuing a dedicated opinion;
- supports the CAMLO in their instructions regarding the authorisation to open, or maintain, ongoing relationships or carry out occasional transactions with "politically exposed persons". For non-banking Companies, it receives the information report regarding the implementation of continuous relationships/maintenance of relationships/ performance of transactions with "Politically exposed persons" and evaluates any weaknesses by issuing a dedicated opinion.

Among other things, the Function also:

- conducts an assessment of the exposures of the Parent Company and the Group's Italian banks to restrictive measures, which is reviewed and updated annually or at more frequent intervals should the need arise;
- manages relations with Italy's Financial Intelligence Unit, the Investigative Authorities and the Judicial Authorities whenever there is need for in-depth investigation or discussion about the anti-money laundering and anti-terrorism legislation;
- supports the Company Delegate in assessing and investigating reports of suspicious transactions and their transmission to the Financial Intelligence Unit if considered justified;
- checks on proper compliance with the requirements for adequate verification, the risk profiling of customers, the recognition and reporting of suspicious transactions, the limits on cash usage, and data retention.

With reference to the Luxembourg subsidiary BPER Bank Luxembourg SA, which does not fall within the scope of the Anti-Money Laundering Function, the direction and coordination activity is supported by monitoring the reports on suspicious transactions and by specific instructions in the field of customer identification and data retention.

It should also be noted that, in compliance with the current anti-money laundering legislation, in particular the Measure of the Bank of Italy of 1 August 2023 amending the "Bank of Italy's Provisions on organisation, procedures and internal controls for anti-money laundering purposes" of 26 March 2019 (so called "Measure of the Bank of Italy"), the Parent Company and the other Group Companies subject to anti-money laundering regulations have appointed their own Representative responsible for anti-money laundering, as well as a Group-level Representative responsible for anti-money laundering, in accordance with the statutory requirements.

173 This model will also be fully adopted in relation to the Swiss bank, Banca Popolare di Sondrio Suisse SA, with effect from the date of Banca Popolare di Sondrio's merger into the BPER Group. For companies based in third countries, the actual implementation of the organisational arrangements and general standards regarding procedures and controls defined for the Group must be assessed on the basis of their specific organisational and regulatory circumstances. The assessment is subject to validation by the Parent Company's Board of Directors

Compliance Function

The Compliance Function is responsible for monitoring the risk of non-compliance with the regulations with regard to all company activities.

The Compliance Function's task is to ensure the adequacy of internal procedures to prevent the violation of external rules (e.g. laws and regulations) and/or self-regulation (e.g. Articles of association, codes of conduct, corporate governance codes) applicable to Group Companies.

The Function also plays an important advisory role in the design of processes and projects that the bank intends to undertake, offering assistance and advice to the bank's corporate bodies in all matters in which compliance risk takes on significance, collaborating in personnel training activities with regard to the provisions applicable to the activities carried out and promoting the dissemination of a culture based on principles of integrity, fairness and respect for the spirit and letter of the law, as an indispensable element of the successful operation of the company.
The Data Protection Officer (DPO), who operates within the Function, possesses specialist knowledge of the legislation and of the cases regarding personal data protection, set forth in EU Regulation No. 2016/679 (GDPR), to which the legislation attributes the primary duties of verification of compliance and of control of respect for the privacy provisions.

The Compliance Function, as part of the management of compliance risk, oversees – directly or through the Specialist Controls – regulations that concern the entire banking activity, with the exception of those for which there are Corporate Functions and other dedicated control functions.

Pursuant to art. 88 of the Intermediaries Regulations adopted by CONSOB with resolution 20307 of 15 February 2018, the Compliance Function also carries out regular checks on the effective application (or functioning) of the procedures and the measures taken to resolve any weaknesses.

With reference to the corporate scope, the organisational solution for Supervised Companies (Banks and Financial credit companies) provides for the centralisation of the Compliance Function at the Parent Company and the identification and appointment of a point of Contact.

For Companies not subject to the obligation to set up a Compliance Function (special purpose and service Companies), the monitoring of the compliance risk is guaranteed, for regulatory areas that have an impact on the same companies, through the provision of compliance activities carried out by the Parent Company.

In accordance with the Policy on the Internal Control System, the Parent Company exercises management and coordination functions over foreign companies or companies incorporated under Italian law that have their own Compliance function.

As part of the activities exercised by the Parent Company on behalf of the Group companies, the Compliance Function has the following duties, more specifically:

- it identifies non-compliance risks, at Group level, examining the standards applicable to the Group on an ongoing basis and assessing their impact on Group companies;
- it establishes, depending on the risks that have been identified and assessed, the control objectives foreseen for the Companies that have outsourced these function/activities to the Parent Company, and verifies that the planning of Compliance activities of the individual companies with their own Compliance Function guarantees adequate risk control;
- it ensures adequate reporting on the outcome of its activities to the Corporate Bodies, promptly highlighting the main non-compliance issues and events of particular risk as they emerge;
- it proposes organisational and procedural changes to processes of the Parent Company and Group companies in order to ensure adequate control over the non-compliance risks that have been identified and to monitor that it is carried out.

Other control functions

In addition to the levels of control laid down by Supervisory Regulations, the legal system and the sources of self-regulation attribute monitoring roles to specific structures/roles other than the Corporate Control Functions, whose activities are incorporated in the Internal Control System; in particular, the following are identified in the Group:

- Supervisory Bodies pursuant to Legislative Decree 231/2001;
- the Manager Responsible for Preparing the Company's Financial Reports established on the basis of the provisions of Law 262/2005, who, in order to carry out his/her duties, makes use of the Financial & Sustainability Reporting Supervision service (hereinafter also "Service"). The Manager responsible for preparing the Company's Financial Reports and this unit are therefore part of the Group's Internal Control System.

Manager responsible for preparing the Company's Financial Reports – Financial & Sustainability Reporting Supervision

Pursuant to Italian Law 262/2005, Article 154-*bis* of the Consolidated Law on Finance, and Bank of Italy Circular 285, the Manager responsible for preparing the Company's Financial Reports is a Control Function and is responsible for overseeing the administrative and accounting procedures for the preparation of the Separate Financial Report, Consolidated Financial Report and any other financial communication. Under the applicable regulations and the Articles of Association, the appointment is approved by the Board of Directors, subject to the opinion of the Board of Statutory Auditors.

The Manager responsible for preparing the Company's Financial Reports also certifies, together with the Chief Executive Officer, the consistency of the content of the public disclosure document – Pillar 3 – with internal documentation, in line with the relevant external regulations (Article 431, paragraph 3, CRR).

Following the adoption of the Corporate Sustainability Reporting Directive (CSRD) in September 2024 (Legislative Decree No. 125 of 6 September 2024), the BPER Banca Group has deemed it appropriate to also confer to the Manager responsible for preparing the Company's Financial Reports the certification of the Sustainability Statement, in line with the highest standards of transparency and compliance in accordance with the ESRS (European Sustainability Reporting Standards).

The Manager responsible for preparing the Company's Financial Reports governs the "Financial and sustainability reporting control model", understood as the set of requirements for the correct management and control of the risk of unintentional errors and fraud in financial reporting, as well as risk factors related to the preparation of sustainability reporting (ESG).

The Parent Company's Manager responsible for preparing the Company's Financial Reports makes use of the following to carry out their mission and assigned responsibilities:

- the Service, which reports hierarchically to the Manager responsible for preparing the Company's Financial Reports, rightsized with respect to the complexity of the company and the group, as well as independent with respect to the functions in charge of preparing the economic, financial and sustainability reporting;
- a Contact person for the Manager responsible for preparing the Company's Financial Reports, identified in the companies within scope, who functionally reports to the Manager responsible for preparing the Company's Financial Reports.

Finally, where companies other than the Parent Company are present within the Group but are classified as "Listed issuers having Italy as their home member state", they must also appoint a Manager responsible for preparing the Company's Financial Reports in accordance with regulations, who functionally reports to the Parent Company's Manager responsible for preparing the Company's Financial Reports.

The Financial and sustainability reporting control model, in its most recent update approved at the 28 November 2024 meeting of the Board of Directors of the Parent Company BPER Banca, consists of the following regulatory framework:

- Group policy for managing the risk of unintentional errors and fraud in Financial Reports (high level legislative source);
- Regulation of the Manager responsible for preparing the Company's Financial Reports and the Financial & Sustainability Reporting Supervision Service (high level legislative source);
- Methodological note addressing the macro-process for the management of unintentional errors and fraud in financial disclosures (high level atypical source).

The Financial & Sustainability Reporting Supervision is responsible for defining, reinforcing and updating the "Financial and Sustainability Reporting Control Model" to be applied to the Parent Company and, with reference to the procedures for preparing the Consolidated Financial Report and Sustainability Statement, to the Banks and Companies in both perimeters.

For more details regarding the main characteristics of the current risk management and internal control systems in relation to the financial reporting process, please refer to the 2024 Report on corporate governance and ownership structure, prepared in accordance with art. 123-*bis* of the Consolidated Law on Finance.

Supervisory Body pursuant to Legislative Decree 01/231

The Parent Company, in compliance with arts. 6 and 7 of Legislative Decree 231/01, adopted a Model of Organisation and Management (MOM) in order to prevent the commission and/or the attempted commission of the types of offence provided for in this Decree. In accordance with this law, the Parent Company has established a Supervisory Body to supervise the functioning, compliance with and update of its Model of Organisation and Management.

These activities principally comprise:

- monitoring the functioning of the Model: in all business areas, checking that the risk of committing offences identified in Legislative Decree 231/01 is identified, mapped and monitored; with regard to the risk areas and sensitive processes identified, ensuring the adequacy of the protocols adopted to prevent and stop unlawful conduct and requiring their adoption or amendment in the event of weaknesses, inadequacies or changes in internal organisation and/or business activities;
- monitoring compliance with the Model: in the context of the risk areas and sensitive processes identified, checks compliance with the protocols adopted to prevent and impede unlawful conduct; checks the efficacy of the organisational/managerial changes following the update of the Model; promotes training, communications and dissemination of the Model and the Code of Ethics; receives reports and notifies infringements of the Model of Organisation and Management to the competent bodies;
- monitoring the updating of the Model: makes observations requiring the adjustment of the Model to the Board of Directors, or in cases of particular urgency, to the Chief Executive Officer in the event of changes in the laws on the administrative liability of entities pursuant to Legislative Decree 231/01, changes in the company's internal governance and/or business or significant findings of shortcomings/breaches of the Model;
- expressing its observations on the implementation of the so-called "Action Plan 231" prepared by the Compliance Function and, where it identifies elements of inadequacy and/or the need for further examination of the measures being adopted or already adopted in relation to the risk mitigation objectives, directing its observations to the relevant Process Owners, with the support of the competent Compliance Function, or by communicating directly with them.

The Supervisory Body supervises the functioning of and compliance with the Model by implementing and executing periodic audit activities, even without giving prior notice.
The Supervisory Body reports every six months to the Board of Directors and the Board of Statutory Auditors regarding the verification work and checks carried out, and on any Model weaknesses identified, suggesting as necessary the relevant corrective actions.

The Supervisory Body of the Parent Company also coordinates the Supervisory Bodies of the Companies subject to Group instructions in relation to Legislative Decree 231/01 (Banco di Sardegna, Bibanca, Banca Cesare Ponti, BPER Real Estate, BPER Factor, Sardaleasing Finitalia, Modena Terminal, Arca and Adras) and monitors that they adopt these instructions, albeit with the necessary adjustments to take account of the special responsibilities and characteristics of individual Group companies.

Section 1 – Risks of consolidation accounting

Quantitative information

Credit quality

A.1 Non-performing and performing credit exposures: amounts, adjustments, changes and economic distribution

A.1.1 Breakdown of financial assets by portfolio classification and credit quality (book values)

Portfolios/quality	Bad loans	Unlikely-To-Pay loans	Non-performing past due exposures	Performing past due exposures	Other performing exposures	Total
1. Financial assets measured at amortised cost	183,173	1,323,974	116,504	1,158,428	164,757,043	167,539,122
2. Financial assets measured at fair value through other comprehensive income	-	230	-	-	6,488,980	6,489,210
3. Financial assets designated at fair value	-	-	-	-	-	-
4. Other financial assets mandatorily measured at fair value	-	113	-	-	300,914	301,027
5. Financial assets held for sale	-	3,102	145	2,800	283,806	289,853
Total 31.12.2025	**183,173**	**1,327,419**	**116,649**	**1,161,228**	**171,830,743**	**174,619,212**
Total 31.12.2024	**124,895**	**1,160,588**	**81,244**	**725,128**	**116,656,682**	**118,748,537**

Details on forborne exposures classified as "Financial assets measured at amortised cost" are provided below.

Portfolios/Quality	Bad loans	Unlikely-To-Pay loans	Non-performing past due exposures	Performing past due exposures	Performing exposures
1. Financial assets measured at amortised cost					
- Loans to customers	36,436	269,682	1,911	24,361	1,046,664

A.1.2 Breakdown of financial assets by portfolio classification and credit quality (gross and net values)

Portfolios/quality	Non-performing				Performing			Total (net exposure)
	Gross exposure	Total impairment provisions	Net exposure	Total partial write-offs (*)	Gross exposure	Total impairment provisions	Net exposure	
1. Financial assets measured at amortised cost	3,094,019	1,470,368	1,623,651	85,758	166,776,017	860,546	165,915,471	167,539,122
2. Financial assets measured at fair value through other comprehensive income	287	57	230	-	6,491,736	2,756	6,488,980	6,489,210
3. Financial assets designated at fair value	-	-	-	-	X	X	-	-
4. Other financial assets mandatorily measured at fair value	241	128	113	-	X	X	300,914	301,027
5. Financial assets held for sale	4,350	1,103	3,247	-	287,982	1,376	286,606	289,853
Total 31.12.2025	**3,098,897**	**1,471,656**	**1,627,241**	**85,758**	**173,555,735**	**864,678**	**172,991,971**	**174,619,212**
Total 31.12.2024	**2,577,655**	**1,210,928**	**1,366,727**	**38,972**	**117,882,160**	**655,300**	**117,381,810**	**118,748,537**

(*) Amount to be shown for information purposes.

Portfolios/quality	Low credit quality assets		Other assets
	Cumulated capital losses	Net exposure	Net exposure
1. Financial assets held for trading	(313)	399	928,006
2. Hedging derivatives	-	-	779,557
Total 31.12.2025	**(313)**	**399**	**1,707,563**
Total 31.12.2024	**-**	**83**	**1,310,967**

Details of counterparties	Total write-offs	
	31.12.2025	31.12.2024
Financial companies	113	
- of which: financial and non resident companies	-	-
Non-financial companies	75,132	37,652
- of which: non financial and non resident companies		
Households	10,513	1,321
- of which: non resident households		
Total	**85,758**	**38,973**
- of which: non resident	**-**	**-**

Previous write-offs do not include those carried out during the year on bad loans as part of credit extinction events, also reported in the tables A.1.7 and A.1.9, as detailed below.

Category	Total gross write-offs	
	31.12.2025	31.12.2024
Financial companies	24	2
- of which: financial and non resident companies	-	-
Non-financial companies	100,174	65,495
- of which: non financial and non resident companies	-	-
Households	9,898	7,946
- of which: non resident households	-	24
Public Administrations	231	-
- of which: non resident Public Administrations	-	-
Total	**110,327**	**73,443**
- of which: non resident	**1,320**	**24**

The amounts shown above are gross of default interest.

Information on structured entities (other than securitisation vehicles)

B.1 Consolidated structured entities

As at 31 December 2025, the companies that have been consolidated do not include structured entities, as defined in IFRS 12, but only companies controlled by holding voting rights that ensure governance of the relevant activities.

B.2 Structured entities not consolidated for accounting purpose

B.2.1 Prudentially consolidated structured entities

At 31 December 2025, the BPER Banca Group does not have any structured entities that are not consolidated from an accounting point of view, but consolidated for regulatory purposes.

Qualitative Information

B.2.2 Other structured entities

As at 31 December 2025, the BPER Banca Group owns equity investments in entities that, on the basis of the interest held, would fall within the scope of application of IFRS 10 or IAS 28, but the percentage held in the nominal share capital is limited to situations that do not make it possible to exercise a significant influence.
These are generally investments of marginal value, for which it is not considered necessary to provide additional information to help give a complete and accurate representation of the economic and financial situation of the Group.
For completeness of information, it should be noted that at 31 December 2025 unconsolidated SPVs are those provided in this Part E of the Explanatory Notes, Section C "Securitisation Transactions" in Table C.4 "Banking Group - Non-consolidated securitisation vehicles".
As at the same date, the BPER Banca Group has not issued any covered bonds through unconsolidated structured entities.

Quantitative information

Items/Type of structured entity	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 (E=D-C)
1. Special purpose vehicle		-	-	-	-	-	-
2. UCITS							
	FVTPLM	113,757	-	-	113,757	113,757	-
3. Other companies							
	FVOCI	47,825	-		47,825	-	(47,825)
		-	Due to customers	2,003	(2,003)	-	2,003

Section 2 – Risk of prudential consolidation

1.1 Credit risk

The BPER Banca Group's organisation provides for centralisation of the credit risk control function at the Parent Company.

Qualitative Information

1. General aspects

In 2025, the Italian economy showed modest growth, with signs of recovery mainly evident in domestic demand. According to preliminary estimates, GDP was driven primarily by a recovery in investment, which continued to benefit from the implementation of the NRRP, and to a lesser extent by a more modest rise in consumption.

Despite the instability of the international context resulting from the American protectionist trade policy, exports showed a positive trend , possibly due to the front-loading of trade . However, the outlook could be affected by the delayed impact of US tariffs and an increasingly competitive environment, driven by the search for new markets.

At the same time, industrial production recorded a slight decline (-1.6%)[174] in the first 10 months of the year, against a backdrop of business confidence that, for manufacturing firms, has shown elements of discontinuity in the final months of the year. On the other hand, sentiment among operators in the services sector appears more favourable, with most of its components showing a predominantly positive trend.

On average, consumer prices rose by 1.5% in 2025[175], an acceleration compared with the 2024 figure (+1.0%), driven primarily by higher energy and food prices.

In the first part of the year, the European Central Bank's continued its expansionary policy, with further cuts to the benchmark interest rates. The reduction in debt servicing charges supported the recovery of lending to the economy, with a rebound in lending to both businesses and households.

The impairment rates for banking assets are still at very contained levels. The portion of performing loans for which banks have recognised a significant increase in credit risk remains limited.

Based on the trend in the fundamentals and the characteristics of the macroeconomic context, growth of 0.6%[176] in GDP is forecast for 2025 and 2026, while an increase in GDP growth is expected for 2027, which should reach 0.8%.

Credit Policy Objectives

In pursuing the overall credit policy objectives and to support the customers most exposed to the effects of significant events such as the conflicts in Ukraine and in the Middle East, which have characterised the economic context over the past few years and potential exogenous shocks such as increased tariffs, a forward-looking approach was adopted with the aim of:

- incorporating sectoral and micro-sectoral forecasts;
- evaluating the resilience of companies through forward-looking estimates of company financial statements;
- extending portfolio segmentation to the various branches of the economy in order to intercept dissimilar micro-sector dynamics within the same business areas;
- introducing assessments of climate-related, environmental and sustainability risks, with particular reference to counterparties highly exposed to transition risks also depending on whether they belong to high-emission intensity sectors.
- providing for the development of green financing and technological innovation, transversal to all sectors of the economy and intended to ensure greater competitiveness for the companies concerned;
- continuing to finance consumer households in the various technical forms (home mortgages, personal loans, etc.).

174 Istat (Italian National Institute of Statistics), raw data, cumulative change as compared to the first 10 months of 2024.

175 Istat, National consumer price index (NIC), November 2025.

176 Bank of Italy, Macroeconomic projections for the Italian economy, December 2025.

2. Credit risk management policies

Against the backdrop of a low-growth economic scenario and uncertainty arising from geopolitical instability fueled by the protracted Russia-Ukraine conflict, the Israeli-Palestinian conflict, during 2025 the BPER Banca Group confirmed the actions targeted at the segments most exposed to market dynamics, in the aim to better calibrate the sectoral guidelines of its credit policy and hence its asset allocation targets, with the objective of supporting the system and its resilience. The guidelines for promoting "green financing" and "technological innovation" are confirmed, as they cross cut all sectors of the economy and make it possible to ensure greater competitiveness for recipient companies.
More specifically, the BPER Banca Group adopted a "ESG-linked Loan Origination Policy", which sets out the principles adopted by the Group during the credit assessment. In fact, this document[177] indicates:

- the general limitation and exclusion criteria for counterparty and/or project financeability, consistently with the "ESG Policy" of the BPER Group and its voluntary commitments (Net-Zero Banking Alliance, PRB);
- detailed criteria applying to counterparties belonging to single high ESG impact sectors;
- strategies to support transition and the increasing "alignment" of counterparties with the principles of the EU Taxonomy, including via dedicated products or services (build out).

The credit management policy of the BPER Banca Group, by defining a credit strategy micro-founded at counterparty level, continues to pursue the aim of carefully selecting counterparties through an analysis of their creditworthiness, including the use of well-established tools such as the internal rating system, having regard for the achievement of commercial and support objectives, including in an ESG perspective.
In view of the Group's strategic objectives and operations, the general risk management strategy was to accept a moderate level of risk involving:

- the assessment of the current and prospective creditworthiness of counterparties;
- the diversification of the portfolio, limiting the concentration of exposures towards individual counterparties and sectors of economic activity;
- integrating factors specifically pertaining to the transition risk and physical risk to which they are exposed into the definition of credit strategies and prospective assessments of counterparties.

2.1 Organisational aspects

The Group's credit risk management model has the following objectives:

- apply the instructions issued by the Supervisory Authorities, while taking account of the Group's specific operating characteristics;
- ensure that credit risk is managed appropriately by each bank/company and at a Group level.

These objectives are achieved via the segregation of responsibilities and duties between the bodies that manage credit risk and those with a control function.
The following elements underpin work to manage and control the exposure to credit risk:

- independence of the function responsible for the measurement of credit risk with respect to the various business functions;
- clear definition of delegated powers and the resulting structure of limits imposed by the Board of Directors of the Parent Company;
- coordination by the Parent Company of credit risk management processes, while leaving individual companies with operational autonomy for the management of credit risk;
- consistent application of measurement models throughout the Group, in line with international best practice;
- transparent methodology and measurement criteria to facilitate understanding of the risk measures adopted;
- performance of periodic stress tests which use endogenous and exogenous shock scenarios to provide deterministic and/or probability-based indicators of risk.

2.2 Systems for managing, measuring and monitoring

The management of risk involves applying a system of methodologies and approaches for the ongoing measurement and/or assessment of risk. This system helps to guide operational decisions and quantify the level of capital required by the Group in order to cover the risks that have been accepted. Each Group bank/company analyses the various components of credit risk and identifies the exposure associated with the loan portfolio using suitable measurement methodologies. In particular, the Group uses many tools to measure and monitor credit risk in relation to both performing and non-performing loans.
As part of its policies for managing loans to customers, the Group has adopted rules and processes for monitoring relationships, which have involved, among other things, a complex activity of classifying them into homogeneous risk categories. In particular, on the basis of "rating" and "early warning" systems, the Group has analysed performing loans to customers valued at amortised cost and identified those most at risk.

177 For more information on the "the ESG Policy on granting credit" adopted by the Group, please refer to the information available on the website:// institutional.bper.it.

The characteristics of the rating models developed by the Parent Company BPER Banca[178] for the calculation of PD (Probability of default: i.e. the probability that the borrower will not be able to meet their commitments) depend on the risk segment to which the counterparty belongs, the amount of the exposure and the stage in the lending process at which they are applied (initial pay-out or monitoring). The classifications are represented by 13[179] creditworthiness rating classes differentiated by business model segment. All of the Parent Company's systems share a number of common characteristics:

- the rating is determined with reference to the specific counterparty;
- the rating models are established with reference to the loan portfolio of the BPER Banca group (the rating is unique for each counterparty, even if shared by several Group Banks and Companies);
- the models process socio-demographic data and internal performance information (the latter derived from reports issued by the Central Credit Register database), as well as financial information in the case of businesses (financial statement);
- the models for Corporate SMEs, Long-term Property SMEs, Holding Companies, Financial Companies and Large Corporates add a qualitative element to the purely statistical side. The rating assignment process for these segments involves expert attribution for counterparties that exceed a certain threshold[180] and all Financial Companies, via a central structure operating at Group level. For Corporate SMEs, Long-term Property SMEs, Large Corporates and Holding Companies that fall below the threshold, there is also the possibility for the relationship manager to activate an override, i.e. to request an exception from the quantitative rating on the basis of solid, documented information not processed by the model. In certain cases, the override can also be requested for Newco counterparties (newly established companies). The requested exception is evaluated by a central structure that operates at Group level;
- in addition to the model that evaluates the individual counterparty, the rating model for Large Corporates, Holding Companies, Financial Companies, Corporate SMEs and Multiannual Real Estate SMEs is supplemented by a component that, where applicable, takes into consideration the fact that they belong to a consolidated corporate group;
- the Probability of Default is calibrated with reference to regulatory anomalies, which include past due amounts;
- the time series used in order to develop and calibrate the models cover a broad time horizon, consistent with the requirements of current regulations;
- the rating is reviewed at least once each year; the Bank has also defined a process for the monitoring of each rating, causing the rating to lapse if it no longer represents the true risk profile of the counterparty and there are signs of deterioration in the quality of the related lending;
- use is made of a rating calculation model for counterparties acting as guarantors for individuals, aimed at the quantification and measurement of credit risk attributable to retail counterparties that provide personal guarantees to BPER Banca Group's customers.

The estimation of LGD (Loss Given Default represents the extent of the loss expected to occur on default of the borrower, dependent on type of exposure to the counterparty) is based on information on the borrower (segment, geographical area, internal administrative status), the product (technical form, size of exposure), and the presence, type and coverage of guarantees. LGD estimation includes the impact of the recession phase in the economic cycle (downturn LGD).

In addition to indicating the principles of governance, assumption and management of credit risk, the Group Credit Risk Governance Policy defines the BPER Banca Group's credit risk appetite. For this purpose, the policy provides for a new system of credit risk exposure limits, establishing supervisory thresholds that have to be monitored periodically. The document also explains the principles for calculating analytical and collective loan loss provisions and for the classification of loans by status.

In order to manage credit risk, the Group has developed a system of credit limits designed to regulate the lending process, together with a system for authorisations that takes account of the riskiness of the customer and/or the transaction, consistent with the risk evaluation systems adopted. This system ensures compliance with the principle that the level of authorisation be consistent with the riskiness of the transaction, envisaging that the limits on decision making are established with reference to one or more aspects of the specific counterparty and transaction risk (in particular counterparty rating, expected loss, amount of the facility).

178 The information provided above relates to the internal rating system authorised by the ECB for BPER Banca and its subsidiaries, with the exception of Banca Popolare di Sondrio (and its subsidiaries), to which the system briefly described below in the "Popolare di Sondrio Group" section applies.

179 Except for the Large Corporate and Holding models, which are structured into 9 classes.

180 Threshold defined based on turnover, balance sheet structure and status of the consolidating parent company.

The internal rating system's risk measures are used for management reporting purposes; in particular:

- a Credit Risk Report is prepared for management every quarter and the results are included in the quarterly risk report, which is then sent to Top Management and the various Corporate Bodies of the Parent Company and of Group Banks and Companies. The information is discussed by the Risks Committee and presented by the Chief Risk Officer to the Control and Risk Committee and the Board of Directors of the Parent Company;
- a summary report is prepared on a monthly basis, including the monitoring of supervisory thresholds set for credit risk;
- a network reporting tool is also available, characterised by different views of the loan portfolio, with different levels of aggregation (Branch, Regional Department, General Management, Bank and Group) and hierarchical visibility cones.

Advanced methodologies (AIRB) have long been used as part of the process of defining capital adequacy (ICAAP). To be precise, the BPER Banca Group has adopted the advanced methodologies (AIRB) starting from the Supervisory Reports of June 2016 with reference to the Banks falling within the scope of first validation (BPER Banca, Banco di Sardegna and BiBanca), subsequently extended to the Cassa di Risparmio di Bra[181] starting from the Supervisory Reports of March 2019.
Starting from Supervisory Reporting as at 31 December 2021, after the ex-ante notification was sent to the Supervisory Authorities in October 2021, the use of the Group internal models for the calculation of credit risk capital requirements was extended to the credit exposures acquired from the Intesa Sanpaolo business units.
Furthermore, following the ECB's Final decision received on 16 February 2023 on the Internal Model Investigation of 2021, starting from the Supervisory Reports as at 31 March 2023, the calculation of the credit risk capital requirements was extended to former Cassa di Risparmio di Saluzzo and former UBI Banca credit exposures, and starting from the Supervisory Reports as at 30 June 2023 to former Unipol Banca exposures.
Finally, following the ECB's Final decision on its recent Internal Model Investigation into the corporate segments, which was received on 1 October 2025, the calculation of the credit risk capital requirements using the IRB approach was extended to the credit exposures pertaining to the Holding segment and the credit exposures pertaining to the corporate segments of former Carige and Banca del Monte di Lucca starting from Supervisory Reporting as at 31 December 2025.

The following asset classes are subject to AIRB methodologies:

- "Exposures to retail businesses";
- "Exposure to companies".

The other Group Companies/Banks and asset classes for which Permanent Partial Use (PPU) is not required or which are not included in the roll-out plan, the BPER Banca Group has continued to use the Standardised Approach and the external ratings supplied by the ECAIs (External Credit Assessment Institutions) recognised by the Supervisory Authority. In particular, the following were used:

- the Cerved, Fitch, Moody's and Standard & Poor's ratings were used for "Exposure to corporates";
- the Fitch, Moody's and Standard & Poor's ratings were used for "Exposures to supervised intermediaries" and "Covered bonds";
- Scope Ratings AG for "Exposures to central administrations or central banks";
- the Fitch Rating was used for financial Instruments pledged as collateral;
- Fitch's and Standard & Poor's ratings for "Exposures to securitisation".

Through the implementation of the "second best rating" rule, in compliance with the provisions approved by the CRR (Capital Requirements Regulation), article 138 (d),(e),(f), where two ratings of the same customer are present, the more prudential one is adopted; in the case of three ratings, the intermediate one; if all ratings are present, the second best one. In addition, in line with the contents of the CRR, article 444 (d) regarding the association of the external rating of each ECAI with the risk weights corresponding to the credit quality steps set out in said CRR, it is confirmed that the BPER Group respects the association published by the EBA.

Banca Popolare di Sondrio Group

With regard to the exposures granted by the Banks and Companies of the Banca Popolare di Sondrio Group, on 27 May 2019 the European Central Bank authorised the use of their internal rating models in the calculation of capital requirements for credit risk (IRB Advanced method, A-IRB) for "Corporate" and "Retail" regulatory portfolios, with effect from the supervisory reporting as at 30 June 2019.
The scope of first validation of the internal rating systems covers Banca Popolare di Sondrio exclusively. The subsidiary Factorit is subject to a gradual expansion programme spanning several years (as confirmed in the recent update of the roll-out plan set out as part of the Return To Compliance Plan in connection with the BPER Group's acquisition of Banca Popolare di Sondrio).

181 Subsequently absorbed by BPER Banca in July 2020.

More specifically, the authorisation granted by the ECB relates to the internal estimation of the following risk parameters:
- PD (Probability of Default), probability that the borrower will not be able to meet its commitments;
- LGD (Loss Given Default), loss rate associated with a position in the event of the borrower's default;
- EAD (Exposure at Default): estimation of borrower exposure at the time of default[182].

However, the expansion plan does not include certain exposures for which authorisation is required for permanent partial use of the standardised method (Permanent Partial Use – PPU). Specifically, these include the following portfolios:
- "Equity instruments and securitisations", "Governments and central banks", "Public sector and local authorities", "Corporates - residual exposures" (including specialised lending), "Entities – Supervised Intermediaries" relating to the entire former Group.
- All exposure portfolios falling within the scope of the subsidiaries Sinergia Seconda, Banca Popolare di Sondrio (SUISSE) and BNT Banca.

2.3 Methods for determining the extent of impairment

The ECL model for calculating expected credit losses is based on the risk parameters estimated for regulatory purposes, whose main characteristics were described in the previous paragraphs, appropriately modified to ensure that they fully comply with IFRS 9. For information on impairment models and related risk parameters, please refer to Part A of the Explanatory Notes to this Consolidated Financial Report.

Update of macroeconomic scenarios and ECL sensitivity

As stated in Part A.1, Section 5 and Part A.2 of these Explanatory Notes, the BPER Banca Group develops forward-looking impairment models using three macroeconomic scenarios that are consistent with those considered in other business areas requiring similar forecasts, such as planning (including the determination of lending policies) and risk management.
The time horizon for the macroeconomic forecasts is 3 years for each of the 3 scenarios used:
- Adverse Scenario (further detailed in the "Extreme Adverse" version);
- Baseline Scenario;
- Best Scenario.

The development of the scenarios is outsourced to a leading provider that carries out economic research and provides the BPER Banca Group with short and medium-term forecasts for the Italian and international economies and long-term forecasts for the Italian economy. The scenarios are later customised according to the guidelines of the BPER Banca's Market Research, Surveys and Innovation office.
The macroeconomic scenarios used by the Bank for the estimate of the multi-scenario ECL as at 31 December 2025, are different from those used in relation to the Financial Report for the period ended 31 December 2024 as a result of a context of extraordinary international uncertainty:
- world economy's growth prospects over the last few months have been affected by the sharp rise in global uncertainty due to ongoing conflicts and the constant changes in US trade policy. Under the baseline scenario assumptions are made with regard to the negative impacts of tariffs on the economy.
- global geopolitical risk remains high because of the conflicts in Ukraine and in the Middle East;
- oil price is exposed to high volatility;
- Italian economic growth is expected to be moderate in 2025, slowing slightly compared to the previous year (+0.7%) before picking up again in 2026 (+0.9%).

182 The validation issued by the Supervisory Authority concerned the EAD model covering only the "Retail" regulatory portfolio. On the other hand, the development of a similar model for corporate counterparties is part of a multi-year expansion plan.

Scenarios used to determine the multi-scenario ECL in relation to the Financial Report as at 31 December 2025

		Starting point	BASELINE			EXTREME ADVERSE SCENARIO		
		2025	2026	2027	2028	2026	2027	2028
Brent oil: $ per barrel	lev	78	62	69	76	71	81	85
Italy equity index	% chg.	19.1	11.6	6.7	4.0	-27.4	-1.8	3.0
Italian GDP	% chg.	0.6	0.7	0.9	0.8	-1.8	-0.7	0.0
Public spending	% chg.	1.3	1.1	0.2	0.1	1.5	1.4	-0.2
Investments in machinery and means of transport	% chg.	-1.0	4.3	4.4	3.6	-3.4	-2.9	0.7
Export of goods and services	% chg.	-1.2	1.9	1.5	2.2	-3.7	-2.0	0.8
Industrial production	% chg.	-3.5	0.7	1.5	1.6	-4.3	-2.4	0.6
10Y BTP-Bund Spread	% lev	1.2	1.2	1.2	1.2	1.8	2.2	2.0
BTP 10Y interest rate	% lev	3.6	3.9	4.1	4.1	4.3	5.0	4.7
Commercial property price index	% chg.	1.3	0.9	1.5	1.7	-2.2	-2.8	-0.8
Residential property price index	% chg.	3.9	1.4	2.2	2.2	-1.6	-2.3	-0.8

Scenarios used to determine the multi-scenario ECL in relation to the Financial Report as at 31 December 2024

		Starting point	BASELINE			EXTREME ADVERSE SCENARIO		
		2024	2025	2026	2027	2025	2026	2027
Brent oil: $ per barrel	lev	85	81	82	82	97	103	105
Italy equity index	% chg.	19.9	9.6	6.0	3.0	-12.9	-3.4	2.5
Italian GDP	% chg.	0.7	1.0	1.0	0.9	-2.5	-0.7	0.0
Public spending	% chg.	-1.4	-0.7	-0.3	-0.4	1.3	0.5	0.3
Investments in machinery and means of transport	% chg.	0.9	4.2	4.2	2.9	-7.5	-3.2	-1.8
Export of goods and services	% chg.	0.7	2.0	2.9	3.1	-1.4	0.1	1.4
Industrial production	% chg.	-3.0	0.8	2.5	1.6	-6.5	-0.1	2.1
10Y BTP-Bund Spread	% lev	1.4	1.6	1.5	1.3	3.1	2.9	2.8
BTP 10Y interest rate	% lev	3.8	3.9	4.0	4.2	5.1	5.0	5.2
Commercial property price index	% chg.	1.4	1.7	1.4	1.7	-4.1	-1.6	-0.6
Residential property price index	% chg.	2.0	2.0	1.9	2.1	-3.4	-1.5	-0.9

By comparing the indicators at both dates:

- modest growth in the Italian economy with signs of a slowdown in the production of goods and services (Italy's GDP), forecasts revised down in 2025 compared to the December 2024 forecast;
- with respect to December 2024 forecasts, some signs of a decrease in the price of a number of commodities (which continue to be exposed to high volatility) including oil;
- a decline in the 10y BTP-Bund spread, with stable estimates over the three-year forecast period compared to the December 2024 projections;
- an increase in public spending relative to the December 2024 forecast;
- a decrease in exports and industrial production compared to the December 2024 forecast due to the negative impact of tariffs on the economy.

Shown below is the sensitivity of the ECL in response to a change in the probability of occurrence attributed to each of the (multiple) scenarios considered by the model adopted by the BPER Banca Group, applied on a "recurring" basis by the BPER Banca Group, without taking account of the overlays identified in relation to the uncertainties of the macroeconomic context ("post-model adjustments").
As at 31 December 2025, ECL[183] sensitivity to a change in the probability of occurrence attributed to the favourable and adverse (extreme) scenario with respect to the baseline scenario, ranges between: -1.25%/+22.92%.
The total amount of ECL in the account as at the reporting date, including the effect of the overlays applied, it is 0.14% higher than at 31 December 2025, compared to the value resulting from the 100% risk weight of the adverse scenario.

183 The sensitivity indicated was calculated by applying certain proxies to the BPER Group's overall portfolio, i.e. by also including the contribution of Banca Popolare di Sondrio and its subsidiaries.

2.4 Credit risk mitigation techniques

Mitigation techniques are an important tool for reducing or transferring part of the credit risk associated with the portfolio of exposure. Consistent with the low propensity to accept risk that characterises operations, the Group seeks to mitigate credit risk, in particular, by obtaining and managing secured and unsecured guarantees. For this purpose, the Group has prepared suitable IT procedures and systems for managing mortgages and financial guarantees in compliance with prudent supervisory requirements, as well as appropriate internal regulations for managing the life-cycles of other secured collateral obtained.

The secured collateral mostly used by the Group generally comprise mortgages on residential and non-residential property, as part of retail lending and, to a lesser extent, loans to Corporate customers, as well as pledges on securities, receivables and cash. An internal procedure developed over a number of years gathers information in an organised fashion on the property assets of borrowers and on the properties given in guarantee. As collateral for both performing and non-performing positions, properties are periodically revalued and updated with new appraisals or indexed revaluations based on the statistical databases of a leading market player. A dedicated procedure is used to check every month whether a new appraisal or index-based revaluation is needed, in compliance with the Guidelines for banks on non-performing loans (NPL) and EU Regulation No. 575/2013, as later amended. An internal function covering the entire banking group has been established to supervise this process and monitor constantly the value obtained to cover exposures, as required by current regulations. The Group also has a new appraisal management system that automatically directs requests to providers according to the rules consistent with the relevant legislation. The same application monitors the state of the appraisals in progress and acts as a historical archive that preserves the previous assessments in digital format with all the accompanying documents.
Likewise, the secured collateral represented by financial instruments is managed within a procedure that updates the fair value on the basis of market trends.

The principal types of unsecured guarantees consist of "specific guarantees" and "restricted omnibus guarantees", mainly given by entrepreneurs in favour of their companies and by parent companies in favour of their subsidiaries in the form of binding comfort letters. Particular attention is also given to the phenomenon of surety guarantees provided by various guarantee consortia in favour of their member companies, along with other guarantees issued by third-party entities such as SACE, MCC (Guarantee Fund for SMEs, significantly increased during the COVID-19 crisis), EIF (European Investment Fund), CONSAP (Guarantee Fund for the First Home), EIB (Life for Energy), ISMEA. These are also subject to regular monitoring.

3 Non-performing exposures

3.1 Strategies and management policies

Management of the Under- and Non-Performing portfolio is based on the classification of financial assets within the risk categories envisaged by supervisory regulations on the basis of the identified risk profile.
A position is assigned to one of the above classifications by either an both automated or analytical methodology. The two methodologies are governed by an internal Group regulation that applies the guidelines for identifying any deterioration in creditworthiness and assigning the most appropriate administrative status to the position. When not automated, the classification of positions as anomalous is based on the assessments made by relationship managers as part of the performance monitoring activities carried out by the credit chain. The Early Warning (EW) tools available detect, at an early stage, any signs of deterioration of relationships potentially at risk, enabling the analysis of creditworthiness and classification of the position to the correct risk category, if required.
The following are some of the key aspects adopted at Group level, which are considered to contribute to better managing under- and non-performing loans:

- Organisation and governance: in compliance with ECB Guidance to banks on Non Performing Loans and EBA Guidelines on Loan Origination & Monitoring for an enhanced monitoring of loans and operational specialisation by segment and product complexity, the Group has operational units in place that are specialised by type of debtor and "lifecycle model" credit anomaly, enabling a new operational process that ensures timely action for safeguarding credit quality (early management of overdrafts and defaults, oversight and faster closure of lawsuits, etc.). In particular, the Parent Company:
  - envisages a structure dedicated to portfolio analysis and management support, aimed at continuously improving credit quality through ongoing support and supervision of the branch network;
  - applies an internal Early Warning (EW) model providing for: (1) a statistical component for the detection of counterparties with a high probability of 30-day past due in the following months and (2) an NBA algorithm to provide an indication of self-cure on the performing loan portfolio;
  - has a dedicated structure in place to supervise the monitored portfolio flagged by the new statistical EW system, in order to timely process irregular loan files on a sample basis, and possibly step in for higher-risk classification ;
  - adopts an operational/organisational model involving the outsourcing of the recovery of bad loans and the management of UTP loans, owned by BPER Banca and its subsidiary Banco di Sardegna, and has launched a strategic partnership with the Gardant Group, realised through the creation of a servicing platform 70% owned by Gardant Bridge Servicing s.p.a. (former Bridge Servicing s.p.a.), a company belonging to the Gardant Group, and 30% owned by BPER Banca. To support and oversee this process an organisational unit was set up to act as an interface with Gardant Bridge Servicing s.p.a. in addition to performing internal functions in charge of monitoring the servicer's performance.

- Under- and Non-performing Loan processes and procedures: loan management and monitoring processes make use of procedures that are continuously updated and improved, also to have them comply with new regulatory requirements (Guidance to banks on Non Performing Loans). The main areas of periodic action include: the Early Warning model, the Electronic request for loan management action, *Pratica Elettronica di Gestione* – PEG (an external collection system that seeks to recover smaller loans), the expected segregation of the "monitoring" activity from the "managing" activity by the Going and Gone supply chains, a more extensive use of the forbearance tool and the introduction of a monitoring system to measure the effectiveness of measures granted.

In addition to what has been described, efficiency and strengthening measures for the operational model and the under- and non-performing loan management processes are planned as part of the B:Dynamic Business Plan.

- Credit Granting processes and procedures: a decision-making system is planned to be introduced to prevent potential deterioration already at the time of the credit granting through:
  - the development of point-in-time credit policies, characterised by indications of asset allocation based on risk/return/capital absorption indicators. In this way the quality of the performing portfolio has improved over the years, shifting its concentration towards the best rating classes;
  - strengthening of the preliminary examination of loan files for top management approval, with preparation of a much more complete set of information, similar to the supporting documents for structured finance transactions, with enhancement of the delegated functions involved;
  - a very precise monitoring system also for the Granting process, the timing of approvals and the quality of the approved portfolio.
- Incentive systems: credit quality objectives are allocated to the network and head office teams, addressing the activities of each function, in order to achieve complementary results that are fully consistent with Group objectives.
- Training on lending activities: in order to strengthen credit monitoring in application of current legislation, (NPL Guidance and Guidelines on the application of the definition of default), training cycles segmented by functions are provided to central structures and training cycles with more general content and strategic management indications to pursue are provided to the network.

The consistency of the classification of a position in the right risk category, with respect to internal rules and Bank of Italy regulations, is also ensured by second-level checks that, by applying a suitable method, verify not only that classifications are correct, but also the adequacy of provisions, the presence of first-level controls and the effectiveness of recovery processes, so as to ensure strong supervision throughout the entire credit chain. The improvement in the risk profile of counterparties leads to a transfer to better internal classifications and may result in a return to "performing" status.

With regard to the cycle for the management of exposures showing initial signs of difficulty and non-performing exposures, macro strategies for internal recoveries are envisaged at Group level, which apply specific methods depending on the type of debtor, how critical the anomalies are and an assessment of the entire exposure to the debtor and any related parties.
The main strategies that can be followed are:

- management of arrears/overdrafts, also through outsourcing;
- reshaping of the credit line and/or guarantee framework;
- granting of forbearance measures;
- waiver of loan (with or without debt forgiveness);
- transfer of loans to third parties;
- repossession of assets pledged as collateral.

The recovery of arrears and the granting of forbearance measures without remission - even partial - of the debt, where judged practicable, are to be preferred to alternative strategies such as a waiver or assignment of loans and the use of debt recovery procedures and enforcement actions, and will be pursued as a matter of priority.
The definition of the management strategy envisages a system of increasing delegated powers, consistent with the powers of classification and the estimate of value adjustments, also with the intervention of specialist units competent in the various phases of the relationship management, and with different degrees of centralisation of decision-making skills.

Banca Popolare di Sondrio Group

In the same way as outlined in relation to the Parent Company BPER Banca and its direct subsidiaries, Banca Popolare di Sondrio and its banks and directly controlled companies also adopt credit risk monitoring models and classification systems for non-performing loan portfolios that ensure full compliance with the relevant accounting and regulatory requirements. From an operational point of view, they appear to be effective, as they provide for loans to be classified as impaired, as the case may be, either automatically or on the basis of expert proposals and assessments.
More specifically, exposures that are past due and/or overdrawn and impaired are classified automatically once the conditions set out in the regulations are met. The Unlikely to Pay (UTP) classification, on the other hand, is based on a system of triggers which, on a case by case basis, may result in either an automatic classification or an assessment by the relevant relationship manager. Finally, the classification as bad loans is also based on trigger events, followed by an analysis conducted by the relationship manager or upon proposal of the relationship manager, as part of the ongoing monitoring of the counterparty.
Non-performing exposures are reclassified as performing only after it has been established that the conditions of severity and insolvency no longer apply, once an adequate period of time has elapsed (which is partly dependent on the relevant supervisory regulations).
The management of non-performing loans entails taking measures in line with the severity of the situation, with a view to having them revert to performing status or, if this proves impossible, implementing appropriate recovery procedures.

3.2 Write-offs

In general, and in line with the relevant legislation, the elimination of the loan from the Financial Statements must be carried out when:

- there is no reasonable prospect of recovery as a result of facts of any nature that make it impossible for the customer to fully meet their obligations (“write-off”), or
- the certainty of a loss materialises (for example, because of definitive legal events).

The assessment and proposal of write-offs, foreseen exclusively for the positions classified as “unlikely to pay” and “bad loans” occurs only in the presence of specific events that make it evident that the exposure is unrecoverable. In such cases, once unrecoverability is ascertained, a loan is timely written off in line with the recommendations of the supervisory authority, the applicable guidelines and Group policies.

3.3 Transfer of loans to third parties: progress of de-risking activities

In line with the planned management activities for the UTP/NPL portfolios, the BPER Banca Group’s de-risking activities were carried out through NPL disposals to qualified investors and specialised mutual investment funds.

3.4 Purchased or originated credit-impaired financial assets

If a credit exposure classified in item 30 “Financial assets measured at fair value through other comprehensive income” or in item 40 “Financial assets measured at amortised cost” at the time of initial recognition becomes impaired, it is identified as “Purchased or Originated Credit Impaired - POCI”.
By convention, POCI financial assets are classified in Stage 3 on initial recognition.
Should these assets become performing, following an improvement in the creditworthiness of the counterparty, they are reclassified to Stage 2.
They can never be classified in Stage 1, as the expected credit loss must always be calculated over the residual duration.

The BPER Banca Group identifies as “Purchased or originated credit-impaired financial assets”:

- exposures already impaired at the time of purchase, also as part of business combinations;
- exposures originated as part of restructuring transactions of impaired exposures that led to the disbursement of new finance, or introduced substantial changes to the original contractual conditions.

4. Renegotiated financial assets and forborne exposures

The BPER Banca Group adopts the definition of "Forbearance Measure" of the Implementing Regulation EU 227/2015. Measures of forbearance consist of concessions to debtors who are or are about to find themselves in difficulty in meeting their financial commitments (i.e. in financial difficulty). The exposures subject to forbearance measures are identified as forborne. "Forbearance" means facilitating measures in favour of the customer which can be summarised in the following categories:

- "modifications", made to the terms and conditions of a loan agreement due to the debtor's inability to perform financially in the commitments assumed previously;
- total or partial "refinancing" of the debt.

An intrinsic characteristic of forbearance is the state of financial difficulty of the debtor: it is based on an overall assessment of the debtor for which the rating is one of the elements to be considered. Financial difficulty is objectively recognised when the counterparty position is classified among the non-performing loans, while it is presumed when loan anomalies envisaged under current regulations are detected, including but not limited to:

- existence during the past 3 months, or potential existence in the absence of assistance granted to the debtor, of past due and/or overdrawn relationships for periods of at least 30 days;
- allocation of new loans, in whole or in part, to paying down existing credit lines that were past due and/or overdrawn for 30 days at least once during the 3-month period prior to granting the new loans to the debtor.

The Group adopts standardised decision-making trees and/or customised solutions in order to apply efficient and effective debt rescheduling solutions, based on customer characteristics and type of exposure, which constitute one of the Group's strategies for reducing non-performing exposures.

The forbearance measures are divided, depending on the time horizon over which they extend, into:

- short-term forbearance measures, or temporary changes in the reimbursement conditions, aimed at facing short-term financial difficulties, and have a duration of less than 24 months;
- long-term forbearance measures, or changes in the reimbursement conditions aimed at definitively resolving the debtor's financial difficulty, and lasting more than 24 months (also in combination with short-term measures).

Not all contractual changes in favour of the customer ("concessions") give rise to forborne exposures, but only if there are also elements of financial difficulty. In their absence, the concessions are configured as transactions for merely commercial purposes.

Forborne positions are monitored by the Bank to check the effectiveness and efficiency of the assistance provided, in order to verify that the financial difficulties have been overcome. The minimum observation period is:

- 24 months if the counterparty is classified as performing (probation period);
- 36 months if the counterparty is in default (12-month cure period and 24-month probation period).

Once the debtor's financial difficulty has been established, the conditions for classification as an unlikely to pay position must also be verified when the measure is granted.

Positions may be forborne in both macro-categories of credit classification ("performing" and "default") and, in accordance with current regulations, may result in the counterparty being classified as non-performing: for example, a counterparty with credit lines that are forborne under probation, that has therefore completed the 12-month cure period and is now in the probation period following reclassification as "performing" from "default", is automatically classified as unlikely to pay if they are overdrawn for more than 30 days or a new concession is made ("re-forborne").

Quantitative information

Credit quality

A.1 Non-performing and performing credit exposures: amounts, adjustments, changes and economic distribution

A.1.1 Prudential consolidation: breakdown of financial assets by past due buckets (book values)

Portfolios/Risk stage	Stage 1			Stage 2			Stage 3			Purchased or originated credit impaired		
	1 to 30 days	> 30 to 90 days	> 90 days	1 to 30 days	> 30 to 90 days	> 90 days	1 to 30 days	> 30 to 90 days	> 90 days	1 to 30 days	> 30 to 90 days	> 90 days
1. Financial assets measured at amortised cost	682,280	-	7	242,544	183,138	39,016	39,340	83,066	892,087	19,387	14,477	107,787
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-	-	-	230	-	-	-
3. Financial assets held for sale	1,484	-	-	795	304	218	3	187	1,239	-	153	105
Total 31.12.2025	**683,764**	**-**	**7**	**243,339**	**183,442**	**39,234**	**39,343**	**83,253**	**893,556**	**19,387**	**14,630**	**107,892**
Total 31.12.2024	**350,941**	**-**	**7**	**185,681**	**143,148**	**34,245**	**28,574**	**71,664**	**932,164**	**13,228**	**5,675**	**68,420**

A.1.2 Prudential Consolidation - Financial assets, commitments to disburse funds and financial guarantees granted: changes in total impairment provisions

Sources/ Risk stages	Total impairment provisions											
	Financial assets classified in stage 1						Financial assets classified in stage 2					
	On-demand loans to banks and Central Banks	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual impairment losses	of which: collective impairment losses	On-demand loans to banks and Central Banks	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual impairment losses	of which: collective impairment losses
Total opening adjustments	**1,049**	**220,677**	**1,789**	**-**	**-**	**223,515**	**-**	**412,778**	**63**	**2**	**-**	**412,843**
Increases in purchased or originated financial assets	110	82,093	668	-	-	82,871	4	191,422	12	-	-	191,438
Derecognitions other than write-offs	-	(190)	-	-	-	(190)	-	(112)	-	-	-	(112)
Net impairment losses for credit risk (+/-)	34	28,295	(478)	217	-	28,068	(4)	111,215	702	895	-	112,808
Contractual modifications without derecognition	-	-	-	-	-	-	-	-	-	-	-	-
Changes in the estimation methodology	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs not recognised directly in profit or loss	-	(252)	-	-	-	(252)	-	(450)	-	-	-	(450)
Other	-	(40,728)	-	248	-	(40,480)	-	(158,935)	-	-	-	(158,935)
Total closing adjustments	**1,193**	**289,895**	**1,979**	**465**	**-**	**293,532**	**-**	**555,918**	**777**	**897**	**-**	**557,592**
Recoveries from financial assets subject to write-off	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs recognised directly through profit or loss	-	-	-	-	-	-	-	-	-	-	-	-

A.1.2 Prudential Consolidation - Financial assets, commitments to disburse funds and financial guarantees granted: changes in total impairment provisions

(cont.)

Sources/ Risk stages	Total impairment provisions										
	Financial assets classified in stage 1						Financial assets classified in stage 2				
	On-demand loans to banks and Central Banks	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual impairment losses	of which: collective impairment losses	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual impairment losses	of which: collective impairment losses
Total opening adjustments	**-**	**1,000,244**	**-**	**-**	**1,000,244**	**-**	**230,677**	**-**	**-**	**219,787**	**10,890**
Increases in purchased or originated financial assets	-	-	-	-	-	-	X	X	X	X	X
Derecognitions other than write-offs	-	(217,992)	-	-	(217,992)	-	(34,001)	-	-	(34,001)	-
Net impairment losses for credit risk (+/-)	-	239,141	57	942	240,140	-	73,421	-	60	73,481	-
Contractual modifications without derecognition	-	-	-	-	-	-	-	-	-	-	-
Changes in the estimation methodology	-	-	-	-	-	-	-	-	-	-	-
Write-offs not recognised directly in profit or loss	-	(66,417)	-	-	(66,417)	-	(29,365)	-	-	(29,365)	-
Other	-	273,207	-	118	273,325	-	16,186	-	-	27,076	(10,890)
Total closing adjustments	**-**	**1,228,183**	**57**	**1,060**	**1,229,300**	**-**	**256,918**	**-**	**60**	**256,978**	**-**
Recoveries from financial assets subject to write-off	-	5,092	-	-	5,092	-	-	-	-	-	-
Write-offs recognised directly through profit or loss	-	9,509	-	-	9,509	-	2,023	-	-	2,023	-

A.1.2 Prudential Consolidation - Financial assets, commitments to disburse funds and financial guarantees granted: changes in total impairment provisions

(cont.)

Sources/Risk stages	Total provisions on commitments to disburse funds and financial guarantees issued				Total
	Stage 1	Stage 2	Stage 3	Commitments to disburse funds and financial guarantees granted, purchased or originated credit impaired	
Total opening adjustments	**10,462**	**6,346**	**37,214**	**-**	**1,921,301**
Increases in purchased or originated financial assets	23,834	21,728	38,512	-	358,383
Derecognitions other than write-offs	-	-	-	-	(252,295)
Net impairment losses for credit risk (+/-)	6,407	(7,405)	(1,686)	-	451,813
Contractual modifications without derecognition	-	-	-	-	-
Changes in the estimation methodology	-	-	-	-	-
Write-offs not recognised directly in profit or loss	-	-	-	-	(96,484)
Other	(2,385)	5,375	16,693	-	109,779
Total closing adjustments	**38,318**	**26,044**	**90,733**	**-**	**2,492,497**
Recoveries from financial assets subject to write-off	-	-	-	-	5,092
Write-offs recognised directly through profit or loss	-	-	-	-	11,532

A.1.3 Prudential Consolidation - Financial assets, commitments to disburse funds and financial guarantees granted: transfers between different credit risk stages (gross and nominal values)

Portfolios/Risk stage	Gross exposure/Nominal value					
	Transfers between Stage 1 and Stage 2		Transfers between Stage 2 and Stage 3		Transfers between Stage 1 and Stage 3	
	From Stage 1 to Stage 2	From Stage 2 to Stage 1	From Stage 2 to Stage 3	From Stage 3 to Stage 2	From Stage 1 to Stage 3	From Stage 3 to Stage 1
1. Financial assets measured at amortised cost	4,802,138	3,295,612	496,194	84,610	394,936	27,211
2. Financial assets measured at fair value through other comprehensive income	266,184	183,119	27,706	6,125	15,154	3,524
3. Financial assets held for sale	-	-	-	-	-	-
4. Commitments to disburse funds and financial guarantees granted	1,646,299	1,337,841	82,588	5,317	77,898	2,978
Total 31.12.2025	**6,714,621**	**4,816,572**	**606,488**	**96,052**	**487,988**	**33,713**
Total 31.12.2024	**6,044,952**	**4,074,477**	**910,512**	**82,220**	**306,568**	**26,543**

A.1.4 Prudential consolidation - On- and off-balance sheet credit exposures to banks: gross and net values

Type of exposure/amount	Gross exposure				Total impairment provisions				Net exposure	Total partial write-offs (*)
	Stage 1	Stage 2	Stage 3	Impaired acquisite o originate	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		
A. ON-BALANCE SHEET CREDIT EXPOSURES										
A.1. ON DEMAND	**10,671,933**	**10,671,602**	**331**	**-**	**1,193**	**1,193**	**-**	**-**	**10,670,740**	**-**
a) Non-performing	-	X	-	-	-	X	-	-	-	-
b) Performing	10,671,933	10,671,602	331	X	1,193	1,193	-	X	10,670,740	-
A.2 OTHER	**9,757,346**	**9,056,139**	**652,569**	**-**	**23,838**	**2,907**	**20,931**	**-**	**9,733,508**	**-**
a) Bad loans	-	X	-	-	-	X	-	-	-	-
- of which: forborne exposures	-	X	-	-	-	X	-	-	-	-
b) Unlikely to pay loans	-	X	-	-	-	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	24,909	1,007	23,902	X	19,893	9	19,884	X	5,016	-
- of which: forborne exposures	-	-	-	X	-	-	-	X	-	-
e) Other performing exposures	9,732,437	9,055,132	628,667	X	3,945	2,898	1,047	X	9,728,492	-
- of which: forborne exposures	-	-	-	X	-	-	-	X	-	-
TOTAL (A)	**20,429,279**	**19,727,741**	**652,900**	**-**	**25,031**	**4,100**	**20,931**	**-**	**20,404,248**	**-**
B. OFF-BALANCE SHEET CREDIT EXPOSURES										
a) Non-performing	102	X	-	102	-	X	-	-	102	-
b) Performing	4,485,415	2,689,199	96,538	X	612	603	9	X	4,484,803	-
TOTAL (B)	**4,485,517**	**2,689,199**	**96,538**	**102**	**612**	**603**	**9**	**-**	**4,484,905**	**-**
TOTAL (A+B)	**24,914,796**	**22,416,940**	**749,438**	**102**	**25,643**	**4,703**	**20,940**	**-**	**24,889,153**	**-**

(*) Amount to be shown for information purposes.

A.1.5 Prudential consolidation - On- and off-balance sheet credit exposures to customers: gross and net values

Type of exposure/amount	Gross exposure					Total impairment provisions					Net exposure	Total partial write-offs (*)
		Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		
A. ON-BALANCE SHEET CREDIT EXPOSURES												
a) Bad loans	637,402	X	-	507,361	130,041	454,229	X	-	368,696	85,533	183,173	83,042
- of which: forborne exposures	114,839	X	-	84,365	30,474	78,403	X	-	60,956	17,447	36,436	23,150
b) Unlikely to pay loans	2,290,370	X	-	1,933,411	356,718	962,951	X	-	807,715	155,107	1,327,419	2,716
- of which: forborne exposures	523,548	X	-	377,858	145,690	253,866	X	-	191,361	62,505	269,682	-
c) Non-performing past due exposures	171,125	X	-	156,670	14,455	54,476	X	-	52,817	1,657	116,649	-
- of which: forborne exposures	2,279	X	-	1,983	296	368	X	-	366	2	1,911	-
d) Performing past due exposures	1,202,838	687,043	503,578	X	12,217	46,626	4,270	41,581	X	775	1,156,212	-
- of which: forborne exposures	26,605	5	26,211	X	390	2,244	-	2,226	X	18	24,361	-
e) Other performing exposures	163,067,465	151,039,426	11,258,913	X	345,847	794,214	284,977	495,262	X	13,975	162,273,251	-
- of which: forborne exposures	1,130,162	-	1,059,588	X	70,574	83,498	-	78,892	X	4,606	1,046,664	-
TOTAL (A)	**167,369,200**	**151,726,469**	**11,762,491**	**2,597,442**	**859,278**	**2,312,496**	**289,247**	**536,843**	**1,229,228**	**257,047**	**165,056,704**	**85,758**
B. OFF-BALANCE SHEET CREDIT EXPOSURES												
a) Deteriorate	664,621	X	-	660,199	4,422	90,733	X	-	90,733	-	573,888	-
b) Non deteriorate	66,868,062	60,866,095	5,909,733	X	-	94,862	68,827	26,035	X	-	66,773,200	-
TOTAL (B)	**67,532,683**	**60,866,095**	**5,909,733**	**660,199**	**4,422**	**185,595**	**68,827**	**26,035**	**90,733**	**-**	**67,347,088**	**-**
TOTAL (A+B)	**234,901,883**	**212,592,564**	**17,672,224**	**3,257,641**	**863,700**	**2,498,091**	**358,074**	**562,878**	**1,319,961**	**257,047**	**232,403,792**	**85,758**

(*) Amount to be shown for information purposes.

As at 31 December 2025, the performing loans to customers of the BPER Banca Group, limited to the portion of loans measured at amortised cost, amounted to a gross exposure of Euro 128,254 million. Net of portfolio adjustments for Euro 822 million, the net exposure totalled Euro 127,432 million; the average coverage ratio is therefore 0.64%.
At the same date, non-performing loans to customers, limited to the portion measured at amortised cost, amounted to a gross exposure of Euro 2,767 million. Net of impairment losses for Euro 1,461 million, the net exposure totalled Euro 1,306 million; the average coverage ratio for this cluster of loans is therefore 52.81%.

The following is a summary of non-performing and performing credit exposures measured at amortised cost (amounts and adjustments) by economic distribution

	Non-performing assets				Performing assets		
	Gross exposure	Individual impairment provisions - analytical	Individual impairment provisions - automated	Net exposure	Gross exposure	Collective impairment provisions	Net exposure
On-balance sheet credit exposures to customers (loans and debt securities)	**3,094,018**	**915,437**	**554,930**	**1,623,651**	**158,428,957**	**837,502**	**157,591,455**
Governments and other public entities	5,355	2,974	109	2,272	31,246,397	18,995	31,227,403
- of which: foreign	3,786	2,358	-	1,428	7,799,081	698	7,798,383
Financial companies	361,224	30,838	2,737	327,649	11,760,128	60,083	11,700,045
- of which: foreign	7,097	1,520	1	5,576	1,190,016	3,264	1,186,752
Non-financial companies	1,675,424	715,314	242,255	717,855	58,423,593	493,153	57,930,440
- of which: foreign	28,337	5,831	706	21,799	3,990,606	10,484	3,980,122
Individuals and households	1,052,015	166,311	309,829	575,875	56,998,839	265,271	56,733,567
- of which: foreign	45,477	5,408	1,526	38,543	4,785,153	11,740	4,773,413

The loans measured at amortised cost, that constitute new liquidity granted through public guarantee mechanisms issued in response to the Covid-19 pandemic are reported below, when the stage of risk in which the exposures are found at the date of this disclosure is different from the stage in which the exposures were classified at the start of the period.

	Gross exposure					Total impairment provisions					Exposure Net
		Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired	
A. Bad loans	116,774	-	-	112,770	4,004	61,472	-	-	59,250	2,222	55,302
B. Unlikely to pay loans	143,509	-	-	134,426	9,083	36,482	-	-	34,564	1,918	107,027
C. Non-performing past due exposures	5,015	-	-	4,596	419	383	-	-	376	7	4,632
D. Performing loans	21,644	4,636	16,726	-	282	257	7	247	-	3	21,387
E. Other performing loans	2,241,283	1,920,395	316,979	-	3,909	5,157	1,405	3,727	-	25	2,236,126
TOTAL (A+B+C+D+E)	**2,528,225**	**1,925,031**	**333,705**	**251,792**	**17,697**	**103,751**	**1,412**	**3,974**	**94,190**	**4,175**	**2,424,474**

A.1.6 Prudential consolidation - On-balance sheet credit exposures to banks: change in gross non-performing exposures

There are no amounts to be disclosed in this Consolidated Financial Report.

A.1.6bis Prudential consolidation - On-balance sheet credit exposures to banks: change in gross forborne exposures broken down by credit quality

There are no amounts to be disclosed in this Consolidated Financial Report.

A.1.7 Prudential consolidation – On-balance sheet credit exposures to customers: change in gross non-performing exposures

Reasons/Category	Bad loans	Unlikely-To-Pay loans	Non-performing past due exposures
A. Opening balance (gross amount)	**516,523**	**1,938,692**	**122,440**
- of which: sold but not derecognised	-	-	-
B. Increases	**788,489**	**1,957,108**	**197,866**
B.1 inflows from performing exposures	77,727	1,137,132	104,301
B.2 inflows from purchased or originated credit impaired financial assets	97,114	457,411	60,975
B.3 transfers from other non-performing exposures	378,944	50,472	262
B.4 contractual modifications without derecognition	-	-	-
B.5 other increases	234,704	312,093	32,328
C. Decreases	**667,610**	**1,605,430**	**149,181**
C.1 outflows to performing exposures	297	104,324	21,103
C.2 write-offs	110,327	31,380	397
C.3 recoveries	288,238	693,922	65,283
C.4 sales proceeds	76,505	202,511	-
C.5 losses on disposals	4,729	13,250	-
C.6 transfers to other categories of non performing exposures	1,447	367,172	61,059
C.7 contractual modifications without derecognition	-	-	-
C.8 other decreases	186,067	192,871	1,339
D. Closing balance (gross amounts)	**637,402**	**2,290,370**	**171,125**
- of which: sold but not derecognised	-	-	-

A.1.7bis Prudential Consolidation - On-balance sheet credit exposures to customers: change in gross forborne exposures broken down by credit quality

Description/Quality	Forborne exposures: impaired	Forborne exposures: non impaired
A. Opening balance (gross amount)	**602,854**	**881,235**
- of which: sold but not derecognised	-	-
B. Increases	**543,106**	**1,220,959**
B.1 inflows from performing non-forborne exposures	96,519	487,733
B.2 inflows from performing forborne exposures	149,584	X
B.3 inflows from non-performing forborne exposures	X	61,346
B.4 inflows from non-performing non forborne exposure	26,190	1,091
B.5 other increases	270,813	670,789
C. Decreases	**505,294**	**945,427**
C.1 outflows to performing non-forborne exposures	X	314,261
C.2 outflows to performing forborne exposures	61,346	X
C.3 outflows to non-performing forborne exposures	X	149,584
C.4 write-offs	20,274	-
C.5 recoveries	175,782	476,550
C.6 sales proceeds	94,483	-
C.7 losses on disposals	860	-
C.8 other decreases	152,549	5,032
D. Closing balance (gross amounts)	**640,666**	**1,156,767**
- of which: sold but not derecognised	-	-

A.1.8 Prudential consolidation - On-balance sheet non-performing credit exposures to banks: change in total impairment provisions

There are no amounts to be disclosed in this Consolidated Financial Report.

A.1.9 Prudential Consolidation - On-balance sheet non-performing credit exposures to customers: change in total impairment provisions

Reasons/Category	Bad loans		Unlikely-To-Pay loans		Non-performing past due exposures	
	Total	of which: forborne exposures	Total	of which: forborne exposures	Total	of which: forborne exposures
A. Opening balance: total impairment provisions	**391,628**	**63,657**	**778,104**	**263,923**	**41,196**	**44**
- of which: sold but not derecognised	-	-	-	-	-	-
B. Increases	**528,595**	**105,169**	**769,431**	**168,196**	**47,973**	**579**
B.1 impairment losses on purchased or originated impaired financial assets	69,041	X	217,616	X	10,589	X
B.2 other value adjustments	206,971	57,624	463,936	158,400	34,789	361
B.3 losses on disposals	4,729	218	13,250	642	-	-
B.4 transfers from other non-performing exposures	156,063	38,506	16,566	22	113	-
B.5 contractual modifications without derecognition	-	-	-	-	-	-
B.6 other increases	91,791	8,821	58,063	9,132	2,482	218
C. Decreases	**465,994**	**90,423**	**584,584**	**178,253**	**34,693**	**255**
C.1 write-backs from assessments	34,484	6,435	110,767	64,025	11,769	22
C.2 write-backs from recoveries	87,159	29,774	98,236	37,044	1,709	24
C.3 gains on disposal	31,097	5,772	4,364	-	-	-
C.4 write-offs	110,327	13,359	31,380	6,915	397	-
C.5 transfers to other categories of non performing exposures	181	1	152,559	39,371	20,002	28
C.6 contractual modifications without derecognition	-	-	-	-	-	-
C.7 other decreases	202,746	35,082	187,278	30,898	816	181
D. Closing balance: total impairment provisions	**454,229**	**78,403**	**962,951**	**253,866**	**54,476**	**368**
- of which: sold but not derecognised	-	-	-	-	-	-

A.2 Classification of exposures based on external and internal ratings

A.2.1 Prudential consolidation - Breakdown of financial assets, commitments to disburse funds and financial guarantees granted by external rating classes (gross amounts)

Exposures	External rating classes						Unrated	Total
	class 1	class 2	class 3	class 4	class 5	class 6		
A. Financial assets measured at amortised cost	**8,308,283**	**8,483,335**	**24,475,723**	**3,293,629**	**409,085**	**15,105**	**124,884,878**	**169,870,038**
- Stage 1	8,041,715	8,349,009	24,367,753	2,829,887	389,733	2,579	110,247,707	154,228,383
- Stage 2	266,568	133,675	107,970	455,196	19,068	987	11,207,307	12,190,771
- Stage 3	-	-	-	5,482	-	11,539	2,582,608	2,599,629
- Purchased or originated credit impaired	-	651	-	3,064	284	-	847,256	851,255
B. Financial assets measured at fair value through other comprehensive income	**1,390,587**	**1,977,702**	**2,502,001**	**45,170**	**-**	**-**	**576,561**	**6,492,021**
- Stage 1	1,305,239	1,956,784	2,474,615	27,693	-	-	536,427	6,300,758
- Stage 2	85,348	20,918	27,386	17,477	-	-	39,847	190,976
- Stage 3	-	-	-	-	-	-	287	287
- Purchased or originated credit impaired	-	-	-	-	-	-	-	-
C. Financial assets classified as held for sale	**-**	**-**	**-**	**-**	**-**	**-**	**292,332**	**292,332**
- Stage 1	-	-	-	-	-	-	254,313	254,313
- Stage 2	-	-	-	-	-	-	33,313	33,313
- Stage 3	-	-	-	-	-	-	3,924	3,924
- Purchased or originated credit impaired	-	-	-	-	-	-	782	782
Total (A + B + C)	**9,698,870**	**10,461,037**	**26,977,724**	**3,338,799**	**409,085**	**15,105**	**125,753,771**	**176,654,391**
of which: purchased or originated credit impaired financial assets	**-**	**651**	**-**	**3,064**	**284**	**-**	**848,038**	**852,037**
D. Commitments to disburse funds and financial guarantees granted	**700,297**	**4,024,146**	**5,305,505**	**2,936,432**	**277,955**	**8,548**	**58,765,317**	**72,018,200**
- Stage 1	698,515	3,994,251	5,273,598	2,686,299	230,833	152	52,429,675	65,313,323
- Stage 2	1,782	29,895	31,907	239,948	47,122	7,050	5,648,567	6,006,271
- Stage 3	-	-	-	10,185	-	1,346	682,653	694,184
- Purchased or originated credit impaired	-	-	-	-	-	-	4,422	4,422
Total (D)	**700,297**	**4,024,146**	**5,305,505**	**2,936,432**	**277,955**	**8,548**	**58,765,317**	**72,018,200**
Total (A + B + C + D)	**10,399,167**	**14,485,183**	**32,283,229**	**6,275,231**	**687,040**	**23,653**	**184,519,088**	**248,672,591**

As at 31 December 2025, the BPER Banca Group avails itself of the external ratings provided by Moody's, Standard & Poor's and Fitch, for the calculation of the capital absorption for exposures to corporates, supervised intermediaries and covered bonds. Cerved is confirmed to be used for exposures to corporates, Fitch, for financial instruments pledged as collateral and Fitch, Moody's and Standard & Poor's for exposures to securitisation.

In observance of the regulatory provisions, in the presence of three valuations, the second best one is used, while in the presence of two the most prudential one is adopted.

The rating agencies used by the BPER Banca Group are shown below, along with a table for the reconciliation between the external rating classes and the agencies' ratings.

Long-term rating for exposures to companies:

Class of creditworthiness	Risk weighting coefficients	ECAI Cerved Group	ECAI Fitch Ratings	ECAI Moody's Ratings	ECAI S&P Ratings
1	20%	A1.1, A1.2, A1.3	from AAA to AA-	from Aaa to Aa3	from AAA to AA-
2	50%	A2.1, A2.2, A3.1	from A+ to A-	from A1 to A3	from A+ to A-
3	75%	B1.1, B1.2	from BBB+ to BBB-	from Baa1 to Baa3	from BBB+ to BBB-
4	100%	B2.1, B2.2	from BB+ to BB-	from Ba1 to Ba3	from BB+ to BB-
5	150%	C1.1	from B+ to B-	from B1 to B3	from B+ to B-
6	150%	C1.2, C2.1	lower than CCC+	lower than Caa1	lower than CC+

Long-term rating for exposures to Banks and Supervised Intermediaries:

Class of creditworthiness	Risk weighting coefficients	ECAI Fitch Ratings	ECAI Moody's Ratings	ECAI S&P Ratings
1	20%	from AAA to AA-	from Aaa to Aa3	from AAA to AA-
2	50%	from A+ to A-	from A1 to A3	from A+ to A-
3	50%	from BBB+ to BBB-	from Baa1 to Baa3	from BBB+ to BBB-
4	100%	from BB+ to BB-	from Ba1 to Ba3	from BB+ to BB-
5	100%	from B+ to B-	from B1 to B3	from B+ to B-
6	150%	lower than CCC+	lower than Caa1	lower than CC+

Long-term rating for exposures to Covered Bonds:

Class of creditworthiness	Risk weighting coefficients	ECAI Fitch Ratings	ECAI Moody's Ratings	ECAI S&P Ratings
1	10%	from AAA to AA-	from Aaa to Aa3	from AAA to AA-
2	20%	from A+ to A-	from A1 to A3	from A+ to A-
3	20%	from BBB+ to BBB-	from Baa1 to Baa3	from BBB+ to BBB-
4	50%	from BB+ to BB-	from Ba1 to Ba3	from BB+ to BB-
5	50%	from B+ to B-	from B1 to B3	from B+ to B-
6	100%	lower than CCC+	lower than Caa1	lower than CC+

Long-term rating for exposures to securitisations:

Class of creditworthiness	Risk weighting coefficients	ECAI Fitch Ratings	ECAI S&P Ratings
From 1 to 4 years	(*)	from AAA to AA-	from AAA to AA-
from 5 to 7	(*)	from A+ to A-	from A+ to A-
from 8 to 9	(*)	from BBB+ to BBB-	from BBB+ to BBB-
from 11 to 13	(*)	from BB+ to BB-	from BB+ to BB-
from 14 to 17	(*)	lower than BB-	lower than BB-

Long-term rating for exposures to Public Administrations:

Class of creditworthiness	Risk weighting coefficients	ECAI Scope Ratings
1	0%	from AAA to AA-
2	20%	from A+ to A-
3	50%	from BBB+ to BBB-
4	100%	from BB+ to BB-
5	100%	from B+ to B-
6	150%	from CCC to D

A.2.2 Prudential consolidation - Breakdown of financial assets, commitments to disburse funds and financial guarantees granted by internal rating classes (gross amounts)

Exposures	Internal rating classes							
	1	2	3	4	5	6	7	8
A. Financial assets measured at amortised cost	**19,734,087**	**16,305,912**	**17,736,608**	**16,553,489**	**16,970,899**	**14,108,750**	**7,267,488**	**17,545,706**
- Stage 1	19,646,299	16,027,254	17,142,354	15,271,074	15,213,925	11,794,285	5,765,267	16,472,934
- Stage 2	77,873	260,885	577,623	1,244,037	1,706,896	2,246,756	1,467,776	1,040,937
- Stage 3	-	-	-	-	-	-	-	-
- Purchased or originated credit impaired	9,915	17,773	16,631	38,378	50,078	67,709	34,445	31,835
B. Financial assets measured at fair value through other comprehensive income	**380,860**	**68,216**	**59,652**	**106,366**	**453,455**	**639,866**	**340,650**	**1,914,012**
- Stage 1	380,860	68,216	59,652	106,366	449,415	568,731	334,196	1,914,012
- Stage 2	-	-	-	-	4,040	71,135	6,454	-
- Stage 3	-	-	-	-	-	-	-	-
- Purchased or originated credit impaired	-	-	-	-	-	-	-	-
C. Financial assets classified as held for sale	**28,878**	**29,601**	**39,225**	**52,605**	**56,944**	**33,497**	**15,805**	**9,215**
- Stage 1	28,496	29,474	39,056	51,817	50,634	30,102	12,641	7,451
- Stage 2	382	124	169	716	6,310	3,395	3,093	1,764
- Stage 3	-	-	-	-	-	-	-	-
- Purchased or originated credit impaired	-	3	-	72	-	-	71	-
Total (A + B + C)	**20,143,825**	**16,403,729**	**17,835,485**	**16,712,460**	**17,481,298**	**14,782,113**	**7,623,943**	**19,468,933**
D. Commitments to disburse funds and financial guarantees granted	**19,342,174**	**11,992,861**	**9,788,296**	**6,703,843**	**4,897,079**	**3,495,949**	**2,303,185**	**1,058,055**
- Stage 1	19,218,084	11,687,998	9,111,383	5,584,314	3,578,539	2,774,586	1,719,938	688,825
- Stage 2	123,927	304,382	676,588	1,118,767	1,317,492	721,227	577,248	352,614
- Stage 3	23	-	-	-	560	-	-	16,562
- Purchased or originated credit impaired	140	481	325	762	488	136	5,999	54
Total (D)	**19,342,174**	**11,992,861**	**9,788,296**	**6,703,843**	**4,897,079**	**3,495,949**	**2,303,185**	**1,058,055**
Total (A + B + C + D)	**39,485,999**	**28,396,590**	**27,623,781**	**23,416,303**	**22,378,377**	**18,278,062**	**9,927,128**	**20,526,988**

(cont.)

Exposures	Internal rating classes					Total
	9	10	11	12	13	
A. Financial assets measured at amortised cost	**2,137,527**	**1,058,158**	**1,236,535**	**327,036**	**387,197**	**131,369,392**
- Stage 1	1,321,895	297,036	275,431	44,407	6,535	119,278,696
- Stage 2	773,695	736,245	626,026	277,680	375,980	11,412,409
- Stage 3	-	42	326,614	-	-	326,656
- Purchased or originated credit impaired	41,937	24,835	8,464	4,949	4,682	351,631
B. Financial assets measured at fair value through other comprehensive income	**46,523**	**51,845**	**123,666**	**-**	**-**	**4,185,111**
- Stage 1	41,163	51,845	88,363	-	-	4,062,819
- Stage 2	5,360	-	35,303	-	-	122,292
- Stage 3	-	-	-	-	-	-
- Purchased or originated credit impaired	-	-	-	-	-	-
C. Financial assets classified as held for sale	**4,847**	**4,894**	**3,561**	**2,097**	**885**	**282,054**
- Stage 1	3,103	537	81	387	1	253,780
- Stage 2	1,744	4,357	3,270	1,710	884	27,918
- Stage 3	-	-	-	-	-	-
- Purchased or originated credit impaired	-	-	210	-	-	356
Total (A + B + C)	**2,188,897**	**1,114,897**	**1,363,762**	**329,133**	**388,082**	**135,836,557**
D. Commitments to disburse funds and financial guarantees granted	**332,289**	**119,099**	**97,228**	**63,124**	**41,863**	**60,235,045**
- Stage 1	164,708	22,091	9,269	1,790	936	54,562,461
- Stage 2	166,885	96,786	87,900	61,330	40,927	5,646,073
- Stage 3	80	10	-	1	-	17,236
- Purchased or originated credit impaired	616	212	59	3	-	9,275
Total (D)	**332,289**	**119,099**	**97,228**	**63,124**	**41,863**	**60,235,045**
Total (A + B + C + D)	**2,521,186**	**1,233,996**	**1,460,990**	**392,257**	**429,945**	**196,071,602**

	With internal rating	Unrated	Total
On-balance-sheet exposures	135,836,557	34,482,310	170,318,867
Off-balance-sheet exposures	60,235,045	11,380,155	71,615,200
Total	**196,071,602**	**45,862,465**	**241,934,067**

On 24 June 2016, the ECB authorised the Group to use the IRB Advanced Method (PD, LGD, EAD parameters) for the quantification of the capital requirement for customers' credit risk.
The internal rating classes are shown as they are used in the management of credit risk. The Group's rating system for the valuation of counterparties is divided into a Large Corporate model, a Corporate model and an Individuals model. Creditworthiness classifications are represented by 13 rating classes regarding performing counterparties, differentiated by risk segment, and by a class relating to default (for the Large Corporate segment, the rating classes are 9). In turn, the 13 rating classes have been grouped into 5 operational classes, which indicate aggregate risk levels:

Operational classes (of risk)	Rating classes
High	10 - 11 - 12 - 13
Significant	8 - 9
Average	5 - 6 - 7
Low	3 - 4
Very low	1 - 2

On-balance sheet exposures include all the credit exposures of the "Financial assets measured at fair value through other comprehensive income" portfolio, and the "Financial assets measured at amortised cost" portfolio; "off-balance sheet" exposures include all financial transactions other than on-balance sheet transactions (guarantees granted, commitments, derivatives) that involve the assumption of a credit risk, whatever the purpose of such transactions is (trading, hedging, etc.).

The subsidiary Banca Popolare di Sondrio SUISSE SA has its own system applied exclusively to loans to customers, which classifies the portfolio into 11 risk categories.
The first category identifies a counterparty with minimum risk, while categories R6 through R8 identify the default status, at different levels of severity.

In light of the foregoing, a specific table dedicated to Banca Popolare di Sondrio Suisse is reported below, which incorporates the information provided above:

Exposures	Internal rating classes							
	Rating 1	Rating 2	Rating 3	Rating 3G	Rating 4	Rating 4G	Rating 5	Rating 6
A. Financial assets measured at amortised cost	**-**	**1,534**	**1,274,569**	**844,941**	**2,650,509**	**1,208,735**	**300,043**	**18,445**
- Stage 1	-	1,534	1,269,061	844,936	2,634,109	1,202,578	6,510	-
- Stage 2	-	-	5,508	5	16,400	6,157	293,533	-
- Stage 3	-	-	-	-	-	-	-	14,071
- Purchased or originated credit impaired	-	-	-	-	-	-	-	4,374
B. Financial assets measured at fair value through other comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- Stage 1	-	-	-	-	-	-	-	-
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-	-
- Purchased or originated credit impaired	-	-	-	-	-	-	-	-
C. Financial assets classified as held for sale	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- Stage 1	-	-	-	-	-	-	-	-
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-	-
- Purchased or originated credit impaired	-	-	-	-	-	-	-	-
Total (A + B + C)	**-**	**1,534**	**1,274,569**	**844,941**	**2,650,509**	**1,208,735**	**300,043**	**18,445**
D. Commitments to disburse funds and financial guarantees granted	**-**	**-**	**65,613**	**3,979**	**243,363**	**4,048**	**-**	**-**
- Stage 1	-	-	65,613	3,979	243,363	4,048	-	-
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-	-
- Purchased or originated credit impaired		-	-	-	-	-	-	-
Total (D)	**-**	**-**	**65,613**	**3,979**	**243,363**	**4,048**	**-**	**-**
Total (A + B + C + D)	**-**	**1,534**	**1,340,182**	**848,920**	**2,893,872**	**1,212,783**	**300,043**	**18,445**

(cont.)

Exposures	Internal rating classes			Unrated	Total
	Rating 6G	Rating 7	Rating 8		
A. Financial assets measured at amortised cost	**5,271**	**28,993**	**1,746**	**738**	**6,335,524**
- Stage 1	-	-	-	653	5,959,381
- Stage 2	-	-	-	85	321,688
- Stage 3	3,101	1,199	453	-	18,824
- Purchased or originated credit impaired	2,170	27,794	1,293	-	35,631
B. Financial assets measured at fair value through other comprehensive income	**-**	**-**	**-**	**-**	**-**
- Stage 1	-	-	-	-	-
- Stage 2	-	-	-	-	-
- Stage 3	-	-	-	-	-
- Purchased or originated credit impaired	-				-
C. Financial assets classified as held for sale	**-**	**-**	**-**	**-**	**-**
- Stage 1	-	-	-	-	-
- Stage 2	-	-	-	-	-
- Stage 3	-	-	-	-	-
- Purchased or originated credit impaired	-	-	-	-	-
Total (A + B + C)	**5,271**	**28,993**	**1,746**	**738**	**6,335,524**
D. Commitments to disburse funds and financial guarantees granted	**-**	**-**	**-**	**85,997**	**403,000**
- Stage 1	-	-	-	85,997	403,000
- Stage 2	-	-	-	-	-
- Stage 3	-	-	-	-	-
- Purchased or originated credit impaired	-	-	-	-	-
Total (D)	**-**	**-**	**-**	**85,997**	**403,000**
Total (A + B + C + D)	**5,271**	**28,993**	**1,746**	**86,735**	**6,738,524**

A.3 Breakdown of guaranteed credit exposures by type of guarantee

A.3.1 Prudential consolidation - Guaranteed on and off-balance sheet credit exposures to banks

	Gross exposure	Net exposure	Collateral (1)				Personal guarantees (2)	
							Credit derivatives	
			Property - mortgages	Property - finance leases	Debt Securities	Other collateral	CLN	Other derivatives
								Central counterparties
1. Guaranteed on-balance sheet credit exposures:	**730,579**	**730,436**	**-**	**-**	**75,243**	**-**	**-**	**-**
1.1 fully guaranteed	675,650	675,541	-	-	75,243	-	-	-
- of which non-performing	-	-	-	-	-	-	-	-
1.2 partially guaranteed	54,929	54,895	-	-	-	-	-	-
- of which non-performing	-	-	-	-	-	-	-	-
2. Guaranteed off-balance sheet credit exposures:	**72,990**	**72,974**	**-**	**-**	**3,628**	**4,740**	**-**	**-**
2.1 fully guaranteed	37,012	37,001	-	-	3,628	4,225	-	-
- of which non-performing	-	-	-	-	-	-	-	-
2.2 partially guaranteed	35,978	35,973	-	-	-	515	-	-
- of which non-performing	-	-	-	-	-	-	-	-

A.3.1 Prudential consolidation - Guaranteed on and off-balance sheet credit exposures to banks

(cont.)

	Personal guarantees (2)							Total (1)+(2)
	Credit derivatives			Endorsement loans				
	Other derivatives			Public Administrations	Banks	Other financial companies	Other entities	
	Banks	Other financial companies	Other entities					
1. Guaranteed on-balance sheet credit exposures:	**-**	**-**	**-**	**419,514**	**-**	**232,599**	**-**	**727,356**
1.1 fully guaranteed	-	-	-	419,514	-	180,784	-	675,541
- of which non-performing	-	-	-	-	-	-	-	-
1.2 partially guaranteed	-	-	-	-	-	51,815	-	51,815
- of which non-performing	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2. Guaranteed off-balance sheet credit exposures:	**-**	**-**	**-**	**41,985**	**-**	**5,131**	**1,046**	**56,530**
2.1 fully guaranteed	-	-	-	25,725	-	2,376	1,046	37,000
- of which non-performing	-	-	-	-	-	-	-	-
2.2 partially guaranteed	-	-	-	16,260	-	2,755	-	19,530
- of which non-performing	-	-	-	-	-	-	-	-

A.3.2 Prudential consolidation - Guaranteed on- and off-balance sheet credit exposures to customers

	Gross exposure	Net exposure	Collateral (1)				Personal guarantees (2)	
							Credit derivatives	
			Property - mortgages	Property - finance leases	Debt Securities	Other collateral	CLN	Other derivatives
								Central counterparties
1. Guaranteed on-balance sheet credit exposures:	**91,152,399**	**89,559,440**	**57,402,625**	**1,623,336**	**3,313,005**	**5,538,574**	**-**	**-**
1.1 fully guaranteed	80,594,594	79,286,505	57,217,119	1,623,336	2,993,358	5,278,438	-	-
- of which non-performing	2,032,762	1,233,238	586,191	23,503	10,365	48,065	-	-
1.2 partially guaranteed	10,557,805	10,272,935	185,506	-	319,647	260,136	-	-
- of which non-performing	347,743	170,845	10,530	-	2,982	4,812	-	-
2. Guaranteed off-balance sheet credit exposures:	**10,101,553**	**10,067,629**	**543,969**	**-**	**513,694**	**533,481**	**-**	**-**
2.1 fully guaranteed	8,029,292	8,002,085	542,260	-	399,630	413,171	-	-
- of which non-performing	126,770	113,309	7,393	-	6,228	1,178	-	-
2.2 partially guaranteed	2,072,261	2,065,544	1,709	-	114,064	120,310	-	-
- of which non-performing	48,868	44,558	-	-	1,118	328	-	-

A.3.2 Prudential consolidation - Guaranteed on- and off-balance sheet credit exposures to customers

(cont.)

	Personal guarantees (2)							Total (1)+(2)
	Credit derivatives			Endorsement loans				
	Other derivatives			Public Administrations	Banks	Other financial companies	Other entities	
	Banks	Other financial companies	Other entities					
1. Guaranteed on-balance sheet credit exposures:	**-**	**-**	**-**	**7,662,767**	**915,815**	**444,956**	**8,172,577**	**85,073,655**
1.1 fully guaranteed	-	-	-	3,715,801	847,794	356,465	7,184,875	79,217,186
- of which non-performing	-	-	-	470,320	57	7,161	87,412	1,233,074
1.2 partially guaranteed	-	-	-	3,946,966	68,021	88,491	987,702	5,856,469
- of which non-performing	-	-	-	94,977	1,001	2,193	22,230	138,725
2. Guaranteed off-balance sheet credit exposures:	**-**	**-**	**-**	**423,154**	**27,589**	**257,504**	**6,655,839**	**8,955,230**
2.1 fully guaranteed	-	-	-	158,897	22,230	226,367	6,163,820	7,926,375
- of which non-performing	-	-	-	1,768	6,291	3,844	86,607	113,309
2.2 partially guaranteed	-	-	-	264,257	5,359	31,137	492,019	1,028,855
- of which non-performing	-	-	-	9,704	-	125	14,166	25,441

A.4 Prudential consolidation - Financial and non-financial assets deriving from the enforcement of guarantees

	Derecognised credit exposure	Gross value	Total impairment provisions	Book Value	
					of which obtained during the year
A. Property, plant and equipment	**129,976**	**158,605**	**59,216**	**99,389**	**-**
A.1 Used in operations	-	-	-	-	-
A.2 Held for investment	38,246	41,005	20,483	20,522	-
A.3 Inventories	91,730	117,600	38,733	78,867	-
B. Equity instruments and debt securities	**-**	**-**	**-**	**-**	**-**
C. Other assets	**-**	**-**	**-**	**-**	**-**
D. Non-current assets and disposal groups classified as held for sale	**997**	**2,411**	**799**	**1,612**	**-**
D.1 Property, plant and equipment	997	2,411	799	1,612	-
D.2 Other assets	-	-	-	-	-
Total 31.12.2025	**130,973**	**161,016**	**60,015**	**101,001**	**-**
Total 31.12.2024	**156,842**	**179,542**	**66,057**	**113,485**	**824**

B. Distribution and concentration of credit 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)	
	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions
A. On-balance-sheet exposures						
A.1 Bad loans	-	397	411	1,174	42	2
- of which: forborne exposures	-	-	185	565	-	-
A.2 Unlikely-To-Pay exposures	1,486	2,373	325,488	31,986	-	-
- of which: forborne exposures	-	-	1,039	2,908	-	-
A.3 Non-performing past due exposures	785	312	1,751	416	-	-
- of which: forborne exposures	-	-	-	-	-	-
A.4 Performing exposures	35,568,144	20,041	12,203,304	60,280	277,485	146
- of which: forborne exposures	19,477	4,662	28,623	3,356	-	-
Total (A)	**35,570,415**	**23,123**	**12,530,954**	**93,856**	**277,527**	**148**
B. Off-balance sheet credit exposures						
B.1 Non-performing exposures	1,056	128	1,077	219	-	-
B.2 Performing exposures	1,856,641	569	3,337,148	931	240,262	-
Total (B)	**1,857,697**	**697**	**3,338,225**	**1,150**	**240,262**	**-**
Total (A+B) 31.12.2025	**37,428,112**	**23,820**	**15,869,179**	**95,006**	**517,789**	**148**
Total (A+B) 31.12.2024	**19,480,149**	**9,270**	**9,031,528**	**90,973**	**465,999**	**399**

B.1 Prudential consolidation - Breakdown by sector of on- and off-balance sheet credit exposures to customers

(cont.)

Exposures/Counterparties	Non-financial companies		Households	
	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions
A. On-balance-sheet exposures				
A.1 Bad loans	131,751	331,907	51,011	120,751
- of which: forborne exposures	25,192	54,668	11,059	23,170
A.2 Unlikely-To-Pay loans	557,131	613,323	443,314	315,269
- of which: forborne exposures	159,181	177,360	109,462	73,598
A.3 Non-performing past due exposures	29,694	12,755	84,419	40,993
- of which: forborne exposures	441	16	1,470	352
A.4 Performing exposures	58,681,931	494,184	56,976,084	266,335
- of which: forborne exposures	726,332	62,352	296,593	15,372
Total (A)	**59,400,507**	**1,452,169**	**57,554,828**	**743,348**
B. Off-balance sheet credit exposures				
B.1 Non-performing exposures	548,268	87,810	23,487	2,576
B.2 Performing exposures	57,062,827	83,404	4,465,808	9,958
Total (B)	**57,611,095**	**171,214**	**4,489,295**	**12,534**
Total (A+B) 31.12.2025	**117,011,602**	**1,623,383**	**62,044,123**	**755,882**
Total (A+B) 31.12.2024	**75,315,385**	**1,199,725**	**45,355,295**	**646,492**

B.2 Prudential consolidation - Breakdown by geographical area of on- and off-balance sheet credit exposures to customers

Exposures/Geographical areas	Italy		Other European countries		America
	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions	Net exposure
A. On-balance-sheet exposures					
A.1 Bad loans	181,392	451,441	1,715	2,232	62
A.2 Unlikely-To-Pay loans	1,287,497	951,312	38,263	8,896	158
A.3 Non-performing past due exposures	90,367	51,521	24,183	2,748	5
A.4 Performing exposures	142,164,823	813,555	17,434,388	24,197	1,703,530
Total (A)	**143,724,079**	**2,267,829**	**17,498,549**	**38,073**	**1,703,755**
B. Off-balance sheet credit exposures					
B.1 Non-performing exposures	573,650	90,731	238	2	-
B.2 Performing exposures	65,124,265	91,935	1,432,233	2,862	80,750
Total (B)	**65,697,915**	**182,666**	**1,432,471**	**2,864**	**80,750**
Total (A+B) 31.12.2025	**209,421,994**	**2,450,495**	**18,931,020**	**40,937**	**1,784,505**
Total (A+B) 31.12.2024	**140,466,521**	**1,930,739**	**5,568,005**	**10,954**	**1,610,857**

B.2 Prudential consolidation - Breakdown by geographical area of on- and off-balance sheet credit exposures to customers

(cont.)

Exposures/Geographical areas	United States	Asia		Rest of the world	
	Total impairment provisions	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions
A. On-balance-sheet exposures					
A.1 Bad loans	537	-	9	4	10
A.2 Unlikely-To-Pay loans	259	62	62	1,439	2,422
A.3 Non-performing past due exposures	14	2,092	180	2	13
A.4 Performing exposures	1,686	255,307	682	1,871,415	720
Total (A)	**2,496**	**257,461**	**933**	**1,872,860**	**3,165**
B. Off-balance sheet credit exposures					
B.1 Non-performing exposures	-	-	-	-	-
B.2 Performing exposures	20	73,007	43	12,169	2
Total (B)	**20**	**73,007**	**43**	**12,169**	**2**
Total (A+B) 31.12.2025	**2,516**	**330,468**	**976**	**1,885,029**	**3,167**
Total (A+B) 31.12.2024	**1,926**	**290,865**	**326**	**1,246,109**	**2,515**

The territorial distribution of exposures to customers is presented below, considering just the component of loans and distinguishing between Stage classifications:

Exposures/ Geographical areas	Italy			Other European countries			United States		
	Exposure exposure	Total impairment provisions	Exposure Net exposure	Gross exposure	Total impairment provisions	Exposure Net exposure	Exposure exposure	Total impairment provisions	Exposure Net exposure
Total	**121,536,312**	**(2,240,155)**	**19,296,157**	**8,629,215**	**(36,702)**	**8,592,513**	**503,969**	**(2,288)**	**501,681**
Stage 1	107,341,193	(257,203)	107,083,990	8,156,948	(14,486)	8,142,462	494,605	(1,131)	493,474
Stage 2	11,158,689	(524,237)	10,634,452	390,934	(8,369)	382,565	8,333	(351)	7,982
Stage 3	2,217,834	(1,206,557)	1,011,277	41,947	(9,433)	32,514	581	(469)	112
Purchased or originated credit-impaired financial assets	818,596	(252,158)	566,438	39,386	(4,414)	34,972	450	(337)	113

(cont.)

Exposures/Geographical areas	Asia			Rest of the world		
	Exposure exposure	Total impairment provisions	Exposure Net exposure	Exposure exposure	Total impairment provisions	Exposure Net exposure
Total	**205,581**	**(922)**	**204,659**	**146,113**	**(3,058)**	**143,055**
Stage 1	186,137	(456)	185,681	141,839	(576)	141,263
Stage 2	17,040	(217)	16,823	360	(18)	342
Stage 3	2,348	(247)	2,101	3,906	(2,457)	1,449
Purchased or originated credit-impaired financial assets	56	(2)	54	8	(7)	1

B.2 Prudential consolidation - Breakdown by geographical area of on- and off-balance sheet credit exposures to customers

Exposures/Geographical areas	North West Italy		North East Italy		Centre Italy		South Italy and islands	
	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions
A. On-balance-sheet exposures								
A.1 Bad loans	71,943	143,581	31,451	84,059	32,950	80,416	45,048	143,385
A.2 Unlikely-To-Pay loans	417,688	355,103	497,749	203,598	159,853	172,667	212,207	219,944
A.3 Non-performing past due exposures	32,888	15,488	15,027	8,272	10,818	7,344	31,634	20,417
A.4 Performing exposures	52,474,420	402,922	24,737,709	101,281	45,110,369	171,580	19,842,325	137,772
Total (A)	**52,996,939**	**917,094**	**25,281,936**	**397,210**	**45,313,990**	**432,007**	**20,131,214**	**521,518**
B. Off-balance sheet credit exposures								
B.1 Non-performing exposures	290,434	39,506	166,415	29,338	73,066	14,788	43,735	7,099
B.2 Performing exposures	34,261,651	64,557	14,003,331	10,606	12,132,479	13,147	4,726,804	3,625
Total (B)	**34,552,085**	**104,063**	**14,169,746**	**39,944**	**12,205,545**	**27,935**	**4,770,539**	**10,724**
Total (A+B) 31.12.2025	**87,549,024**	**1,021,157**	**39,451,682**	**437,154**	**57,519,535**	**459,942**	**24,901,753**	**532,242**
Total (A+B) 31.12.2024	**49,548,598**	**693,314**	**32,646,990**	**393,679**	**35,367,780**	**353,875**	**22,903,153**	**489,871**

B.3 Prudential consolidation - Breakdown by geographical area of on- and off-balance sheet credit exposures to banks

Exposures/Geographical areas	Italy		Other European countries		America
	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions	Net exposure
A. On-balance-sheet exposures					
A.1 Bad loans	-	-	-	-	-
A.2 Unlikely-To-Pay exposures	-	-	-	-	-
A.3 Non-performing past due exposures	-	-	-	-	-
A.4 Performing exposures	12,776,529	3,503	6,351,022	21,361	65,179
Total (A)	**12,776,529**	**3,503**	**6,351,022**	**21,361**	**65,179**
B. Off-balance sheet credit exposures					
B.1 Non-performing exposures	102	-	-	-	-
B.2 Performing exposures	1,028,730	385	1,940,263	136	151,642
Total (B)	**1,028,832**	**385**	**1,940,263**	**136**	**151,642**
Total (A+B) 31.12.2025	**13,805,361**	**3,888**	**8,291,285**	**21,497**	**216,821**
Total (A+B) 31.12.2024	**9,486,735**	**1,765**	**7,005,540**	**23,816**	**148,044**

B.3 Prudential consolidation – Breakdown by geographical area of on- and off-balance sheet credit exposures to banks

(cont.)

Exposures/Geographical areas	United States		Asia		Rest of the world	
		Total impairment provisions	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions
A. On-balance-sheet exposures						
A.1 Bad loans	-	-	-	-	-	-
A.2 Unlikely-To-Pay exposures	-	-	-	-	-	-
A.3 Non-performing past due exposures	-	-	-	-	-	-
A.4 Performing exposures	32	227,502	69	984,016	66	
Total (A)	**32**	**227,502**	**69**	**984,016**	**66**	
B. Off-balance sheet credit exposures						
B.1 Non-performing exposures	-	-	-	-	-	-
B.2 Performing exposures	5	954,491	67	409,677	19	
Total (B)	**5**	**954,491**	**67**	**409,677**	**19**	
Total (A+B) 31.12.2025	**37**	**1,181,993**	**136**	**1,393,693**	**85**	
Total (A+B) 31.12.2024	**16**	**919,183**	**63**	**1,366,831**	**63**	

B.3 Prudential consolidation - Breakdown by geographical area of on- and off-balance sheet credit exposures to banks

Exposures/Geographical areas	North West Italy		North East Italy		Centre Italy		South Italy and islands	
	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions
A. On-balance-sheet exposures								
A.1 Bad loans	-	-	-	-	-	-	-	-
A.2 Unlikely-To-Pay exposures	-	-	-	-	-	-	-	-
A.3 Non-performing past due exposures	-	-	-	-	-	-	-	-
A.4 Performing exposures	1,445,152	1,500	295,720	452	10,974,348	1,511	61,309	40
Total (A)	**1,445,152**	**1,500**	**295,720**	**452**	**10,974,348**	**1,511**	**61,309**	**40**
B. Off-balance sheet credit exposures								
B.1 Non-performing exposures	-	-	-	-	102	-	-	-
B.2 Performing exposures	705,065	376	111,362	3	192,245	6	20,058	-
Total (B)	**705,065**	**376**	**111,362**	**3**	**192,347**	**6**	**20,058**	**-**
Total (A+B) 31.12.2025	**2,150,217**	**1,876**	**407,082**	**455**	**11,166,695**	**1,517**	**81,367**	**40**
Total (A+B) 31.12.2024	**1,437,280**	**610**	**304,309**	**187**	**7,742,109**	**968**	**3,037**	**-**

B.4 Large exposures

	31.12.2025	31.12.2024
a) Book value	59,699,046	23,801,355
b) Weighted value	6,807,383	3,675,079
c) Number	11	7

This measurement was made on the basis of the updates to Circular 285 which regulate "large exposures".
The rules define as a "large exposure" the amount of on-balance-sheet assets at risk and off-balance sheet transactions of a single customer or group of related customers that come to 10% or more of eligible capital.
Note that repurchase agreements are included in the amount of risk activities. These transactions contribute to the value of the counterparty exposure for the amount of "securities to be received", while they contribute to the exposure after CRM and exemptions under art. 400 CRR only for the difference between the amount of "securities to be received" and the cash deposit received.
At 31 December 2025, there are 11 "large exposures" for an overall amount of Euro 59,699 million, corresponding to Euro 6,807 million after CRM and exemptions under art. 400 CRR. Of these, repurchase agreements account for Euro 6,458 million and Euro 7 million respectively.
For an amount of over 78% of the total, the positions shown include government counterparties for a total exposure of Euro 45,655 million and Euro 912 million after CRMs and exemptions.
The rest is made up of leading European and world companies/banks (for Euro 14,044 million - Euro 5,895 million after CRM and exemptions) and an associated/related company.

To facilitate an understanding of the degree of concentration of loans, the nominal value of major exposures has been provided.

Risk concentration:

Reference date: 31.12.2025	Amount of the exposure	Amount of the exposure after CRM and exemptions under art. 400 CRR
First 5 exposures	50,356,971	912,069
First 10 exposures	58,316,011	5,448,399
First 20 exposures	69,634,082	12,343,027

Reference date: 31.12.2024	Amount of the exposure	Amount of the exposure after CRM and exemptions under art. 400 CRR
First 5 exposures	21,672,820	2,319,503
First 10 exposures	26,508,700	3,809,155
First 20 exposures	33,100,160	7,233,212

C. Securitisation transactions

Qualitative Information

The primary objectives of the securitisation transactions arranged by the Group in relation to non-performing loans are:
- to improve the asset structure of the banks concerned;
- to facilitate loan recovery strategies and make them more efficient (by centralising work with one group of lawyers);
- to exercise rigorous, direct control over higher risk loans, without modifying the overall risk profile.

Transactions involving performing contracts are, on the other hand, arranged in order to optimise sources of funding.

The following BPER Banca Group[184] transactions, other than self-securitisation transactions[185] are outstanding at 31 December 2025:
- Italian Credit Recycle
- Restart
- 4 Mori Sardegna
- AQUI SPV
- Spring SPV
- Summer SPV
- Grogu SPV (execution of the "Skywalker" sale project)
- Loira SPV
- Sestante No. 2
- Sestante No. 3
- Brisca Securitisation
- Riviera NPL
- Lanterna Mortgage
- Lanterna Finance 4
- Platinum
- Diana
- Luzzatti I
- Luzzatti II
- Luzzatti III
- Luzzatti IV
- Luzzatti V

The "own" transactions also include those originated by the Banks absorbed by BPER Banca s.p.a. In particular, they include:
- the securities issued by Sestante Finance SPV S.r.l. deriving from transactions originated by Meliorbanca s.p.a., which was absorbed by BPER Banca in 2012.

In 2025, in line with the Written Resolution of 17 March 2025, BPER Banca received a final payment of Euro 18.8 million from the special purpose vehicle Pillarstone SPV, after which the notes were fully repaid. Therefore, the Pillarstone securitisation is no longer in place as at 31 December 2025.

184 The transactions carried out by Banca Popolare di Sondrio were also taken into consideration, as BPER gained control over it in the second half of 2025.
185 The information report provided on the so-called "Self-securitisations" is provided in paragraph 1.4 - Liquidity risk, below.

Italian Credit Recycle (transaction structured pursuant to Law 130 dated 30 April 1999)

Disposal date	20 June 2017
Seller	Nuova Cassa di Risparmio di Ferrara s.p.a.
Special purpose vehicle	Italian Credit Recycle s.r.l., based in Rome.
Servicer	Master Gardant s.p.a., acting as Servicer, Corporate Servicer, Calculation and Paying Agent.
Issue date of securities	28 June 2017.
Type of transaction	Traditional.
Organisational structure	Master Gardant s.p.a. prepares a quarterly report that it shares with investors.
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out, in accordance with the contractually-agreed code of conduct, by an organisational unit dedicated to this task.

The operational aspects are summarised below:

Assets sold	Loans of banking origin.
Quality of assets securitised	Non-performing.
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 252 million.
Disposal price of securitised assets	The disposal price was Euro 41 million.
Guarantees and credit lines granted by the bank	None.
Guarantees and credit lines granted by third parties	None.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Residual balance at 31.12.2025
IT0005274565	Senior	Dec-37	22,400	-
IT0005274573	Junior	Dec-37	18,600	1
Total			**41,000**	**1**

The securities were placed with institutional investors on issue and, for a residual part, were subscribed by BPER Banca (Euro 2.2 million).

Restart (transaction structured pursuant to Law 130 dated 30 April 1999)

Disposal date	20 June 2017
Seller	Nuova Cassa di Risparmio di Ferrara s.p.a.
Special purpose vehicle	Restart SPV s.r.l., based in Rome.
Servicer	Master Gardant s.p.a., acting as Servicer, Corporate Servicer, Calculation and Paying Agent.
Issue date of securities	20 June 2017.
Type of transaction	Traditional.
Organisational structure	Master Gardant s.p.a. prepares a quarterly report that it shares with investors.
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out, in accordance with the contractually-agreed code of conduct, by an organisational unit dedicated to this task.

The operational aspects are summarised below:

Assets sold	Loans of banking origin
Quality of assets securitised	Non-performing
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 343 million.
Disposal price of securitised assets	The disposal price was Euro 22 million.
Guarantees and credit lines granted by the bank	None
Guarantees and credit lines granted by third parties	None

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Residual balance at 31.12.2025
IT0005274532	Senior	Dec-37	18,200	-
IT0005274540	Junior	Dec-37	14,800	679
Total			**33,000**	**679**

The securities were placed with institutional investors on issue and, for a residual part, were subscribed by BPER Banca (Euro 1.8 million).

4 Mori Sardegna s.r.l. (transaction structured pursuant to Law 130 dated 30 April 1999)

Disposal date	07 June 2018.
Seller	Banco di Sardegna s.p.a.
Special purpose vehicle	4 Mori Sardegna s.r.l., based in Conegliano (Treviso).
Servicer	Prelios Credit Servicing s.p.a., as Servicer.
Issue date of securities	22 June 2018.
Type of transaction	Traditional with Guarantee from the Ministry of Economy and Finance (GACS or Bad Loan Securitisation Guarantee).
Organisational structure	Prelios Credit Servicing s.p.a. prepares a half-year report that it shares with investors.
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out, in accordance with the contractually-agreed code of conduct, by an organisational unit dedicated to this task.

The operational aspects are summarised below:

Assets sold	Loans of banking origin
Quality of assets securitised	Non-performing
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 1,045 million.
Disposal price of securitised assets	The disposal price was Euro 253 million.
Guarantees and credit lines granted by the bank	Subordinated loan of Euro 12 million.
Guarantees and credit lines granted by third parties	Cap Agreement to hedge interest rates on the notes issued.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Residual balance at 31.12.2025	DBRS rating	Rating Scope
IT0005337446	Senior	Jan-37	232,000	75,560	B(sf)	BB-(sf)
IT0005337479	Mezzanine	Jan-37	13,000	650	CC (sf)	CC (sf)
IT0005337487	Junior	Jan-37	8,000	400	n.r.	n.r.
Total			**253,000**	**76,610**		

The securities were fully subscribed by Banco di Sardegna s.p.a. on issue. The Mezzanine and Junior notes were subsequently placed with institutional investors net of a residual part equal to 5% (Euro 1.05 million), kept by Banco di Sardegna s.p.a. in compliance with the retention obligations prescribed by the CRR (Capital Requirements Regulation).

AQUI SPV s.r.l. (transaction structured pursuant to Law 130 dated 30 April 1999)

Disposal date	02 October 2018.
Seller	BPER Banca s.p.a.; Cassa di Risparmio di Bra s.p.a.; Cassa di Risparmio di Saluzzo s.p.a.
Special purpose vehicle	AQUI SPV S.r.l., based in Conegliano (TV).
Servicer	Prelios Credit Servicing s.p.a., as Servicer.
Issue date of securities	07 November 2018.
Type of transaction	Traditional with Guarantee from the Ministry of Economy and Finance (GACS or Bad Loan Securitisation Guarantee).
Organisational structure	Prelios Credit Servicing s.p.a. prepares a half-year report that it shares with investors.
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out, in accordance with the contractually-agreed code of conduct, by an organisational unit dedicated to this task.

The operational aspects are summarised below:

Assets sold	Loans of banking origin.
Quality of assets securitised	Non-performing.
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 2,082 million.
Disposal price of securitised assets	The disposal price was Euro 618 million.
Guarantees and credit lines granted by the bank	Subordinated loan of Euro 27.235 million.
Guarantees and credit lines granted by third parties	Cap Agreement to hedge interest rates on the notes issued.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Residual balance at 31.12.2025	Rating Scope	Rating Moody's
IT0005351330	Senior	Oct-38	544,700	210,879	CCC (sf)	Caa1 (sf)
IT0005351348	Mezzanine	Oct-38	62,900	3,145	n.r.	n.r.
IT0005351355	Junior	Oct-38	10,852	543	n.r.	n.r.
Total			**618,452**	**214,567**		

The notes were fully subscribed by BPER Banca s.p.a. on issue. The Mezzanine and Junior notes were subsequently placed with institutional investors net of a residual part equal to 5% (Euro 3.7 million), kept by BPER Banca in compliance with the retention obligations prescribed by the CRR (Capital Requirements Regulation).

Spring (transaction structured pursuant to Law 130 dated 30 April 1999)

Disposal date	01 June 2020.
Seller	BPER Banca s.p.a; Banco di Sardegna s.p.a.; Cassa di Risparmio di Bra s.p.a.
Special purpose vehicle	SPRING SPV S.r.l., based in Conegliano (TV).
Servicer	Prelios Credit Servicing s.p.a., as Servicer.
Issue date of securities	18 June 2020.
Type of transaction	Traditional with Guarantee from the Ministry of Economy and Finance (GACS or Bad Loan Securitisation Guarantee).
Organisational structure	Prelios Credit Servicing s.p.a. prepares a half-year report that it shares with investors.
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out, in accordance with the contractually-agreed code of conduct, by an organisational unit dedicated to this task.

The operational aspects are summarised below:

Assets sold	Loans of banking origin.
Quality of assets securitised	Non-performing.
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 1,377 million.
Disposal price of securitised assets	The disposal price was Euro 341 million.
Guarantees and credit lines granted by the bank	Subordinated loan of Euro 16.450 million.
Guarantees and credit lines granted by third parties	Cap Agreement to hedge interest rates on the notes issued.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Residual balance at 31.12.2025	Rating Scope	Rating Moody's
IT0005413197	Senior	Sep-40	320,000	49,261	BBB+ (sf)	A1 (sf)
IT0005413213	Mezzanine	Sep-40	20,000	1,000	n.r.	n.r.
IT0005413221	Junior	Sep-40	3,400	170	n.r.	n.r.
Total			**343,400**	**50,431**		

The securities were fully subscribed by BPER Banca s.p.a. and Banco di Sardegna s.p.a. on issue. The Mezzanine and Junior notes were subsequently placed with institutional investors net of a residual part equal to 5% (Euro 1.2 million), kept by BPER Banca s.p.a. in compliance with the retention obligations prescribed by the CRR (Capital Requirements Regulation).

Summer (transaction structured pursuant to Law 130 dated 30 April 1999)

Disposal date	18 December 2020.
Seller	BPER Banca s.p.a.; Banco di Sardegna s.p.a.
Special purpose vehicle	SUMMER SPV S.r.l., based in Conegliano (TV).
Servicer	Fire s.p.a. as Special Servicer and Banca Finint s.p.a. as Master Servicer.
Issue date of securities	30 December 2020.
Type of transaction	Traditional with Guarantee from the Ministry of Economy and Finance (GACS or Bad Loan Securitisation Guarantee).
Organisational structure	Banca Finint s.p.a. prepares a half-year report that it shares with investors.
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out, in accordance with the contractually-agreed code of conduct, by an organisational unit dedicated to this task.

The operational aspects are summarised below:

Assets sold	Loans of banking origin.
Quality of assets securitised	Non-performing.
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 322 million.
Disposal price of securitised assets	The disposal price was Euro 86 million.
Guarantees and credit lines granted by the bank	Subordinated loan of Euro 3.666 million.
Guarantees and credit lines granted by third parties	Cap Agreement to hedge interest rates on the notes issued.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Residual balance at 31.12.2025	Rating Scope	Rating Moody's
IT0005432445	Senior	Oct-40	85,400	30,499	BBB (sf)	Baa1 (sf)
IT0005432452	Mezzanine	Oct-40	10,000	500	n.r.	n.r.
IT0005432460	Junior	Oct-40	1,000	50	n.r.	n.r.
Total			**96,400**	**31,049**		

The Senior notes were fully subscribed by BPER Banca s.p.a. and Banco di Sardegna s.p.a. The Mezzanine and Junior notes were placed with an institutional investor and for a residual part equal to 5% (Euro 550 thousand), they were subscribed by BPER Banca s.p.a. in compliance with the retention obligations prescribed by the CRR (Capital Requirements Regulation).

Grogu (transaction structured pursuant to Law 130 dated 30 April 1999)

Disposal date	28 July 2021.
Seller	BPER Banca s.p.a.; Banca Intesa San Paolo s.p.a.
Special purpose vehicle	GROGU SPV s.r.l., based in Conegliano (TV).
Servicer	Prelios Credit Servicing s.p.a., as Special Servicer and Banca Finint s.p.a. as Master Servicer.
Issue date of securities	15 December 2021.
Type of transaction	Traditional with Guarantee from the Ministry of Economy and Finance (GACS or Bad Loan Securitisation Guarantee).
Organisational structure	Banca Finint s.p.a. prepares a quarterly report that it shares with investors.
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out, in accordance with the contractually-agreed code of conduct, by an organisational unit dedicated to this task.

The operational aspects are summarised below:

Assets sold	Loans of banking origin.
Quality of assets securitised	Non-performing.
Amount of securitised assets	The amount of receivables from the portfolios sold is Euro 3,077 million, of which Euro 914 million relating to the Bper portfolio and Euro 2,163 million relating to the Intesa San Paolo portfolio.
Disposal price of securitised assets	The disposal price was Euro 500 million.
Guarantees and credit lines granted by the bank	Subordinated loan of Euro 8.4 million.
Guarantees and credit lines granted by third parties	Subordinated Loan of Euro 12.2 million granted by Intesa San Paolo. Cap Agreement to hedge the rates on the notes issued.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Subscribed amount	Residual balance at 31.12.2025	Rating Scope	Rating Moody's	DBRS rating
IT0005473852	Senior	Jan-42	460,000	187,680	17,233	A+(sf)	A3 (sf)	A(high)
IT0005473860	Mezzanine	Jan-42	37,000	4,757	550	n.r.	n.r.	n.r.
IT0005473878	Junior	Jan-42	3,000	386	45	n.r.	n.r.	n.r.
Total			**500,000**	**192,823**	**17,828**			

The Senior securities were subscribed to in proportion to the price of sale by BPER Banca and Intesa San Paolo. The Mezzanine and Junior notes were placed with an institutional investor and for a residual part equal to 5% (Euro 550 thousand), they were subscribed by BPER Banca s.p.a. in compliance with the retention obligations prescribed by the CRR (Capital Requirements Regulation).

Loira (transaction structured pursuant to Law 130 dated 30 April 1999)

Disposal date	14 April 2023.
Seller	BPER Banca s.p.a ; Banco di Sardegna s.p.a.
Special purpose vehicle	Loira SPV s.r.l., registered office in Via Curtatone 3, 00185, Rome.
Servicer	MASTER GARDANT s.p.a. as Master Servicer, Corporate Servicer, Calculation Agent and Paying Agent, Special GARDANT as Special Servicer, Intesa Sanpaolo s.p.a. as Account Bank.
Issue date of securities	27 April 2023.
Type of transaction	Traditional.
Organisational structure	Master Gardant s.p.a. prepares a quarterly report that it shares with investors.
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out, in accordance with the contractually-agreed code of conduct, by an organisational unit dedicated to this task.

The operational aspects are summarised below:

Assets sold	Loans of banking origin.
Quality of assets securitised	UTPs.
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 466 million.
Disposal price of securitised assets	The disposal price was Euro 155.9 million.
Guarantees and credit lines granted by the bank	None.
Guarantees and credit lines granted by third parties	None.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Subscribed amount	Residual balance at 31.12.2025
IT0005543738	Senior	Dec-42	84,588	84,588	1,567
IT0005543746	Mezzanine	Dec-42	18,126	907	174
IT0005543761	Mezzanine	Dec-42	9,063	454	454
IT0005543787	Junior	Dec-42	14,063	704	504
Total			**125,840**	**86,653**	**2,699**

The Senior notes were fully subscribed by BPER Banca s.p.a. The Mezzanine and Junior notes were placed with an institutional investor and for a residual part equal to 5%, they were subscribed by BPER Banca s.p.a. in compliance with the retention obligations prescribed by the CRR (Capital Requirements Regulation).

Sestante No. 2

Disposal date	03 December 2004.
Seller	Meliorbanca s.p.a.
Special purpose vehicle	Sestante Finance s.r.l., based in Via Mario Carucci 131, Rome.
Servicer	Italfondiario s.p.a.
Issue date of securities	03 December 2004.
Type of transaction	Traditional.
Organisational structure	Italfondiario s.p.a. provides a quarterly report on the collections in which it comments on the activity carried out with indications relating to collections, providing specific details about interest and principal payments.
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out by the Servicer.

The operational aspects are summarised below:

Assets sold	ABS securities with mortgage loans on residential and commercial properties as underlying.
Quality of assets securitised	Performing loans.
Amount of securitised assets	The nominal value of ABS securities issued by Sestante W s.r.l. was Euro 625 million.
Disposal price of securitised assets	The disposal price was Euro 653 million.
Guarantees and credit lines granted by the bank	Contingency liquidity.
Guarantees and credit lines granted by third parties	None.
Analysis by business sector	Mortgage agreements stipulated with both individuals and legal entities excluding Public Administrations.
Analysis by geographical area	Securitised loans are concentrated in Italy.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Residual balance at 31.12.2025
IT0003760136	Senior	Jul-42	575,300	-
IT0003760193	Mezzanine	Jul-42	34,400	-
IT0003760227	Mezzanine	Jul-42	15,600	-
IT0003760243	Mezzanine	Jul-42	21,900	-
IT0003760284	Junior	Jul-42	6,253	-
Total			**653,453**	**-**

The Senior and Mezzanine securities were placed with institutional investors on issue, while the Junior securities were subscribed by the merged company Meliorbanca s.p.a. and subsequently sold on the secondary market.

Sestante No. 3

Disposal date	16 December 2005.
Seller	Meliorbanca s.p.a.
Special purpose vehicle	Sestante Finance s.r.l., based in Via Mario Carucci 131, Rome.
Servicer	Italfondiario s.p.a.
Issue date of securities	16 December 2005.
Type of transaction	Traditional.
Organisational structure	Italfondiario s.p.a. provides a quarterly report on the collections in which it comments on the activity carried out with indications relating to collections, providing specific details about interest and principal payments.
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out by the Servicer.

The operational aspects are summarised below:

Assets sold	ABS securities with mortgage loans on residential and commercial properties as underlying.
Quality of assets securitised	Performing loans.
Amount of securitised assets	The nominal value of ABS securities issued by Sestante W s.r.l. was Euro 858 million.
Disposal price of securitised assets	The disposal price was Euro 900 million.
Guarantees and credit lines granted by the bank	None.
Guarantees and credit lines granted by third parties	Contingency liquidity.
Analysis by business sector	Mortgage agreements stipulated with both individuals and legal entities excluding Public Administrations.
Analysis by geographical area	Securitised loans are concentrated in Italy.

The special purpose vehicle has issued the following bonds:

ISIN code	*Seniority*	Maturity	Issue amount	Residual balance at 31.12.2025
IT0003937452	Senior	Jul-45	791,900	107
IT0003937486	Mezzanine	Jul-45	47,350	237
IT0003937510	Mezzanine	Jul-45	21,500	-
IT0003937569	Mezzanine	Jul-45	30,150	-
IT0003937551	Junior	Jul-45	8,610	-
Total			**899,510**	**344**

The Senior and Mezzanine securities were placed with institutional investors on issue, while the Junior securities were subscribed by the merged company Meliorbanca s.p.a. and subsequently sold on the secondary market.

Brisca Securitisation s.r.l.

Disposal date	16 June 2017.
Seller	Banca Carige s.p.a.; Banca Cesare Ponti s.p.a.; Banca del Monte di Lucca s.p.a.
Special purpose vehicle	Brisca Securitisation s.r.l.
Servicer	Prelios Credit Servicing s.p.a., as Servicer; Zenith Service s.p.a. as Monitoring Agent.
Issue date of securities	5 July 2017.
Type of transaction	Traditional with Guarantee from the Ministry of Economy and Finance (GACS or Bad Loan Securitisation Guarantee).
Organisational structure	Banca Finint s.p.a. as Representative of the Noteholders, Calculation Agent, BUS and Corporate Services Provider; BNP Paribas S.S. as Agent Bank, Account Bank Cash Manager and Principal Paying Agent.
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out, in accordance with the contractually-agreed code of conduct, by an organisational unit dedicated to this task.

The operational aspects are summarised below:

Assets sold	Loans of banking origin.
Quality of assets securitised	Non-performing.
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 961 million.
Disposal price of securitised assets	The disposal price was Euro 309.7 million.
Guarantees and credit lines granted by the bank	None.
Guarantees and credit lines granted by third parties	Cap Agreement to hedge interest rates on the notes issued.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Subscribed amount	Residual balance at 31.12.2025	DBRS rating	Rating Moody's
IT0005274599	Senior	Dec-37	267,400	267,400	94,495	CC (sf)	Caa2 (sf)
IT0005274607	Mezzanine	Dec-37	30,500	-	-	C (sf)	Ca (sf)
IT0005274615	Junior	Dec-37	11,800	-	-	n.r.	n.r.
Total			**309,700**	**267,400**	**94,495**		

Riviera NPL S.r.l.

Disposal date	4 December 2018.
Seller	Banca Carige s.p.a.; Banca del Monte di Lucca s.p.a.
Special purpose vehicle	Riviera NPL s.r.l.
Servicer	Credito Fondiario s.p.a. as Master Servicer; Credito Fondiario s.p.a. as Special Servicer A and Italfondiario s.p.a. as Special Servicer B; Zenit Service s.p.a. as Monitoring Agent.
Issue date of securities	17 December 2018.
Type of transaction	Traditional with Guarantee from the Ministry of Economy and Finance (GACS or Bad Loan Securitisation Guarantee).
Organisational structure	Banca Finint s.p.a. as Representative of the Noteholders, Calculation Agent, BUS and Corporate Services Provider; BNP Paribas S.S. as Agent Bank, Account Bank Cash Manager and Principal Paying Agent.
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out, in accordance with the contractually-agreed code of conduct, by an organisational unit dedicated to this task.

The operational aspects are summarised below:

Assets sold	Loans of banking origin.
Quality of assets securitised	Non-performing.
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 963 million.
Disposal price of securitised assets	The disposal price was Euro 215 million.
Guarantees and credit lines granted by the bank	During the loan disposal phase, Banca Carige s.p.a. disbursed a subordinated loan facility of Euro 7 million.
Guarantees and credit lines granted by third parties	Cap Agreement to hedge interest rate risk on the notes issued.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Subscribed amount	Residual balance at 31.12.2025	Rating Scope	Rating Moody's
IT0005356040	Senior	Jul-36	175,000	175,000	31,273	BB+ (sf)	Ba1 (sf)
IT0005356057	Mezzanine	Jul-36	30,000	1,500	1,500	CCC (sf)	Ca (sf)
IT0005356065	Junior	Jul-36	10,000	500	500	n.r.	n.r.
Total			**215,000**	**177,000**	**33,273**		

Lanterna Mortgage s.r.l.

Disposal date	16 July 2020.
Seller	Banca Carige s.p.a.; Banca del Monte di Lucca s.p.a.
Special purpose vehicle	Lanterna Mortgage s.r.l., with registered office in Via della Cassa di Risparmio 15, Genoa.
Servicer	BPER Banca s.p.a. (former Banca Carige s.p.a.), in the role of Servicer - Corporate Servicer and Cash Manager.
Issue date of securities	31 July 2020.
Type of transaction	Traditional - STS compliant.
Organisational structure	BNY Mellon in the role of Account Bank and Paying Agent; Zenith Services as Representative of the Noteholders and BUS; Prime Collateralised Securities EU SAS as Third Party Verifying STS compliance.
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out by the Originator. This activity has been delegated to Servicer since the absorption date of Banca Carige into BPER Banca.

The operational aspects are summarised below:

Assets sold	Mortgage loans on residential properties.
Quality of assets securitised	Performing loans.
Amount of securitised assets	The total claimed principal amount of the loan portfolio sold is Euro 248.4 million.
Disposal price of securitised assets	The disposal price was Euro 249.4 million.
Guarantees and credit lines granted by the bank	None.
Guarantees and credit lines granted by third parties	None.
Analysis by business sector	Mortgage agreements stipulated with both individuals and legal entities excluding Public Administrations.
Analysis by geographical area	Securitised loans are concentrated in Italy.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Subscribed amount	Residual balance at 31.12.2025	DBRS rating	S&P rating
IT0005417990	A1	Jan-65	173,891	-	-	AAA (sf)	AA
IT0005418006	A2	Jan-65	11,179	11,179	11,179	AAA (sf)	AA
IT0005418014	Junior	Jan-65	69,034	69,034	69,034	n.r.	n.r.
Total			**254,104**	**80,213**	**80,213**		

Lanterna Finance 4

Disposal date	08 June 2021.
Seller	Banca Carige s.p.a.; Banca del Monte di Lucca s.p.a.
Special purpose vehicle	Lanterna Finance s.r.l., with registered office in Via della Cassa di Risparmio 15, 16123 - Genoa.
Servicer	BPER Banca s.p.a. (former Banca Carige s.p.a.), in the role of Servicer - Corporate Servicer and Cash Manager.
Issue date of securities	30 June 2021.
Type of transaction	Traditional - STS compliant.
Organisational structure	BNY Mellon in the role of Account Bank, Calculation Agent and Paying Agent; Zenith Services as Representative of the Noteholders and BUS; Prime Collateralised Securities EU SAS as Third Party Verifying STS compliance.
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out by the Originator. This activity has been delegated to Servicer since the absorption date of Banca Carige into BPER Banca.

The operational aspects are summarised below:

Assets sold	Mortgages granted to SMEs assisted by the specific Guarantee Provision.
Quality of assets securitised	Performing loans.
Amount of securitised assets	The total claimed principal amount of the loan portfolio sold is Euro 384 million.
Disposal price of securitised assets	The disposal price was Euro 384 million.
Guarantees and credit lines granted by the bank	Subordinated loan for Euro 3.275 million disbursed pro rata by Banca Carige s.p.a. and Banca del Monte di Lucca s.p.a.
Guarantees and credit lines granted by third parties	None.
Analysis by business sector	Mortgage agreements stipulated with legal entities with SME status pursuant to Law 662/96.
Analysis by geographical area	Securitised loans refer to borrowers based in Italy.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Subscribed amount	Residual balance at 31.12.2025	Moody's	S&P rating
IT0005450710	Senior	Apr-50	320,000	-	-	n.r.	n.r.
IT0005450728	Junior	Apr-50	62,700	62,700	62,700	n.r.	n.r.
Total			**382,700**	**62,700**	**62,700**		

Platinum

In June 2025, Banca Popolare di Sondrio carried out a securitisation transaction through the disposal of a portfolio of non-performing loans, including exposures classified as bad loans and UTPs, for a gross book value totalling Euro 197.6 million as at 30 June 2024. It should be noted that, as at 31 December 2024, these exposures were reclassified as assets held for sale.
The payment of the purchase price by the special purpose vehicle company, specifically established pursuant to Law No. 130 of 30 April 1999, called "Platinum Srl" (the SPV) was financed with the issuance of asset-backed securities for an overall nominal value of Euro 98.521 million, broken down as follows:

- an unrated Senior tranche (Class A) amounting to Euro 68.96 million. These securities have a fixed return of 3.5%;
- an unrated Mezzanine tranche (Class B) amounting to Euro 19.70 million, with a fixed return of 10%;
- an unrated Junior tranche (Class C) amounting to Euro 9.86 million, with a variable return based on the securitisation performance.

On 27 June 2025, namely the issue date of the securities, Banca Popolare di Sondrio subscribed to 100% of the Senior securities and, applying the retention rule set forth in art. 405 of the CRR, the Bank retained a portion of not less than 5% of the Mezzanine and Junior tranches (45% of Mezzanine and 20% of Junior securities). The remaining part of Mezzanine and Junior securities was subscribed by FBS and Clessidra SGR.
In line with the provisions of IFRS 9, the requirements for derecognition of the bad loans sold were met, as all related rights and benefits were substantially transferred.

The main elements of the transaction are listed below:

Portfolio disposal date	27 June 2025.
Special purpose vehicle	Platinum s.r.l.
Corporate Servicer	NPLight s.p.a.
Issue date of securities	27 June 2025.
Type of transaction	Standard disposal.

The operational aspects are summarised below:

Assets sold	Non-performing loans consisting in mortgage and signature loan exposures.
Analysis by business sector	Non-performing loans to retail customers, corporate and retail businesses.
Geographical Distribution	Securitised loans are concentrated in Italy.
Subordinated loan (Cash reserve)	Euro 2.579 million.
Quality of assets sold	Bad loans and UTPs.
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 197.6 million.
Disposal price of securitised assets	The disposal price was Euro 107 million.
Organisational structure	The company NPLight s.p.a. prepares a quarterly report with all the information concerning the Loans for each Debt Position.
Internal systems for the measurement and control of risk	The in-court or out-of-court recovery of bad loans disposed of, is entrusted solely to the Servicers appointed by the SPV. Banca Popolare di Sondrio did not retain any role/ involvement in the management of debt recovery.

All senior securities are classified in the "*Financial assets measured at amortised cost*" portfolio at a value of Euro 64.478 million net of expected losses recognised in accordance with the IFRS 9 impairment model; conversely, the mezzanine and junior securities held in the portfolio (fair value of Euro 10.702 million) were classified as "*Financial assets mandatorily measured at fair value through profit or loss*".
In consideration of the carrying amount of the loans, the disposal transaction led to the recognition of a negative P&L effect of Euro 0.7 million.
The management and recovery of loans was assigned to the company NPLight s.p.a., in which Banca Popolare di Sondrio holds a 40% minority interest and on which it will have no control.
For completeness of information, it should be noted that, as part of the transaction, the special-purpose vehicle Platinum S.r.l. was granted a subsidy aimed at creating a cash reserve, as at the issue date of the securities, which will be available to the SPV to cover any shortfalls between the recovery plan for the Portfolio sold and the payments to be made to the holders of the securities. The subsidy granted by Banca Popolare di Sondrio, amounting to Euro 2.6 million, is classified as "*Financial assets measured at amortised cost*" and will be repaid out of the SPV's available liquidity in accordance with the payment priority order and, in any event, with priority over the repayment of the principal amount of the senior securities; therefore, it does not constitute any form of credit enhancement for the securitisation.

The following table shows the securitisation positions held by Banca Popolare di Sondrio as at the reporting date:

ISIN code	Seniority	Maturity	Nominal Value	Rating
IT0005656118	Senior	Oct-32	68,958	N/D
IT0005656092	Mezzanine	Oct-32	8,866	N/D
IT0005656100	Junior	Oct-32	1,972	N/D
TOTAL			**79,796**	

Diana

Portfolio disposal date	01 June 2020.
Special purpose vehicle	Diana S.P.V. s.r.l.
Servicer	Prelios Credit Servicing s.p.a.
Issue date of securities	17 June 2020.
Type of transaction	Traditional with Guarantee from the Ministry of Economy and Finance (GACS or Bad Loan Securitisation Guarantee).

The operational aspects are summarised below:

Assets sold	Non-performing loans consisting in mortgage and signature loan exposures.
Analysis by business sector	Non-performing loans to retail customers, corporate and retail businesses.
Geographical Distribution	Securitised loans are concentrated in Italy.
Subordinated loan (Cash reserve)	Initial origination Euro 10.925 million, Euro 2.232 million outstanding as at 31.12.2025.
Guarantees and credit lines granted by third parties	IRC contract for cash flow hedging of notes issued.
Quality of assets sold	Bad loans.
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 872 million.
Disposal price of securitised assets	The disposal price was Euro 274 million.
Organisational structure	The company Prelios Credit Servicing s.p.a. prepares a quarterly report with all the information concerning the Loans for each Debt Position.
Internal systems for the measurement and control of risk	The in-court or out-of-court recovery of bad loans disposed of, is entrusted solely to the Servicers appointed by the SPV. Banca Popolare di Sondrio did not retain any role/ involvement in the management of debt recovery.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Nominal Value	DBRS Morningstar Rating	Rating Moody's	Rating Scope
IT0005413155	Senior	Dec-38	235,000	BBB	Baa2	BBB
IT0005413163	Mezzanine	Dec-38	35,000	N/D	N/D	N/D
IT0005413189	Junior	Dec-38	3,651	N/D	N/D	N/D
TOTAL			**273,651**			

All senior securities are classified as "Financial assets measured at amortised cost" portfolio. Based on the repayments received starting from the execution date of the transaction to the end of the current financial year and the expected losses identified according to the IFRS 9 impairment model, their net book value as at the end of the financial year amounted to Euro 31.788 million. The Mezzanine (Fair Value of Euro 900 thousand) and Junior securities (Fair Value of Euro 528 thousand) held in the portfolio were classified as "*Financial assets mandatorily measured at fair value through profit or loss*".

Luzzatti I

In December 2020, Banca Popolare di Sondrio carried out the first securitisation transaction through a multi-originator disposal of assets classified as bad loans originated by 15 Banks, for an overall gross carrying amount of Euro 919.9 million, of which Euro 371.8 million originated by Banca Popolare di Sondrio.
The main elements of the transaction, with reference to Banca Popolare di Sondrio, are listed below:

Portfolio disposal date	03 December 2020.
Special purpose vehicle	POP NPLs 2020 s.r.l.
Servicer	Credito Fondiario s.p.a. and Fire s.p.a.
Issue date of securities	23 December 2020.
Type of transaction	Multi-originator traditional disposal with Guarantee from the Ministry of Economy and Finance (GACS or Bad Loan Securitisation Guarantee).

The operational aspects are summarised below:

Assets sold	Non-performing loans consisting in mortgage and signature loan exposures.
Analysis by business sector	The portfolio disposed of mainly comprises corporate debtors.
Geographical Distribution	Securitised loans are concentrated in Italy.
Subordinated loan (Cash reserve)	Initial origination Euro 4.505 million, Euro 1.262 million outstanding as at 31.12.2025.
Guarantees and credit lines granted by third parties	IRC contract for cash flow hedging of notes issued.
Quality of assets sold	Bad loans.
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 345 million.
Disposal price of securitised assets	The disposal price was Euro 112 million.
Organisational structure	The company Credito Fondiario s.p.a. prepares a quarterly report with all the information concerning the Loans for each Debt Position.
Internal systems for the measurement and control of risk	The in-court or out-of-court recovery of bad loans disposed of, is entrusted solely to the Servicers appointed by the SPV. Banca Popolare di Sondrio did not retain any role/ involvement in the management of debt recovery.

The following table shows the securitisation positions held by Banca Popolare di Sondrio as at the reporting date.

ISIN code	Seniority	Maturity	Nominal Value	DBRS Morningstar Rating	Rating Scope
IT0005431900	Senior	Nov-45	109,783	BBB	BBB
IT0005431918	Mezzanine	Nov-45	568	CCC	CC
IT0005431926	Junior	Nov-45	227	N/D	N/D
TOTAL			**110,578**		

All senior securities are classified in the “Financial assets measured at amortised cost” portfolio. Based on the repayments received starting from the execution date of the transaction to the end of the current financial year and the expected losses identified according to the IFRS 9 impairment model, their net book value as at the end of the financial year amounts to Euro 27.330 million. The Mezzanine (Fair Value of Euro 101 thousand) and Junior securities (Fair Value of Euro 227 thousand) held in the portfolio were classified as “*Financial assets mandatorily measured at fair value through profit or loss*”.

Luzzatti II

In December 2021, Banca Popolare di Sondrio carried out the second securitisation transaction through a multi-originator disposal of assets classified as bad loans originated by 11 Banks, for an overall gross carrying amount of Euro 789.2 million, of which Euro 420.9 million originated by Banca Popolare di Sondrio (57% of which consist in secured loans).
The main elements of the transaction, with reference to Banca Popolare di Sondrio, are listed below:

Portfolio disposal date	13 December 2021.
Special purpose vehicle	POP NPLs 2021 s.r.l.
Servicer	Zenith Service s.p.a. and doValue s.p.a.
Issue date of securities	23 December 2021.
Type of transaction	Multi-originator traditional disposal with Guarantee from the Ministry of Economy and Finance (GACS or Bad Loan Securitisation Guarantee).

The operational aspects are summarised below:

Assets sold	Non-performing loans consisting in mortgage and signature loan exposures.
Analysis by business sector	Non-performing loans to retail customers, corporate and retail businesses.
Geographical Distribution	Securitised loans are concentrated in Italy.
Subordinated loan (Cash reserve)	Initial origination Euro 4.113 million, Euro 1.665 million outstanding as at 31.12.2025.
Guarantees and credit lines granted by third parties	IRC contract for cash flow hedging of notes issued.
Quality of assets sold	Bad loans.
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 374 million.
Disposal price of securitised assets	The disposal price was Euro 99.250 million.
Organisational structure	The company Zenith Service s.p.a. prepares a quarterly report with all information concerning the Loans for each Debt Position.
Internal systems for the measurement and control of risk	The in-court or out-of-court recovery of bad loans disposed of, is entrusted solely to the Servicers appointed by the SPV. Banca Popolare di Sondrio did not retain any role/ involvement in the management of debt recovery.

The following table shows the securitisation positions held by Banca Popolare di Sondrio as at the reporting date.

ISIN code	Seniority	Maturity	Nominal Value	DBRS Morningstar Rating	Arc Ratings
IT0005479461	Senior	Oct-45	97,715	BBB	BBB
IT0005479479	Mezzanine	Oct-45	666	N/D	N/D
IT0005479487	Junior	Oct-45	266	N/D	N/D
TOTAL			**98,647**		

All senior securities are classified in the “Financial assets measured at amortised cost” portfolio. Based on the repayments received starting from the execution date of the transaction to the end of the current financial year and the expected losses identified according to the IFRS 9 impairment model, their net book value as at the end of the financial year, amounts to Euro 34.876 million. The Mezzanine (Fair Value of Euro 93 thousand) and Junior securities (Fair Value of Euro 266 thousand) held in the portfolio were classified as “*Financial assets mandatorily measured at fair value through profit or loss*”.

Luzzatti III

In December 2022, Banca Popolare di Sondrio carried out the third securitisation transaction through a multi-originator disposal of loans classified as bad loans originated by 15 Banks, for an overall gross carrying amount of Euro 545.2 million, of which Euro 242.5 million originated by Banca Popolare di Sondrio.
The main elements of the aforementioned transaction, with reference to Banca Popolare di Sondrio, are listed below:

Portfolio disposal date	15 December 2022.
Special purpose vehicle	Luzzatti POP NPLs 2022 s.r.l.
Servicer	Prelios Credit Solutions s.p.a. and Fire s.p.a
Issue date of securities	29 December 2022.
Type of transaction	Standard multi-originator disposal.

The operational aspects are summarised below:

Assets sold	Non-performing loans consisting in mortgage and signature loan exposures.
Analysis by business sector	Non-performing loans to retail customers, corporate and retail businesses.
Geographical Distribution	Securitised loans are concentrated in Italy.
Subordinated loan (Cash reserve)	Euro 2.520 million, Euro 1.192 million outstanding as at 31.12.2025.
Quality of assets sold	Bad loans.
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 242.5 million.
Disposal price of securitised assets	The disposal price was Euro 58.2 million.
Organisational structure	The company Prelios Credit Solutions s.p.a. prepares a quarterly report with all the information concerning the Loans for each Debt Position.
Internal systems for the measurement and control of risk	The in-court or out-of-court recovery of bad loans disposed of, is entrusted solely to the Servicers appointed by the SPV. Banca Popolare di Sondrio did not retain any role/ involvement in the management of debt recovery.

The following table shows the securitisation positions held by Banca Popolare di Sondrio as at the reporting date.

ISIN code	Seniority	Maturity	Nominal Value	Moody's	Arc Ratings
IT0005527533	Senior	Jan-42	56,005	Baa1	BBB+
IT0005527541	Mezzanine	Jan-42	414	N/D	N/D
IT0005527558	Junior	Jan-42	71	N/D	N/D
TOTAL			**56,490**		

All senior securities are classified in the "Financial assets measured at amortised cost" portfolio. Based on the repayments received starting from the execution date of the transaction to the end of the current financial year and the expected losses identified according to the IFRS 9 impairment model, their net book value as at the end of the financial year, amounts to Euro 26.548 million. The Mezzanine (Fair Value of Euro 127 thousand) and Junior securities (Fair Value of Euro 249 thousand) held in the portfolio were classified as "*Financial assets mandatorily measured at fair value through profit or loss*".

Luzzatti IV

In December 2023, Banca Popolare di Sondrio carried out the fourth securitisation transaction through a multi-originator disposal of assets classified as bad loans originated by 12 Banks, for an overall Gross Book Value of Euro 313 million, of which Euro 173.7 million originated by Banca Popolare di Sondrio.
The main elements of the transaction, with reference to Banca Popolare di Sondrio, are listed below:

Portfolio disposal date	15 December 2023.
Special purpose vehicle	Luzzatti POP NPLs 2023 s.r.l.
Servicer	doNext s.p.a. and doValue s.p.a.
Issue date of securities	28 December 2023.
Type of transaction	Standard multi-originator disposal.

The operational aspects are summarised below:

Assets sold	Non-performing loans consisting in mortgage and signature loan exposures.
Analysis by business sector	Non-performing loans to retail customers, corporate and retail businesses.
Geographical Distribution	Securitised loans are concentrated in Italy.
Subordinated loan (Cash reserve)	Euro 2.196 million, Euro 1.137 million outstanding as at 31.12.2025.
Quality of assets sold	Bad loans.
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 173.7 million.
Disposal price of securitised assets	The disposal price was Euro 50.7 million.
Organisational structure	The company doNext s.p.a. prepares a quarterly report with all the information concerning the Loans for each Debt Position.
Internal systems for the measurement and control of risk	The in-court or out-of-court recovery of bad loans disposed of, is entrusted solely to the Servicers appointed by the SPV. Banca Popolare di Sondrio did not retain any role/ involvement in the management of debt recovery.

The following table shows the securitisation positions held by Banca Popolare di Sondrio as at the reporting date.

ISIN code	Seniority	Maturity	Nominal Value	Morningstar DBRS	Arc Ratings
IT0005577801	Senior	June-43	48,392	BBB (high)	BBB+
IT0005577819	Mezzanine	June-43	343	N/D	N/D
IT0005577827	Junior	June-43	94	N/D	N/D
TOTAL			**48,829**		

All senior securities are classified in the "*Financial assets measured at amortised cost*" portfolio at an amount of Euro 20.510 million net of the expected losses identified in accordance with the IFRS 9 impairment model; conversely, the mezzanine (Fair Value of Euro 115 thousand) and junior securities (Fair Value of Euro 33 thousand) were classified as "*Financial assets mandatorily measured at fair value through profit or loss*".

Luzzatti V

In December 2024, Banca Popolare di Sondrio carried out the fifth securitisation transaction through a multi-originator disposal of assets classified as bad loans originated by 8 Banks and 1 Financial Institution, for an overall Gross Book Value of approx. Euro 205 million, of which Euro 28.6 million originated by Banca Popolare di Sondrio.
The main elements of the transaction, with reference to Banca Popolare di Sondrio, are listed below:

Portfolio disposal date	10 December 2024
Special purpose vehicle	Luzzatti POP NPLs 2024 s.r.l.
Corporate Servicer	Zenith Global s.p.a.
Issue date of securities	19 December 2024
Type of transaction	Standard multi-originator disposal

The operational aspects are summarised below:

Assets sold	Non-performing loans consisting in mortgage and signature loan exposures.
Analysis by business sector	Non-performing loans to retail customers, corporate and retail businesses.
Geographical Distribution	Securitised loans are concentrated in Italy.
Subordinated loan (Cash reserve)	Euro 0.282 million, Euro 0.189 million outstanding as at 31.12.2025.
Quality of assets sold	Bad loans.
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 28.6 million.
Disposal price of securitised assets	The disposal price was Euro 6 million.
Organisational structure	The company Zenith Global s.p.a. prepares a quarterly report with all the information concerning the Loans for each Debt Position.
Internal systems for the measurement and control of risk	The in-court or out-of-court recovery of bad loans disposed of, is entrusted solely to the Servicers appointed by the SPV. Banca Popolare di Sondrio did not retain any role/ involvement in the management of debt recovery.

The following table shows the securitisation positions held by Banca Popolare di Sondrio as at the reporting date.

ISIN code	Seniority	Maturity	Nominal Value	Morningstar DBRS	Arc Ratings
IT0005625626	Senior	May-45	5,974	BBB (high)	BBB+
IT0005625634	Mezzanine	May-45	43	N/D	N/D
IT0005625642	Junior	May-45	9	N/D	N/D
TOTAL			**6,026**		

All senior securities are classified in the "*Financial assets measured at amortised cost*" portfolio at an amount of Euro 4.931 million net of the expected losses identified in accordance with the IFRS 9 impairment model; conversely, the owned portion of mezzanine and junior securities (fair value of Euro 2 thousand) have been classified as "*Financial assets mandatorily measured at fair value through profit or loss*".

Banca Popolare di Sondrio synthetic securitisations

Synthetic securitisations involve, through underwriting agreements, the purchase of protection against the underlying credit risk of a loan portfolio, over which the originator retains full ownership. These transactions are therefore aimed at transferring credit risk from the originator to a third party, without any accounting reversal of the assets, which are retained in the bank's financial statements. Through synthetic securitisations, the bank obtains, in a synthetic and hence aggregated form, coverage against any "first losses" that may arise from a specified loan portfolio. The financial structure mitigates the credit risks associated with the assets covered by the transaction and consequently frees up financial resources that can also be allocated to the origination of new loans.

On 14 June 2022, Banca Popolare di Sondrio entered into a synthetic securitisation transaction with the EIB Group for an amount of Euro 958 million involving a portfolio of loans to corporate counterparties. Net interest (i.e. "retention") of at least 5% has been retained to finance the portfolio covered by the transaction. The structure of the transaction entailed the subdivision of the portfolio into 2 tranches based on the risk level and the acquisition of a guarantee on the subordinated notes. The initial portfolio involved in the transaction was broken down as follows:

- Senior Tranche: Euro 910.43 million;
- Junior Tranche: Euro 47.92 million.

The Senior tranche is not backed by any guarantee, while the Junior tranche is guaranteed by the European Investment Fund (EIF) and counter-guaranteed by the European Investment Bank (EIB), using funds from the European Guarantee Fund (EGF), an EU recovery aid instrument launched in 2020 in response to the COVID-19 crisis.
Starting from 12 December 2025, the Bank activated the early unwind clause of the transaction, which led to the unwinding of the structure and the beginning of a 12-month monitoring period covering only the defaulted positions that were enforced during the course of the transaction and for which the recovery process has not yet been completed.
As at 31 December 2025, taking into account the aforementioned early unwinding, the value of the potential outstanding exposure of the bank to the structure was Euro 3.4 million.

Quantitative information

C.1 Prudential consolidation - Breakdown of exposures deriving from the main "own" securitisations by type of securitised asset and type of exposure

Type of securitised assets/Exposure	On-balance-sheet exposures					
	Senior		Mezzanine		Junior	
	Book Value	Net impairment losses/ write-backs	Book Value	Net impairment losses/ write-backs	Book Value	Net impairment losses/ write-backs
A. Fully derecognised	**706,304**	**11,253**	**13,535**	**-**	**1,305**	**-**
- performing residential mortgages	770	28	414	-	-	-
- non-performing residential mortgages	184,655	1,348	5,372	-	504	-
- performing non-residential mortgages						
- non-performing non-residential mortgages	285,618	6,266	3,687	-	387	-
- performing leases						
- non-performing leases	-	-	112	-	-	-
- other performing loans						
- other non-performing loans	235,261	3,611	3,950	-	414	-
- performing securities						
- non performing securities						
B. Partially derecognised						
C. Not derecognised	**-**	**-**	**-**	**-**	**52,648**	**-**
- performing residential mortgages						
- non-performing residential mortgages						
- performing non-residential mortgages						
- non-performing non-residential mortgages						
- performing leases						
- non-performing leases						
- other performing loans					52,648	
- other non-performing loans						
- performing securities						
- non performing securities						

(cont.)

Type of securitised assets/Exposure	Guarantees granted					
	Senior		Mezzanine		Junior	
	Net exposure	Net impairment losses/write-backs	Net exposure	Net impairment losses/write-backs	Net exposure	Net impairment losses/write-backs
A. Fully derecognised	**1,289**	**55**	**-**	**-**	**-**	**-**
- performing residential mortgages	1,289	55				
- non-performing residential mortgages						
- performing non-residential mortgages						
- non-performing non-residential mortgages						
- performing leases						
- non-performing leases						
- other performing loans						
- other non-performing loans						
- performing securities						
- non performing securities						
B. Partially derecognised						
C. Not derecognised	**-**	**-**	**-**	**-**	**-**	**-**
- performing residential mortgages						
- non-performing residential mortgages						
- performing non-residential mortgages						
- non-performing non-residential mortgages						
- performing leases						
- non-performing leases						
- other performing loans						
- other non-performing loans						
- performing securities						
- non performing securities						

The table shows the on-balance-sheet exposures assumed by the Group in connection with its own securitisations Sestante, Pillarstone, Restart, Italian Credit Recycle, Brisca, 4Mori, Aqui, Riviera, Spring, Summer, Grogu, Loira. "Net impairment losses" show the annual flow of impairment losses and write-backs as required by the Bank of Italy's Circular 262/2005. The parts of the table relating to "Credit Lines" have not been shown as there is nothing to report.

C.2 Prudential consolidation - Breakdown of exposures deriving from the main "third-party" securitisations by type of securitised asset and type of exposure

Type of underlying asset/Exposures	On-balance-sheet exposures					
	Senior		Mezzanine		Junior	
	Book Value	Net impairment losses/write-backs	Book Value	Net impairment losses/write-backs	Book Value	Net impairment losses/write-backs
- performing residential mortgages	9,457	2	369	-		
- non-performing residential mortgages						
- performing non-residential mortgages						
- non-performing non-residential mortgages						
- performing leases	247,702	220				
- non-performing leases						
- other performing loans	32,499	-				
- other non-performing loans						
- performing securities						
- non performing securities						

(cont.)

Type of underlying asset/Exposures	Credit lines					
	Senior		Mezzanine		Junior	
	Net exposure	Net impairment losses/write-backs	Net exposure	Net impairment losses/write-backs	Net exposure	Net impairment losses/write-backs
- performing residential mortgages						
- non-performing residential mortgages						
- performing non-residential mortgages						
- non-performing non-residential mortgages						
- performing leases						
- non-performing leases						
- other performing loans	2,100					
- other non-performing loans						
- performing securities						
- non performing securities						

The parts of the table relating to "Guarantees granted" have not been shown as there is nothing to report.
The exposures referring to Banca Popolare di Sondrio amount to Euro 260 million.

C.3 Prudential consolidation - Interests in securitisation vehicles

There are no amounts to be disclosed in this Consolidated Financial Report.

C.4 Prudential consolidation - Non-consolidated securitisation vehicles

Securitisation name/ Securitisation vehicle name	Registered head office	% Interest	Assets			Liabilities		
			Loans	Debt securities	Other	Senior	Mezzanine	Junior
Lanterna Finance 4 - Pmi 100	Via Cassa di Risparmio, 15, 16123, Genoa	-	58,518		10,599	-	-	63,040
Lanterna Finance 5	Via Cassa di Risparmio, 15, 16123, Genoa	-	-		-	-	-	-
Lanterna Mortgage	Via Cassa di Risparmio, 15, 16123, Genoa	-	137,677		8,722	55,274	-	69,408
Alba 6 Spv Srl	Conegliano (TV)	-	469,955		30,647	247,943	-	143,129
Bnt Portfolio Spv Srl	Conegliano (TV)	-	62,750		11,178	76,051	-	-
Diana SPV	Conegliano (TV)	-	54,112		26,289	31,792	35,000	3,655
Pop Npls 2020 Srl	Rome (RM)	-	63,212		23,542	60,060	25,000	10,000
Pop Npls 2021 Srl	Milan (MI)	-	84,619		17,455	68,232	25,517	10,258
Pop Npls 2022 Srl	Conegliano (TV)	-	46,959		40,663	56,115	18,405	3,219
Pop Npls 2023 Srl	Conegliano (TV)	-	33,298		7,064	32,887	11,004	3,001
Pop Npls 2024 Srl	Conegliano (TV)	-	36,769		7,039	39,554	7,066	1,500
Platinum SPV Srl*	Conegliano (TV)	-	98,521		2,579	68,958	8,866	1,972

C.5 Prudential consolidation - Servicer activities - "own" securitisation: collection of securitised loans and reimbursement of securities issued by securitisation vehicle

There are no amounts to be disclosed in this Consolidated Financial Report.

C.6 Prudential consolidation – Consolidated securitisation vehicles

There are no amounts to be disclosed in this Consolidated Financial Report.

D. Disposal transactions

A. Financial assets sold but not fully derecognised

Qualitative Information

The business reflected in the following table mainly relates to the use of investment securities for short/medium/long-term repo transactions and to the disposal of loans to customers in the context of securitisation transactions.

Quantitative information

D.1 Prudential consolidation - Financial assets sold and fully recognised and associated financial liabilities: book value

	Financial assets sold and fully recognised				Related financial liabilities		
	Book Value	o.w. subject to securitisation transactions	o.w. subject to sale contracts with repurchase agreement	of which non-performing	Book Value	o.w. subject to securitisation transactions	o.w. subject to sale contracts with repurchase agreement
A. Financial assets held for trading	**-**	**-**	**-**	**X**	**-**	**-**	**-**
1. Debt securities	-	-	-	X	-	-	-
2. Equity instruments	-	-	-	X	-	-	-
3. Loans	-	-	-	X	-	-	-
4. Derivatives	-	-	-	X	-	-	-
B. Other financial assets mandatorily measured at fair value	**5,259**	**-**	**5,259**	**-**	**5,017**	**-**	**5,017**
1. Debt securities	5,259	-	5,259	-	5,017	-	5,017
2. Equity instruments	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
C. Financial assets designated at fair value	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-	-	-	-
2. Loans	-	-	-	-	-	-	-
D. Financial assets measured at fair value through other comprehensive income	**1,392,787**	**-**	**1,392,787**	**-**	**1,365,676**	**-**	**1,365,676**
1. Debt securities	1,392,787	-	1,392,787	-	1,365,676	-	1,365,676
2. Equity instruments	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
E. Financial assets measured at amortised cost	**13,521,127**	**184,733**	**13,336,394**	**3,357**	**13,726,603**	**43,414**	**13,683,189**
1. Debt securities	13,176,595	-	13,176,595	-	13,522,199	-	13,522,199
2. Loans	344,532	184,733	159,799	3,357	204,404	43,414	160,990
Total 31.12.2025	**14,919,173**	**184,733**	**14,734,440**	**3,357**	**15,097,296**	**43,414**	**15,053,882**
Total 31.12.2024	**5,337,090**	**266,962**	**5,070,128**	**6,186**	**4,842,130**	**135,014**	**4,707,116**

D.2 Prudential consolidation - Financial assets sold partially recognised and related financial liabilities: book value

There are no amounts to be disclosed in this Consolidated Financial Report.

D.3 Prudential Consolidation – Disposal transactions with liabilities having recourse exclusively on the assets sold and not fully derecognised: fair value

There are no amounts to be disclosed in this Consolidated Financial Report.

B. Financial assets sold and not fully derecognised with recognition of continuing involvement

The Group did not make any disposal for which it would have to provide information in accordance with IFRS 7 § 7, 42D letters a), b), c) and § 42H.

C. Financial assets sold and fully derecognised

The instrument of the assignment of loans to mutual investment funds aims to assign the management of exposures classified as high risk to specialised and independent professional operators (represented by asset management companies, hereinafter also "SGR") which, through managerial discontinuity actions, should allow a more effective turnaround of Target debtor Companies in a state of financial tension and/or distress with respect to the amount that can be pursued by the creditor bank through own management of its exposure. The strategies pursued by the SGR that manages the fund, in fact, leverage management tools such as, for example, the conversion of debt to equity, the entry of Target debtor Companies in the management bodies in order to achieve an effective operational turnaround, the development of distressed M&A transactions aimed at protecting the value of companies through business partnerships, the direct purchase of property in the case of real estate operators and, lastly, the contribution of new finance from third party investors aimed at the relaunch of companies through tools that enable a greater degree of priority in reimbursements with respect to already existing financial debt (Debtor-in-Possession Financing).
From said perspective, the intervention of an SGR guarantees adequate mechanisms for protecting the rights of investing banks, through the powers attributed to the appropriate investor committees. In addition, in order to align the interests of the SGR with those of the investing banks, the fee and commission structure in favour of the SGR includes not only management fees, proportional to the net assets of the fund, but also performance fees or a carried interest in the extra return on the transaction.

Starting from 2018 until the current year 2025, the BPER Banca Group carried out various disposal transactions attributable to the scheme of the transfer to a mutual investment fund, which involved the derecognition of the assets sold, following the verification that the originator transferred substantially the risks and rewards of the assets transferred and, also did not retain any substantial control over said assets which was instead assumed by the fund management company.
In replacement of the derecognised assets, under item 20 c) "Financial assets measured at fair value through profit and loss - other financial assets mandatorily measured at fair value", of Balance sheet assets, the BPER Banca Group recognised units of the Funds received in respect of said disposals. The risks and rewards that the Group may achieve on the units held in exchange for the disposal of assets depend on the general performance of the fund managed by the SGR. In compliance with Part A4 - Information on fair value, for the initial recognition and subsequent recognitions, in view of the characteristics of the instruments - units in mutual closed-end unlisted (illiquid) funds, the fair value was determined using a mark-to-model approach as level 3 fair value. A type of Discounted Cash Flow (DCF) model was used.

As at 31 December 2025, therefore, the BPER Banca Group holds units of 15 mutual investment funds in its portfolio, summarised hereunder:

- Clessidra Restructuring Fund - CRF
- Clessidra Credit Recovery Fund
- IDeA Corporate Credit Recovery II - CCR II
- RSCT Fund
- Efesto
- Illimity Credit and Corporate Turnaround Fund - iCCT
- Illimity Real Estate Credit Fund - iRECF
- Illimity Real Estate Credit Fund - iCRCOR
- Back2Bonis
- KEYstone
- NPE Opportunities Fund
- Leonardo Fund
- City Regeneration
- Kleos Fund
- UTP Italia.

In relation to the provisions contained in the Communication of the Bank of Italy of 23 December 2019, acknowledged in the 8th update of Circular 262, the quali-quantitative information for each transaction in place as at 31 December 2025 is reported below.

Disposal of non-performing loans to Clessidra Restructuring Fund

Seller:	BPER Banca s.p.a.	
Acquiring investment fund:	Clessidra Restructuring Fund ("CRF")	
SGR that manages the investment fund:	Clessidra SGR s.p.a.	
Disposal date:	25.09.2019	05.05.2021
Assets sold:	Corporate Loans	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans	Unlikely-To-Pay loans
GBV of assets sold (in millions of Euro):	27.7	4.1
NBV of assets sold (in millions of Euro):	11.5	1.0

Units of Fund assigned:		
ISIN:	IT0005362659	IT0005362659
No. of units assigned at signing:	18,317,941	813,967
Book value of the units at signing (in millions of Euro):	12.0	0.8
No. of units outstanding at year-end:	19,131,908	
Book value of the units at year-end (in millions of Euro)	7.9	

Disposal of non-performing loans to Clessidra Credit Recovery Fund

Seller:	Banca Popolare di Sondrio s.p.a.
Acquiring investment fund:	Clessidra Credit Recovery Fund
SGR that manages the investment fund:	Clessidra Capital Credit SGR s.p.a.
Disposal date:	24.12.2025
Assets sold:	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans
GBV of assets sold (in millions of Euro):	56.4
NBV of assets sold (in millions of Euro):	53.9

Units of Fund assigned:	
ISIN:	IT0005628224
No. of units assigned at signing:	51,324,501
Book value of the units at signing (in millions of Euro):	39.4
No. of units outstanding at year-end:	60,324,501
Book value of the units at year-end (in millions of Euro)	47.5

The units held by Banca Popolare di Sondrio prior to the acquisition by the BPER Banca Group are included.

Disposal of non-performing loans to IDeA Corporate Credit Recovery II

Seller:	BPER Banca s.p.a.	
Acquiring investment fund:	IDeA Corporate Credit Recovery II or "IDeA CCR II"	
SGR that manages the investment fund:	Dea Capital Alternative Funds SGR s.p.a.	
Disposal date:	26.06.2018	24.01.2020
Assets sold:	Corporate Loans	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans	Unlikely-To-Pay loans
GBV of assets sold (in millions of Euro):	6.1	8.7
NBV of assets sold (in millions of Euro):	1.9	3.4
Units of Fund assigned:		
ISIN:	IT0005276065	IT0005276065
No. of units assigned at signing:	87	144
Book value of the units at signing (in millions of Euro):	4.3	2.5
No. of units outstanding at year-end:	231	
Book value of the units at year-end (in millions of Euro)	3.6	

Seller:	Banca Popolare di Sondrio s.p.a.
Acquiring investment fund:	IDeA Corporate Credit Recovery II or "IDeA CCR II"
SGR that manages the investment fund:	Dea Capital Alternative Funds SGR s.p.a.
Disposal date:	Prior to 01.07.2025
Assets sold:	
Quality of assets sold:	
GBV of assets sold (in millions of Euro):	
NBV of assets sold (in millions of Euro):	
Units of Fund assigned:	
ISIN:	IT0005276065
No. of units assigned at signing:	
Book value of the units at signing (in millions of Euro):	
No. of units outstanding at year-end: *	1,396.5
Book value of the units at year-end (in millions of Euro)*:	22.7

The units held by Banca Popolare di Sondrio prior to the acquisition by the BPER Group are included.

Disposal of non-performing loans to RSCT Fund

Seller:	BPER Banca s.p.a.
Acquiring investment fund:	RSCT Fund
SGR that manages the investment fund:	Davy Global Fund Management Limited, part of the company Pillarstone Italia s.p.a.
Disposal date:	13.05.2020
Assets sold:	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans
GBV of assets sold(*) (in millions of Euro):	42.2
NBV of assets sold(*) (in millions of Euro):	17.6

Units of Fund assigned:	
ISIN:	IT0005407975
No. of units assigned at signing(*) (in millions of Euro):	25,126,391
Book value of the units at signing (*) (in millions of Euro):	17.4
No. of units outstanding at year-end:	25,126,391
Book value of the units at year-end (in millions of Euro)	21.6

(*) The value stated is considered net of the value of the position repurchased in 2021 which, upon disposal, had a GBV of Euro 3.2 and a NBV of Euro 1.5 million. The repurchase by the transferor involved a reduction in the units initially acquired of 1,397,653 for a value of Euro 1.1 million.

Disposal of non-performing loans to Efesto

Seller:	BPER Banca s.p.a.	
Acquiring investment fund:	EFESTO Fund	
SGR that manages the investment fund:	Finanziaria Internazionale Investments SGR s.p.a.	
Disposal date:	27.10.2020	11.03.2021
Assets sold:	Corporate Loans	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans	Unlikely-To-Pay loans
GBV of assets sold (in millions of Euro):	25.1	112.5
NBV of assets sold (in millions of Euro):	9.7	52.7

Units of Fund assigned:		
ISIN:	IT0005419491	IT0005419491
No. of units assigned at signing:	13,814,877	55,405,549
Book value of the units at signing (in millions of Euro):	10.0	51.5
No. of units outstanding at year-end:	69,220,426	
Book value of the units at year-end (in millions of Euro)	26.0	

Seller:	Banco di Sardegna s.p.a.						
Acquiring investment fund:	EFESTO Fund						
SGR that manages the investment fund:	Finanziaria Internazionale Investments SGR s.p.a.						
Disposal date:	27.10.2020	29.12.2020	07.01.2021	03.08.2021	09.12.2021	23.06.2022	16.11.2022
Assets sold:	Corporate Loans	Corporate Loans	Corporate Loans	Corporate Loans	Corporate Loans	Corporate Loans	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans	Unlikely-To-Pay loans	Unlikely-To-Pay loans	Unlikely-To-Pay loans	Unlikely-To-Pay loans	Unlikely-To-Pay loans	Unlikely-To-Pay loans
GBV of assets sold (in millions of Euro):	18.0	10.9	1.3	5.7	8.0	2.8	30.5
NBV of assets sold (in millions of Euro):	9.8	7.2	0.5	3.7	5.2	0.8	14.4

Units of Fund assigned:							
ISIN:	IT0005419491	IT0005419491	IT0005419491	IT0005419491	IT0005419491	IT0005419491	IT0005419491
No. of units assigned at signing:	11,113,744	7,210,793	718,646	3,939,261	5,842,094	2,166,806	22,804,542
Book value of the units at signing (in millions of Euro):	10.0	7.2	0.5	3.7	4.8	0.8	14.4
No. of units outstanding at year-end:				53,795,887			
Book value of the units at year-end (in millions of Euro)				21.3			

Seller:	Sardaleasing s.p.a.
Acquiring investment fund:	EFESTO Fund
SGR that manages the investment fund:	Finanziaria Internazionale Investments SGR s.p.a.
Disposal date:	30.12.2024
Assets sold:	Property lease contracts
Quality of assets sold:	UTPs, bad loans
GBV of assets sold (in millions of Euro):	78.8
NBV of assets sold (in millions of Euro):	18.8

Units of Fund assigned:	
ISIN:	IT0005419491
No. of units assigned at signing:	39,829,147
Book value of the units at signing (in millions of Euro):	22.9
No. of units outstanding at year-end:	39,829,147
Book value of the units at year-end (in millions of Euro)	14.1

Disposal of non-performing loans to Illimity Credit and Corporate Turnaround Fund - iCCT

Seller:	BPER Banca s.p.a.			
Acquiring investment fund:	Illimity Credit and Corporate Turnaround Fund ("iCCT")			
SGR that manages the investment fund:	Illimity SGR s.p.a.			
Disposal date:	31.03.2021	26.11.2021	23.02.2023	14.12.2023
Assets sold:	Corporate Loans	Corporate Loans	Corporate Loans	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans	Unlikely-To-Pay loans	Unlikely-To-Pay loans	Unlikely-To-Pay loans
GBV of assets sold (in millions of Euro):	37.8	5.5	22.0	7.6
NBV of assets sold (in millions of Euro):	23.9	2.5	12.3	7.0

Units of Fund assigned:				
ISIN:	IT0005416653	IT0005416653	IT0005416653	IT0005416653
No. of units assigned at signing:	30,357,527	3,230,166	12,247,369	5,457,745
Book value of the units at signing (in millions of Euro):	25.0	3.3	12.2	1.7
No. of units outstanding at year-end:	51,292,807			
Book value of the units at year-end (in millions of Euro)	13.9			

Seller:	Sardaleasing s.p.a.			
Acquiring investment fund:	Illimity Credit and Corporate Turnaround Fund ("iCCT")			
SGR that manages the investment fund:	Illimity SGR s.p.a.			
Disposal period:	01.04.2021	06.12.2021	27.06.2022	21.12.2023
Assets sold:	Corporate Loans	Corporate Loans	Corporate Loans	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans	Unlikely-To-Pay loans	Unlikely-To-Pay loans	Unlikely-To-Pay loans
GBV of assets sold (in millions of Euro):	1.8	8.9	7.8	9.7
NBV of assets sold (in millions of Euro):	1.1	7.3	4.9	3.0

Units of Fund assigned:				
ISIN:	IT0005416653	IT0005416653	IT0005416653	IT0005416653
No. of units assigned at signing:	1,308,994	6,836,908	4,786,862	6,156,317
Book value of the units at signing (in millions of Euro):	1.1	4.4	4.8	4.4
No. of units outstanding at year-end:	19,089,081			
Book value of the units at year-end (in millions of Euro)	5.2			

Seller:	Banca Popolare di Sondrio s.p.a.
Acquiring investment fund:	Illimity Credit & Corporate Turnaround Fund ("iCCT")
SGR that manages the investment fund:	Furstenberg SGR s.p.a.
Disposal date:	23.12.2025
Assets sold:	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans
GBV of assets sold (in millions of Euro):	29.5
NBV of assets sold (in millions of Euro):	21.3

Units of Fund assigned:	
ISIN:	IT0005630519
No. of units assigned at signing:	18,920,147
Book value of the units at signing (in millions of Euro):	12.1
No. of units outstanding at year-end: *	89,343,156
Book value of the units at year-end (in millions of Euro)*:	46.4

(*) The units held by Banca Popolare di Sondrio prior to the acquisition by the BPER Banca Group are included.

Disposal of non-performing loans to Illimity Real Estate Credit Fund - iRECF

Seller:	BPER Banca s.p.a.	
Acquiring investment fund:	Illimity Real Estate Credit Fund o "iRECF"	
SGR that manages the investment fund:	Illimity SGR s.p.a.	
Disposal date:	24.10.2023	30.05.2025
Assets sold:	Corporate Loans	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans	Unlikely-To-Pay loans
GBV of assets sold (in millions of Euro):	30,2	8,8
NBV of assets sold (in millions of Euro):	20,9	3,1

Units of Fund assigned:		
ISIN:	IT0005493371	IT0005493371
No. of units assigned at signing:	28.827.038	5.325.224
Book value of the units at signing (in millions of Euro):	16,3	3,1
No. of units outstanding at year-end:	34.152.262	
Book value of the units at year-end (in millions of Euro)	19,0	

The price of the positions sold in May 2025 was Euro 4.6 million. In terms of gross value of the assets sold, the overall amount refers to businesses operating in the hospitality sector of Hotels and similar establishments in Northern Italy.

Seller:		Sardaleasing s.p.a.
Acquiring investment fund:		Illimity Real Estate Credit Fund or "iRECF"
SGR that manages the investment fund:		Illimity SGR s.p.a.
Disposal date:	27.06.2025	25.09.2025
Assets sold:	Corporate Loans	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans	Unlikely-To-Pay loans
GBV of assets sold (in millions of Euro):	9.3	3.7
NBV of assets sold (in millions of Euro):	7.3	2.6

Units of Fund assigned:		
ISIN:	IT0005493371	IT0005493371
No. of units assigned at signing:	5,808,975	2,104,115
Book value of the units at signing (in millions of Euro):	7.3	2.6
No. of units outstanding at year-end:		7,913,090
Book value of the units at year-end (in millions of Euro)		7.2

The price of the positions sold in June 2025 was Euro 7.3 million. In terms of gross value of the assets sold, 74% refers to businesses operating in the manufacture of plastic parts for footwear, while the remaining part consists of businesses operating in the rental and management of land for telecommunications, whether owned or leased; all these businesses operate in Northern Italy.

The price of the positions sold in September 2025 was Euro 2.6 million. In terms of gross value of the assets sold, the overall amount refers to businesses operating in the rental and management of land for telecommunications, whether owned or leased, in Northern Italy.

Seller:	Banca Popolare di Sondrio s.p.a.
Acquiring investment fund:	Illimity Real Estate Credit Fund "iRECF"
SGR that manages the investment fund:	Furstenberg SGR s.p.a.
Disposal date:	23.12.2025
Assets sold:	Corporate Loans
Quality of assets sold:	UTPs/bad loans
GBV of assets sold (in millions of Euro):	4
NBV of assets sold (in millions of Euro):	2.2

Units of Fund assigned:	
ISIN:	IT0005493371
No. of units assigned at signing:	2,247,697
Book value of the units at signing (in millions of Euro):	1.9
No. of units outstanding at year-end: *	45,286,770
Book value of the units at year-end (in millions of Euro)*:	35.8

(*) The units held by Banca Popolare di Sondrio prior to the acquisition by the BPER Banca Group are included.

Disposal of non-performing loans to Illimity Real Estate Credit Fund - iCRCOR

Seller:	BPER Banca s.p.a.	
Acquiring investment fund:	Illimity Credit and Corporate Turnaround Fund ("iCRCOR")	
SGR that manages the investment fund:	Illimity SGR s.p.a.	
Disposal date:	21.02.2025	27.06.2025
Assets sold:	Corporate Loans	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans	Unlikely-To-Pay loans
GBV of assets sold (in millions of Euro):	0	38.4
NBV of assets sold (in millions of Euro):	0	23.6

Units of Fund assigned:		
ISIN:	IT0005630519	IT0005630519
No. of units assigned at signing:	24,648,883	19,139,919
Book value of the units at signing (in millions of Euro):	20.4	15.4
No. of units outstanding at year-end:	43,788,802	
Book value of the units at year-end (in millions of Euro)	40.2	

The number of units assigned on 21 February 2025 derives from the contribution in kind, by the Illimity fund, of units in the new Illimity Core section allocated to BPER.

The price of the positions sold in June 2025 was Euro 23.3 million. In terms of gross value of the assets sold, 57% refers to businesses operating in the manufacture of ceramic tiles for floors and walls, and 38% to businesses operating in the manufacture of umbrellas, buttons, zips, wigs and similar, while the remaining portion is distributed across various sectors; all these businesses operate in Northern Italy.

Seller:	Sardaleasing s.p.a.
Acquiring investment fund:	Illimity Credit and Corporate Turnaround Fund ("iCRCOR")
SGR that manages the investment fund:	Illimity SGR s.p.a.
Disposal period:	21.02.2025
Assets sold:	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans
GBV of assets sold (in millions of Euro):	-
NBV of assets sold (in millions of Euro):	-

Units of Fund assigned:	
ISIN:	IT0005630519
No. of units assigned at signing(*):	9,173,304
Book value of the units at signing (in millions of Euro):	7.6
No. of units outstanding at year-end:	9,173,304
Book value of the units at year-end (in millions of Euro)	8.5

(*) Assignment of units deriving from the contribution in kind, by the Illimity fund, of units in the new Illimity Core section allocated to Sardaleasing.

Disposal of non-performing loans to Back2Bonis

Seller:	BPER Banca s.p.a.	
Acquiring investment fund:	Back2Bonis	
SGR that manages the investment fund:	SGR Prelios s.p.a.	
Disposal date:	21.05.2021	26.06.2023
Assets sold:	Corporate Loans	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans	Unlikely-To-Pay loans
GBV of assets sold (in millions of Euro):	51.6	23.4
NBV of assets sold (in millions of Euro):	25.6	19.4

Units of Fund assigned:		
ISIN:	IT0005396327	IT0005396327
No. of units assigned at signing:	50	45
Book value of the units at signing (in millions of Euro):	24.4	13.5
No. of units outstanding at year-end:	95	
Book value of the units at year-end (in millions of Euro)	29.8	

Disposal of non-performing loans to KEYstone

Seller:	BPER Banca s.p.a.				
Acquiring investment fund:	KEYstone Fund				
SGR that manages the investment fund:	KRYALOS SGR s.p.a.				
Disposal date:	08.02.2022	20.12.2022	17.12.2024	06.06.2025	23.12.2025
Assets sold:	Corporate Loans	Corporate Loans	Corporate Loans	Corporate Loans	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans	Unlikely-To-Pay loans	Unlikely-To-Pay loans	Unlikely-To-Pay loans	Unlikely-To-Pay loans
GBV of assets sold (in millions of Euro):	37.1	34.8	26.8	10.1	15
NBV of assets sold (in millions of Euro):	16.7	7.6	14.5	5.4	10.5
Units of Fund assigned:					
ISIN:	IT0005474462	IT0005474462	IT0005474462	IT0005474462	IT0005474462
No. of units assigned at signing:	31,914,369	11,320,122	21,367,446	8,884,033	15,510,497
Book value of the units at signing (in millions of Euro):	20.4	7.7	14.6	4.5	10.3
No. of units outstanding at year-end:	88,996,467				
Book value of the units at year-end (in millions of Euro)	47.7				

The price of the positions sold in June 2025 was Euro 4.4 million. In terms of gross value of the assets sold, the overall amount refers to businesses operating in the rental and management of land for telecommunications, whether owned or leased, in Northern Italy.
The price of the positions sold in December 2025 was Euro 10.3 million. In terms of gross value of the assets sold, the overall amount refers to businesses operating in the sector of Main office activities in Northern Italy.

Seller:	Banca Popolare di Sondrio s.p.a.
Acquiring investment fund:	Keystone
SGR that manages the investment fund:	Kryalos SGR s.p.a.
Disposal date:	24.12.2025
Assets sold:	Corporate Loans
Quality of assets sold:	UTPs/bad loans
GBV of assets sold (in millions of Euro):	28.6
NBV of assets sold (in millions of Euro):	13.5
Units of Fund assigned:	
ISIN:	IT0005474462
No. of units assigned at signing:	17,719,310
Book value of the units at signing (in millions of Euro):	12.8
No. of units outstanding at year-end: *	54,856,219
Book value of the units at year-end (in millions of Euro)*:	39.9

(*) The units held by Banca Popolare di Sondrio prior to the acquisition by the BPER Banca Group are included.

Disposal of non-performing loans to NPE Opportunities Fund

Seller:	BPER Banca s.p.a.
Acquiring investment fund:	NPE Opportunities Fund
SGR that manages the investment fund:	Castello SGR s.p.a.
Disposal date:	15.12.2025
Assets sold:	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans
GBV of assets sold (in millions of Euro):	77
NBV of assets sold (in millions of Euro):	46.7

Units of Fund assigned:	
ISIN:	IT0005554610
No. of units assigned at signing:	1,100
Book value of the units at signing (in millions of Euro):	44.2
No. of units outstanding at year-end:	1,100
Book value of the units at year-end (in millions of Euro)	44.2

The price of the positions sold in December 2025 was Euro 45.2 million. In terms of gross value of the assets sold, the overall amount refers to businesses operating in the rental and management of land for telecommunications, whether owned or leased, in Northern Italy.

Seller:	Banca Popolare di Sondrio s.p.a.
Acquiring investment fund:	NPE Opportunities Fund
SGR that manages the investment fund:	Castello SGR s.p.a.
Disposal date:	23.12.2025
Assets sold:	Corporate Loans
Quality of assets sold:	UTPs/bad loans
GBV of assets sold (in millions of Euro):	10.3
NBV of assets sold (in millions of Euro):	5.4

Units of Fund assigned:	
ISIN:	IT0005554610
No. of units assigned at signing:	103
Book value of the units at signing (in millions of Euro):	5.1
No. of units outstanding at year-end:	103
Book value of the units at year-end (in millions of Euro)	5.1

Disposal of non-performing loans to Fondo Leonardo

Seller:	Sardaleasing s.p.a.
Acquiring investment fund:	Leonardo Fund
SGR that manages the investment fund:	Nextalia SGR s.p.a.
Disposal date:	29.12.2025
Assets sold:	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans
GBV of assets sold (in millions of Euro):	24.8
NBV of assets sold (in millions of Euro):	7.3

Units of Fund assigned:	
ISIN:	IT0005655235
No. of units assigned at signing:	15,011,086
Book value of the units at signing (in millions of Euro):	7.3
No. of units outstanding at year-end:	15,011,086
Book value of the units at year-end (in millions of Euro)	7.3

The price of the positions sold in December 2025 was Euro 7.3 million. With respect to the gross value of the assets sold, 13% refers to companies operating in the sector of rental and operating of own or leased non-residential land for telecommunication activities, 9% to companies operating in the sector of construction of residential and non-residential buildings, 8% to companies operating in the production of software not for publishing activities, 6% to companies operating in activities of head offices, 6% to companies operating in the manufacture of concrete products for construction purposes, 6% to companies operating in the raising of swine and pigs, the remaining part is variously distributed; 58% refers to companies operating in Northern Italy, 35% to companies operating in Southern Italy and the remaining part to companies operating in Central Italy.

Disposal of non-performing loans to City Regeneration

Seller:	Banca Popolare di Sondrio s.p.a.
Acquiring investment fund:	City Regeneration
SGR that manages the investment fund:	REDO SGR s.p.a.
Disposal date:	Prior to 01.07.2025
Assets sold:	
Quality of assets sold:	
GBV of assets sold (in millions of Euro):	
NBV of assets sold (in millions of Euro):	
Units of Fund assigned:	
ISIN:	IT0005591919
No. of units assigned at signing:	
Book value of the units at signing (in millions of Euro):	
No. of units outstanding at year-end: (*)	51
Book value of the units at year-end (in millions of Euro)	13.1

(*) The units held by Banca Popolare di Sondrio prior to the acquisition by the BPER Group are included.

Disposal of non-performing loans to Fondo Kleos

Seller:	Banca Popolare di Sondrio s.p.a.
Acquiring investment fund:	Kleos Fund
SGR that manages the investment fund:	Polis SGR s.p.a.
Disposal date:	Prior to 01.07.2025
Assets sold:	
Quality of assets sold:	
GBV of assets sold (in millions of Euro):	
NBV of assets sold (in millions of Euro):	
Units of Fund assigned:	
ISIN:	IT0005599250
No. of units assigned at signing:	
Book value of the units at signing (in millions of Euro):	
No. of units outstanding at year-end: (*)	1,697,888
Book value of the units at year-end (in millions of Euro)	1.5

(*) The units held by Banca Popolare di Sondrio prior to the acquisition by the BPER Banca Group are included.

Disposal of non-performing loans to UTP Italia

Seller:	Banca Popolare di Sondrio s.p.a.
Acquiring investment fund:	UTP Italia
SGR that manages the investment fund:	Sagitta SGR s.p.a.
Disposal date:	23.12.2025
Assets sold:	Loans to households and businesses
Quality of assets sold:	Bad loans
GBV of assets sold (in millions of Euro):	28.8
NBV of assets sold (in millions of Euro):	8.5

Units of Fund assigned:	
ISIN:	IT0005480519
No. of units assigned at signing:	14,028,906
Book value of the units at signing (in millions of Euro):	3.9
No. of units outstanding at year-end:	14,028,906
Book value of the units at year-end (in millions of Euro)	3.9

D. Covered bond transactions

Introduction

Covered Bond (OBG) issues are foreseen by BPER Banca Group's strategic plan as a means to diversify funding sources, reduce funding costs and extend the maturities of liabilities. In particular, OBG issues are extremely appealing at a time when market yields are lower than traditional bonds.
The Board of Directors:

- on 8 February 2011, by means of a specific programme resolution, it launched the structuring of a First OBG issue programme ("OBG1"), based on a portfolio secured by residential mortgages, pursuant to Law No. 130 of 30 April 1999 (the "Law 130/99") and the related implementing regulations in force at the time;
- on 3 March 2015, launched the structuring of a second programme for the issue of Covered Bonds ("OBG2"), based on a collateralised portfolio of residential and commercial mortgage loans;
- following the merger by absorption of the subsidiary Banca Carige s.p.a. on 24 November 2022, with economic effect from 28 November 2022 , BPER Banca became the issuer of a third covered bond issuing programme ("OBG3"), based on a collateralised portfolio of residential and commercial mortgages;
- following the acquisition of control by BPER Banca on Banca Popolare di Sondrio s.p.a., a fourth covered bond issuance programme ("OBG4"), based on a collateralised portfolio of residential mortgages, is part of the BPER Banca Group to date.

The basic structure of a covered bond issue

Covered Bonds may be issued under an operating scheme that includes:

- the sale by a bank, which may differ from the bond issuer, to a special purpose vehicle of high credit quality assets and which constitute segregated assets pursuant to the applicable provisions of Law 130/99;
- the selling bank or another bank of the same banking group granting a subordinated loan to the assignee vehicle company to provide the assignee with the funding required to purchase the assets;
- the assignee company providing a guarantee, within the limits of its segregated assets, in favour of holders of bonds issued by the selling bank or another bank in the same group.

High credit quality assets are intended to mean loans that meet the selection criteria defined by the Regulations and related contracts (the "Eligible Assets").

Key elements of the BPER Banca Group's Programmes for the issue of Covered Bonds

The BPER Banca's Covered Bond Programmes (the "OBG Programmes") have been structured as follows:

- the sale without recourse of high credit quality assets, which constitute segregated assets pursuant to Law 130/99, respectively to the special purpose vehicles Estense Covered Bond s.r.l. for OBG1, Estense CPT Covered Bond s.r.l. for OBG2, Carige Covered Bond s.r.l. for OBG3 and Popso Covered Bond s.r.l. for OBG4, initially just by BPER Banca or by the respective originator banks and then, during the Programmes, also by other Group Banks;
- the provision to the assignee vehicle companies, by BPER Banca and other Group Banks that will eventually join the Programmes as selling banks, of subordinated loans to provide the assignees with the funding required to purchase the assets sold;
- the issue by the assignee SPVs, up to the amount of the segregated assets, of guarantees in favour of the holders of the Covered Bonds issued by BPER Banca.

Although they are presented "as Group Programmes", the initial and subsequent transactions only involved BPER Banca or the respective originator banks as the selling bank, the understanding being that BPER Banca - or Banca Popolare di Sondrio for OBG4- always takes on the role of issuing bank. Only at a later stage, after an expert assessment of the risks and opportunities, it is expected that other Group Banks will join the Programmes as selling banks of additional Eligible Assets.
The portfolios of Eligible Assets are composed of loans originating from residential mortgage loans for OBG1 and OBG4, and of residential and commercial mortgage loans for OBG2 and OBG3, which meet the requirements of the regulations in force. These portfolios were identified based on general and specific criteria indicated in the sale agreements. The additional portfolios of Eligible Assets may include loans deriving from mortgages that meet the requirements of the Regulations.
The sale price of the portfolios is determined, as laid down in the *Supervisory Provisions for Banks*, with reference to their book values in the latest Financial Reports approved by BPER Banca with a view to specific sale dates or by having the sale price certified by the Independent Auditors. The sale prices so determined are subject to adjustment to take account of movements on the loans between the reporting date and the date of sale. More specifically, the sale prices shall be adjusted to consider the collection of the capital element of the loans in the intervening period and the payment of contractually agreed interest in the same period.

The sale of the portfolios – without recourse and under the combined provisions of articles 1 and 4 of Law 130/99 and art. 58 of the Consolidated Law on Finance – is communicated to the mortgage holders by publishing a notice of sale with the above selection criteria in the Official Journal and by filing the same notice of sale with the Companies' Register. Further formalities are also carried out for privacy legislation purposes (Legislative Decree 196/2003 and Regulation (EU) 679/2016, as later amended and supplemented).
The mortgage holders maintain a direct operational relationship with BPER Banca or Banca Popolare di Sondrio, since the four SPVs have given BPER Banca or Banca Popolare di Sondrio, responsibility for managing and administering the loans sold and the related collection and payment services ("servicing activities"), with BPER Banca or Banca Popolare di Sondrio having the power to grant a sub-proxy to the pertinent selling banks to perform servicing activities for the portfolios sold.
This, in accordance with the regulations in force, is in order to minimise the commercial impact with the mortgage holders and, at the same time, to optimise the operational management of each portfolio which, in fact, remains in the hands of the assignors.
At predetermined dates and based on specific operational and market situations, BPER Banca or Banca Popolare di Sondrio, in the role of Calculation Agent, will perform assessment tests to compare the portfolios sold with the bonds issued, aimed at verifying the adequacy of the guarantees issued with reference to specific legal parameters and the parameters set by the related OBG Programmes' documentation based on indications provided by rating agencies, on which the credit rating assigned to these OBGs depends.
In the case of non-compliance with one or more of the required parameters, it will be necessary to add to the portfolios sold by selling further Eligible Assets. The portfolios can be supplemented through the use of the vehicle companies' liquid funds or further disbursements of the subordinated loans granted by BPER Banca (or, by the other selling banks, as the case may be).
Other initiatives are required in the case of violation of contractual conditions, up to the extreme consequences of enforcement of the guarantees provided by the vehicle companies in the case of an Event of Default by the issuer (for example, default in repayment of principal or non-payment of interest on the Covered Bonds).
Moreover, on predetermined dates, the functions responsible for supervising the issuing Bank's risk management verify the quality and integrity of the Eligible Assets.
The structure of the OBG Programmes, as outlined, permits the creation of segregated assets (consisting of the Eligible Assets assigned), to serve as a preferred guarantee for the Covered Bond holders, for the counterparties to derivative contracts entered into under the Programmes to hedge the risks inherent in the portfolio of transferred Eligible Assets and for the payment of other transaction costs.
Normally, the charges for payment and redemption of the OBG remain with the Issuer and, only when there is an Event of Default by the Issuer, will automatic protection mechanisms be activated to protect the investors.
To further support the financial structure, swaps may be provided for with one or more external counterparties selected on the market and with an appropriate credit standing in line with the eligibility criteria required by rating agencies. The purpose of these contracts is to transform the interest flow produced by the loan portfolios sold so as to make them consistent with that incurred on the bonds issued.
In particular, among the various options available, it is normally envisaged that two separate swap derivative contracts will be entered into:

- asset swap: under this contract, the SPV will pay the swap counterparty the flow received as interest on a notional amount represented by a portion of segregated assets and determined by taking into account the outstanding amount of the liability represented by the Covered Bonds issued and will collect from it a flow corresponding to Euribor for the period plus or minus a Spread applied to the same notional amount;
- liability swap: under this derivative the SPV will receive from the swap counterparty a fixed rate equal to the coupon of the related series of OBGs and will pay thereto a flow corresponding to Euribor plus or minus (as appropriate) a Spread applied to an amount equal to the nominal value of the corresponding series of Covered Bonds.

These contracts can be linked to back-to-back swap agreements between the swap counterparties and the issuing Bank.
The financial back-to-back mechanism allows, on the one hand, the issuing Bank to maintain a financial position as desired and consistent with its Asset & Liability Management strategies and, on the other hand, the SPV, as guarantor, in the Event of the occurrence of an Event of Default of the Issuer, to cover the costs of the Covered Bonds by trading them for the expected return on portfolio of loans sold.

The OBG1 Programme

The OBG1 Programme provides for the issue of Covered Bonds up to a maximum of Euro 7 billion, to take place in a number of issues over time, by the term of legal existence of the special purpose vehicle acting as guarantor (subject to the obligations for annual renewal of the prospectus prepared in compliance with EU Regulations).

OBG1 Programme issuances

Issue	Issue date	Nominal amount of the OBGs issued	Repayment date	Nominal amount repaid	OBG characteristics	Purpose
I	01/12/2011	750,000,000	22/01/2014	750,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
II	25/06/2012	300,000,000	22/04/2015	300,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
III - I Tranche	15/10/2013	750,000,000	22/10/2018	750,000,000	Fixed rate	placed on the national and international market
III - II Tranche	24/02/2014	250,000,000	22/10/2018	250,000,000	Fixed rate	placed on the national and international market
IV	22/01/2015	750,000,000	22/01/2022	750,000,000	Fixed rate	placed on the national and international market
V	29/07/2015	750,000,000	22/07/2020	750,000,000	Fixed rate	placed on the national and international market
VI	31/05/2016	500,000,000	22/07/2020	500,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
VII	03/02/2017	540,000,000	22/04/2021	540,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
VIII	19/07/2018	500,000,000	22/07/2023	500,000,000	Fixed rate	placed on the national and international market
IX	19/03/2019	600,000,000	22/04/2026		Fixed rate	placed on the national and international market
X	18/09/2020	1,150,000,000	22/10/2024	1,150,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
XI	18/05/2021	600,000,000	22/04/2025	600,000,000	Fixed rate	self-subscribed for the purpose of ECB refinancing
XII	16/11/2021	400,000,000	22/10/2025	400,000,000	Fixed rate	self-subscribed for the purpose of ECB refinancing
XIII	29/06/2022	1,000,000,000	22/07/2026		Fixed rate	self-subscribed for the purpose of ECB refinancing
XIV	28/11/2023	750,000,000	22/10/2028		Fixed rate	placed on the national and international market
XV	21/03/2024	500,000,000	22/01/2031		Fixed rate	placed on the national and international market
XVI	03/09/2024	500,000,000	22/07/2029		Fixed rate	placed on the national and international market
Total		**10,590,000,000**		**7,240,000,000**		

The residual debt of outstanding issuances as at 31 December 2025 amounted to Euro 3,350 million.

In line with the operational chart described above, on 2 November 2011, BPER Banca sold to Estense Covered Bond s.r.l., the special purpose vehicle acting as guarantor, a first portfolio of assets complying with the eligibility requirements provided for under the law, selected in accordance with the criteria noted above and featuring the following main characteristics:

- residential mortgage loans provided in accordance with mortgage lending legislation;
- concluded by 31 December 2010;
- final instalment due after 31 December 2012;
- ratio of outstanding debt to the value of secured property, estimated at the payment date, not higher than 80%.

The table below shows the details of all subsequent disposals.

OBG1 Programme sale of receivables

(in million)

Disposals	Disposal date	Price of receivables assigned
I	02/11/2011	1,091
II	04/05/2012	546
III	10/07/2013	681
IV	23/07/2014	501
V	28/04/2015	1,074
VI	28/01/2016	1,086
VII	27/07/2016	310
VIII	25/01/2017	404
IX	23/10/2017	816
X	27/04/2018	652
XI	29/04/2019	570
XII	25/06/2020	515
XIII	24/09/2021	937
XIV	24/05/2022	991
XV	22/06/2023	648
XVI	07/11/2023	890
XVII	08/03/2024	928
XVIII	27/05/2024	909
Total		**13,549**

The credit facility granted by BPER Banca to Estense Covered Bond s.r.l. to finance the purchase of the transferred portfolios amounted to Euro 8 billion as at 31 December 2025. This is without prejudice to BPER Banca's right to increase the amount of said credit facility to finance the purchase of additional portfolios for the purpose of adding to the segregated assets. The relevant subordinated loan is remunerated so as to guarantee a return to the transferor of the yield on the segregated loans, albeit residual with respect to payment of the vehicle company's operating expenses, thus making the asset transfers essentially neutral from an economic standpoint.

Repayment of this loan is linked to the gradual reimbursement of the Covered Bonds that, in turn, will allow the release of the loan portfolio or the cash collections generated thereby.

Repayment of subordinated loan OBG1 Programme

(in million)

Disposal date	Amounts repaid
22/10/2014	250
22/10/2015	250
22/01/2016	120
22/04/2016	250
22/07/2016	250
23/10/2017	400
23/04/2018	100
23/07/2018	250
22/10/2018	500
22/01/2019	280
23/04/2019	150
22/07/2019	150
22/10/2019	147
22/07/2020	495
22/01/2021	50
22/04/2021	50
22/07/2021	50
22/10/2021	450
22/04/2022	540
24/10/2022	75
24/04/2023	350
24/07/2023	370
23/10/2023	145
22/01/2024	150
22/04/2024	160
22/07/2024	200
22/10/2024	180
22/01/2025	200
22/04/2025	230
22/07/2025	239
22/10/2025	195
Total	**7,226**

The liquidity generated by the portfolio can also be used - within the limits established by law - for suitable investments or deposits, based on BPER Banca's indications as Investment Agent. Cash generated from the portfolio of sold Eligible Assets - for which BPER Banca remains as Servicer - are transferred to current accounts with banks with appropriate rating.

Counterparties involved in the OBG1 Programme

Issuing Bank, initial Selling Bank, Servicer, Investment Agent, Principal Paying Agent, Subordinated Loan Provider and Calculation Agent: BPER Banca;
Any other seller bank that could join the Programme:

- Banco di Sardegna s.p.a.;
- Banca Popolare di Sondrio s.p.a.;
- Bibanca s.p.a.;
- Banca Cesare Ponti s.p.a.;
- BPER Bank Luxembourg S.A.;

Arranger: NatWest Market N.V.;
Guarantor: Estense Covered Bond s.r.l.;
Representative of the Noteholders, Corporate Servicer, Guarantor Calculation Agent and Back-up Servicer Facilitator: Banca Finanziaria Internazionale s.p.a.;
Italian Paying Agent, Cash Manager and Account Bank: BNP Paribas;
Liability Swap counterparty: for the ninth issue, BNP-Paribas;
Legal Advisor: Hogan Lovells law firm;
Asset Monitor and Pool Auditor: PriceWaterhouseCoopers s.p.a.;
Independent Auditors of the special purpose vehicle: Deloitte & Touche s.p.a.;
Rating agencies: Moody's Italia s.r.l.

The OBG2 Programme

The OBG2 Programme provides for the issue of Covered Bonds up to a maximum of Euro 7 billion, to take place in a number of issues over time, by the term of legal existence of the special purpose vehicle acting as guarantor (subject to the obligations for annual renewal of the prospectus prepared in compliance with EU Regulations).

OBG2 Programme issuances

Issue	Issue date	Nominal amount of the OBGs issued	Repayment date	Nominal amount repaid	OBG characteristics	Purpose
I	16/12/2015	625,000,000	28/01/2018	625,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
II	01/08/2016	200,000,000	28/10/2020	200,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
III	24/02/2017	240,000,000	28/04/2021	240,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
IV	25/01/2018	420,000,000	28/10/2021	420,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
V	17/10/2018	1,050,000,000	28/04/2022	1,050,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
VI	13/03/2019	200,000,000	28/04/2022	200,000,000	Fixed rate	self-subscribed for the purpose of ECB refinancing
VII	10/07/2019	250,000,000	28/07/2023	250,000,000	Fixed rate	self-subscribed for the purpose of ECB refinancing
VIII	30/01/2020	200,000,000	28/01/2024	200,000,000	Fixed rate	self-subscribed for the purpose of ECB refinancing
IX	30/04/2020	900,000,000	28/04/2024	900,000,000	Fixed rate	self-subscribed for the purpose of ECB refinancing
X	12/11/2020	550,000,000	28/10/2024	550,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
XI	12/11/2020	600,000,000	28/10/2024	600,000,000	Fixed rate	self-subscribed for the purpose of ECB refinancing
XII	14/05/2021	250,000,000	28/04/2025	250,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
XIII	11/11/2021	700,000,000	28/10/2025	700,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
XIV - I Tranche	11/11/2021	1,000,000,000	28/10/2025	1,000,000,000	Fixed rate	self-subscribed for the purpose of ECB refinancing
XIV - II Tranche	23/09/2022	700,000,000	28/10/2025	700,000,000	Fixed rate	self-subscribed for the purpose of ECB refinancing
XV	13/06/2024	250,000,000	28/10/2028		Floating rate	self-subscribed for the purpose of ECB refinancing
XVI	15/11/2024	250,000,000	28/01/2031		Floating rate	self-subscribed for the purpose of ECB refinancing
XVII	15/11/2024	1,000,000,000	28/01/2030		Fixed rate	self-subscribed for the purpose of ECB refinancing
XVIII	19/05/2025	1,000,000,000	28/07/2029		Fixed rate	self-subscribed for the purpose of ECB refinancing
XIX	17/11/2025	1,000,000,000	28/01/2032		Fixed rate	self-subscribed for the purpose of ECB refinancing
XX	17/11/2025	1,000,000,000	28/10/2032		Floating rate	self-subscribed for the purpose of ECB refinancing
Total		**12,385,000,000**		**7,885,000,000**		

The residual debt of outstanding issuances as at 31 December 2025 amounted to Euro 4,500 million.

In line with the operational chart described above, on 17 September 2015, BPER Banca sold to Estense CPT Covered Bond s.r.l., the special purpose vehicle acting as guarantor, a first portfolio of assets complying with the eligibility requirements provided for under the law, selected in accordance with the criteria noted above, featuring the following main characteristics:

- residential and commercial mortgage loans;
- granted by 31 December 2014;
- final instalment due after 31 December 2015;
- ratio of outstanding debt to the value of secured property, revalued close to the date of sale, not higher than 80% for residential mortgage loans and than 60% for commercial mortgage loans.

The table below shows the details of all subsequent disposals.

Asset disposals under the OBG2 Programme

(in million)

Disposals	Disposal date	Price of assets sold
I	17/09/2015	870
II	23/06/2016	478
III	21/11/2016	411
IV	22/05/2018	594
V	24/09/2018	732
VI	27/02/2019	276
VII	25/06/2019	593
VIII	26/11/2019	594
IX	25/03/2020	441
X	23/04/2020	1,123
XI	23/10/2020	840
XII	20/10/2021	1,443
XIII	24/06/2022	1,168
XIV	24/03/2023	481
XV	29.04.2025	1,432
Total		**11,476**

The credit facility granted by BPER Banca to Estense CPT Covered Bond s.r.l. to finance the purchase of the sold portfolios amounted to Euro 8 billion as at 31 December 2025. This is without prejudice to BPER Banca's right to increase the amount of said credit facility to finance the purchase of additional portfolios for the purpose of adding to the segregated assets. The relevant subordinated loan is remunerated so as to guarantee a return to the transferor of the yield on the segregated loans, albeit residual with respect to payment of the vehicle company's operating expenses, thus making the asset transfers essentially neutral from an economic standpoint.

Repayment of this loan is linked to the gradual reimbursement of the Covered Bonds that, in turn, will allow the release of the loan portfolio or the cash collections generated thereby.

Repayment of subordinated loan OBG2 Programme

(in million)

Disposal date	Amounts repaid
28/07/2017	70
30/10/2017	200
30/04/2018	100
30/07/2018	150
28/01/2019	110
29/07/2019	200
28/10/2019	335
28/04/2020	235
28/07/2020	75
28/01/2021	50
28/04/2021	100
29/07/2021	50
28/10/2021	600
28/04/2022	250
28/10/2022	285
30/01/2023	250
28/04/2023	200
28/07/2023	330
29/01/2024	260
29/04/2024	300
29/07/2024	150
28/10/2024	160
28/01/2025	50
28/04/2025	250
28/07/2025	205
28/07/2025	165
Total	**5,130**

The liquidity generated by the portfolio can also be used - within the limits established by law - for suitable investments or deposits, based on BPER Banca's indications as Investment Agent. Cash collections generated by the portfolio of Eligible assets sold - on which BPER Banca retains the role of Servicer - are channelled into current accounts opened with BPER Banca.
The specific financial feature of the OBG2 Programme is a different structural technique which, in the event of the Parent Company's default and under other circumstances foreseen in the OBG2 Programme, makes it possible to adjust the repayment plan of the Covered Bonds according to the loan portfolio amortisation schedule pledged as collateral. This eliminates the financial risk associated with a forced and peremptory liquidation of this portfolio, thereby transforming the outstanding Covered Bonds into securities similar to pass-through securities issued as part of ordinary securitisation transactions. In this way, the risk profile of a default on the Covered Bonds is clearly attenuated, making it possible to obtain a higher rating.

Counterparties involved in the OBG2 Programme

Issuing Bank, initial Selling Bank, Servicer, Investment Agent, Primary Paying Agent, Account Bank, Subordinated Loan Provider and Calculation Agent: BPER Banca;
Any other seller bank that could join the Programme:

- Banco di Sardegna s.p.a.;
- Banca Popolare di Sondrio s.p.a.;
- Bibanca s.p.a.;
- Banca Cesare Ponti s.p.a.;
- BPER Bank Luxembourg S.A.;

Arranger: UBS Europe SE;
Initial Dealer of the first series of bonds issued: Banca Finanziaria Internazionale s.p.a.;
Guarantor: Estense CPT Covered Bond s.r.l.;
Representative of the Noteholders, Corporate Servicer, Guarantor Calculation Agent and Back-up Servicer Facilitator: Banca Finanziaria Internazionale s.p.a.;
Subsequent Paying Agent and Back-up Account Bank: Bank of New York Mellon SA/NV - Milan Branch;
Legal Advisor: Hogan Lovells law firm;
Asset Monitor: PricewaterhouseCoopers s.p.a.;
Independent Auditors of the special purpose vehicle: Deloitte & Touche s.p.a.;
Rating agencies: Moody's Italia s.r.l.

The OBG3 Programme

The OBG3 programme provides for the issue of Covered Bonds up to a maximum of Euro 5 billion.

Issues of OBG3 Programme outstanding as at 31 December 2025

issue	Issue date	Nominal amount of the OBGs issued	Repayment date	Nominal amount repaid	OBG characteristics	Purpose
I	20/09/2010	75,000,000	20/09/2030		Fixed rate	placed on the national and international market
II	25/11/2010	20,000,000	25/11/2030		Fixed rate	placed on the national and international market
III	27/12/2010	40,000,000	27/12/2030	20,000,000	Fixed rate	placed on the national and international market
IV	23/04/2012	30,000,000	23/04/2032		Fixed rate	placed on the national and international market
V	02/11/2012	17,000,000	02/11/2032		Fixed rate	placed on the national and international market
VI	05/11/2012	50,000,000	05/11/2032		Fixed rate	placed on the national and international market
VII	06/11/2012	10,000,000	26/10/2032		Fixed rate	placed on the national and international market
VIII	25/01/2013	5,000,000	25/01/2028		Fixed rate	placed on the national and international market
IX	29/08/2013	10,000,000	29/08/2033		Fixed rate	placed on the national and international market
X	05/06/2014	10,000,000	25/05/2029		Fixed rate	placed on the national and international market
XI	28/10/2021	750,000,000	28/10/2028		Fixed rate	placed on the national and international market
XII	06/09/2024	500,000,000	27/10/2028		Fixed rate	self-subscribed for the purpose of ECB refinancing
Total		**1,517,000,000**		**20,000,000**		

The residual debt of outstanding issuances as at 31 December 2025 amounted to Euro 1,497 million.

In line with the operational scheme described above Banca Carige s.p.a. (now merged into BPER Banca, as stated) on 14 November 2008 sold to Carige Covered Bond s.r.l. a first portfolio of assets complying with the eligibility requirements provided for under the law, selected in accordance with the criteria noted above and featuring the following main characteristics:

- residential and commercial mortgage loans;
- concluded by 30 March 2007;
- final instalment due by 30 June 2045;
- ratio of outstanding debt to the value of secured property, estimated at origination, not exceeding 80% for residential mortgage loans and 60% for commercial mortgage loans.

The credit facility granted by BPER Banca to Carige Covered Bond s.r.l. to finance the purchase of the sold portfolios amounted to Euro 5 billion as at 31 December 2025. This is without prejudice to BPER Banca's right to increase the amount of said credit facility to finance the purchase of additional portfolios for the purpose of adding to the segregated assets. The relevant subordinated loan is remunerated so as to guarantee a return to the transferor of the yield on the segregated loans, albeit residual with respect to payment of the vehicle company's operating expenses, thus making the asset transfers essentially neutral from an economic standpoint.

Repayment of this loan is linked to the gradual reimbursement of the Covered Bonds that, in turn, will allow the release of the loan portfolio or the cash collections generated thereby.

Repayment of subordinated loan OBG3 Programme

(in million)

Disposal date	Amounts repaid
26/06/2023	350
25/10/2023	180
25/01/2024	60
29/07/2024	50
28/10/2024	160
27/01/2025	50
28/04/2025	80
28/07/2025	80
27/10/2025	60
Total	**1,070**

The liquidity generated by the portfolio can also be used - within the limits established by law - for suitable investments or deposits, based on BPER Banca's indications as Investment Agent. Cash generated from the portfolio of sold Eligible Assets - for which BPER Banca remains as Servicer - are transferred to current accounts with BNP Paribas, either in Italy or the UK, since this is a third party with appropriate rating.

Counterparties involved in the OBG3 Programme

Issuing Bank, Selling Bank, Servicer, Italian Account Bank, Investment Agent, Liquidity Facility Provider, Subordinated Loan Provider, and Calculation Agent: BPER Banca;
Joint Arrangers and Dealers: NatWest Markets N.V. and UBS Europe SE;
Guarantor: Carige Covered Bond s.r.l.;
Representative of the Noteholders: Deutsche Trustee Company Limited;
Principal Paying Agent, Cash Manager and Transaction Bank: BNP Paribas;
Italian Paying Agent: Deutsche Bank s.p.a.;
Corporate Servicer and Guarantor Calculation Agent: Banca Finanziaria Internazionale s.p.a.;
Back-up Servicer Facilitator: Zenith Global s.p.a.;
Legal Advisor: Hogan Lovells law firm;
Asset Monitor: PricewaterhouseCoopers s.p.a.;
Independent Auditors of the special purpose vehicle: Deloitte & Touche s.p.a.;
Rating agencies: Moody's Italia S.r.l. and Morningstar DBRS Ratings Limited.

The OBG4 Programme

The OBG4 programme provides for the issue of Covered Bonds up to a maximum of Euro 5 billion.

OBG4 Programme issuances

Issue	Issue date	Nominal amount of the OBGs issued	Repayment date	Nominal amount repaid	OBG characteristics	Purpose
I	05/08/2014	500,000,000	05/08/2019	500,000,000	Fixed rate	placed on the national and international market
II	04/04/2016	500,000,000	04/04/2023	500,000,000	Fixed rate	placed on the national and international market
III	24/10/2023	500,000,000	24/10/2028		Fixed rate	placed on the national and international market
IV	22/01/2024	500,000,000	22/07/2029		Fixed rate	placed on the national and international market
V	31/03/2025	150,000,000	31/03/2030		Fixed rate	private placement
VI	21/05/2025	500,000,000	21/05/2030		Fixed rate	placed on the national and international market
Total		**2,650,000,000**		**1,000,000,000**		

The residual debt of outstanding issuances as at 31 December 2025 amounted to Euro 1,650 million.

In line with the operational chart described above, on 30 May 2014, Banca Popolare di Sondrio s.p.a. sold to Popso Covered Bond s.r.l. a first portfolio of assets complying with the eligibility requirements provided for under the law, selected in accordance with the criteria noted above and featuring the following main characteristics:

- residential mortgage loans;
- granted by Banca Popolare di Sondrio s.p.a.;
- ratio of outstanding debt to the value of secured property, estimated at the payment date, not higher than 80%.

Asset disposals under the OBG4 Programme

(in million)

Disposals	Disposal date	Price of assets sold
I	30/05/2014	802
II	05/12/2015	202
III	31/01/2016	581
IV	01/11/2016	226
V	01/10/2017	307
VI	01/10/2018	323
VII	01/12/2019	352
VIII	01/11/2022	166
IX	01/11/2023	867
X	01/11/2024	982
Total		**4,808**

The credit facility granted by Banca Popolare di Sondrio s.p.a. to Popso Covered Bond s.r.l. to finance the purchase of the transferred portfolios amounted to Euro 3.5 billion as at 31 December 2025. This is without prejudice to Banca Popolare di Sondrio s.p.a.'s right to increase the amount of said credit facility to finance the purchase of additional portfolios for the purpose of adding to the segregated assets. The relevant subordinated loan is remunerated so as to guarantee a return to the transferor of the yield on the segregated loans, albeit residual with respect to payment of the vehicle company's operating expenses, thus making the asset transfers essentially neutral from an economic standpoint.

Repayment of this loan is linked to the gradual reimbursement of the Covered Bonds that, in turn, will allow the release of the loan portfolio or the cash collections generated thereby.

Repayment of subordinated loan OBG4 Programme

(in million)

Disposal date	Amounts repaid
22/10/2014	10
22/01/2016	80
23/01/2017	40
24/07/2017	120
23/10/2017	150
23/07/2018	200
22/10/2020	300
22/10/2021	100
22/04/2022	250
22/07/2022	300
24/10/2022	50
24/04/2023	149
22/04/2024	150
22/07/2024	105
22/10/2024	60
22/01/2025	150
22/04/2025	80
22/07/2025	80
22/10/2025	60
Total	**2,434**

The liquidity generated by the portfolio can also be used - within the limits established by law - for suitable investments or deposits. Cash generated from the portfolio of sold Eligible Assets - for which Banca Popolare di Sondrio s.p.a. remains as Servicer - are transferred to current accounts with BNP Paribas, either in Italy or the UK, since this is a third party with appropriate rating.

Counterparties involved in the OBG4 Programme

Issuing Bank, Selling Bank, Servicer, Cash Manager, Subordinated Lender, Issuer Paying Ag ent and Test Calculation Agent: Banca Popolare di Sondrio s.p.a.;
Arrangers: BNP Paribas and Banca Finanziaria Internazionale s.p.a.;
Dealer: BNP Paribas;
Guarantor: Popso Covered Bond s.r.l.;
Back-up Servicer Facilitator, Representative of the Noteholders (RoN), Corporate Servicer and Guarantor Calculation Agent: Banca Finanziaria Internazionale s.p.a.;
Legal Advisor: Chiomenti;
Asset Monitor: BDO Italia s.p.a.;
Independent Auditors of the special purpose vehicle: Deloitte & Touche s.p.a.;
Rating agencies: Fitch Ratings Ireland Limited.

Organisational structure and procedures

The structuring process for the OBG Issue Programmes made it necessary to organise specific internal work teams. In this regard, a specific structure was set up, the Institutional Funding Office, which acts as coordinator of the work teams, taking care to involve all the structures involved in the management process of the Covered Bonds.
To supervise the structuring process and management of the OBG Programmes, a specific Regulation with Operating Instructions has been prepared.

Accounting, capital and tax impact

Through the issuance of Covered Bonds, the selling banks essentially retain all risks and rewards of the assets sold, since repayment of the subordinated loan granted to the vehicle companies is conditional upon the performance of the assets sold used as collateral.
The selling banks are required to reinstate, in line with several alternatives, the collateral sold should the eligible assets value deteriorate and their value fall below the thresholds set by contract.
The primary objective of creating a special purpose vehicle and the sale of eligible assets thereto is, in fact, to legally segregate, by means of a without recourse sale contract, the selling bank's assets within a separate legal entity. These assets, thus segregated, are subject to a collateral constraint under Law 130/99. Thus, the holders of Covered Bonds benefit, on the one hand, from the general guarantee represented by the issuer's capital and on the other, from the guarantee issued by the SPV in respect of the segregated portfolio. This structure of "dual protection" facilitates the creation of conditions for a potential reduction in the funding costs of the selling bank.
The overall risk profile of BPER Banca as initial selling bank is not altered in any way.
The same "Supervisory Provisions for banks" stipulate that the selling banks retain the same capital requirement that they are already required to comply with, in respect of the assets sold, prior to the sale. The transactions do not, therefore, result in derecognition: the selling banks must continue to recognise the assets sold in their entirety in their balance sheet and the considerations received from the sale must be accounted for as opposite entries to the financial liabilities due to the SPVs.
In turn, these liabilities must be shown net of the subordinated loans granted to the vehicles, due to the principle of substance over form: it is as if the purchases of loans by the SPVs have never taken place.
The subordinated loans are not taken into consideration for the purposes of counterparty risk; these loans must not, in fact, be considered, as the credit risk is already reflected in the valuation of the loans being sold.
As regards the impact at consolidation level, it should be noted that the aforementioned special purpose vehicle companies are BPER Banca Group's entities, as they are subsidiaries of the Parent Company. They are therefore consolidated.
Finally, regarding the tax implications, consistent with the dictates of art. 7 *bis*, Law 130/99, all taxes and dues are payable as though the sales of the loans had never taken place.
Again, to ensure that the operation was neutral for tax purposes, it was established, as foreseen in art. 7 *bis*, paragraph 7 of Law 130/99, that the sale price would be equal "*to the latest carrying amount of the loans*", or as certified by the independent auditors of the selling bank.

Risks associated with the transaction

The Covered Bond Programmes involve some financial and non-financial risks, subject to analysis and monitoring by the Group's Risk Management and Compliance functions and, specifically with regard to the risks of fraud and unintentional errors in financial reporting, by the Manager responsible for preparing the company's financial reports.
In summary the main risk profiles can be summarised as follows:

- Interest rate risk. In the structure of a Covered Bond, the interest rate risk originates from the different characteristics of interest rates on Covered Bonds and on the portfolio of their collateral, eligible assets. These risks are mitigated by hedging derivatives, possibly put in place from time to time with market counterparties.
- Credit risk. In the structure of a covered bond, credit risk is attributable to the quality of loans sold by each Selling Bank. Given this risk, the rating agencies, in order to attribute to the Covered Bonds the maximum rating possible, require a level of over-collateralisation which is also linked to the quality of the Eligible Assets being disposed.

- Counterparty risk. The counterparty risk is the possibility that the creditworthiness of third parties involved in the transaction, in other words, the swap counterparties and any third-party bank, with which the SPV has its accounts, may worsen to the point of creating a liquidity problem, with the result that the funds of the portfolio of assets sold that flow into the accounts of the SPV or payments made in connection with the swaps are retained by the same counterparties. This risk is mitigated by the involvement of high rated counterparties and the existence of clauses, in the relevant ISDA and CSA contracts as well as in the "Cash Management and Agency Agreement", according to which, in the case of downgrading of the counterparties, they will be immediately replaced.
- Liquidity risk. An issue of "bullet" Covered Bonds with a portfolio of eligible assets relating to loans with given repayment plans entails the need for the latter to be dynamically managed. The funds received from the collection of capital instalments on the loans sold may be, in fact, reinvested in new loans with similar characteristics. If the Banking Group does not have eligible loans available to be sold to supplement the loan portfolio sold (including to replace non-performing loans), it would be necessary to supplement the portfolio by paying cash or eligible securities, thereby impacting negatively on the counterbalancing capacity of the selling banks.
- Compliance risk. The articulate and accurate external legislation regulating Covered Bonds, together with management and internal operating rules, require a precise and formal structuring of activities under the OBG Programmes, both during the up front and on going phases. The analysis of compliance requirements is performed by the Compliance and Audit functions.
- Reputational risk. Reputational risk is the possibility that the failure by BPER Banca to fulfil certain obligations arising from its role in the OBG Programmes adversely affects the credibility and image of the banking Group on the market, resulting in a significant economic and financial impact.
- Risk of financial inadequacy. The Supervisory Instructions for banks, in the discipline of Covered Bonds, in relation to the complexity of the contractual profiles and the possible impact on the technical structure of the banks carrying out these transactions, require, among other things, a careful assessment of the impact on the financial stability of those banks. The analysis of the projects by BPER Banca's Board of Directors highlighted:
  - regarding the impact on results, the transactions would have led to, with reference to available market data, a lower cost of funding compared with equivalent senior unsecured transactions and this would have allowed start-up costs to be fully covered, already in the first year, as well as to cover ongoing costs for the period.
  - regarding the impact on the financial position, having considered the portfolio at Group level, of residential or commercial mortgage loans potentially suitable for disposal, a plan of multi-year issuances was hypothesised so as to have sufficient room to replenish the cover pool, if necessary, without affecting the financial position and/or commercial practices of the Group.

These findings have allowed BPER Banca's Board to determine that the transactions do not negatively affect the financial stability of the bank and of the Group as a whole.

Organisational and management aspects of special purpose vehicles

With regard to organisational and management aspects of special purpose vehicles (in order to assess their adequacy in relation to the role assigned to them) and the contracts entered into as part of the OBG Programmes, Reports were acquired with the support of external legal consultants, in order to ensure that the contracts entered into contain clauses that ensure the regular and efficient performance of the functions by the vehicle companies, as required by the Regulations.

Assessment of legal aspects of the Programmes for Issue of Covered Bonds

Reports were originally acquired from the law firms Linklaters and Allen & Overy, as well as from Orrick, Herrington & Sutcliffe on the Bank's OBG Programme so as to assess, in accordance with the existing rules and regulations, the legal aspects of the activities involved in the OBG Programmes. The reports contain a thorough assessment of legal structures and contractual arrangements used, with particular attention to the characteristics of the guarantees given by the assignee companies and the overall relationships between and among the participants in the OBG Programmes.

Annual assessment of the Programmes for Issue of Covered Bonds by Asset Monitor

It should be noted that, in accordance with the regulations in force, the Asset Monitors - in this case PricewaterhouseCoopers s.p.a. and BDO Italia s.p.a. - carry out annual analyses on the status of the OBG programmes and report to the Board of Directors, the Board of Statutory Auditors, the Bank's Internal Audit Function and the Bank of Italy.

To date, the analyses conducted have not identified any findings.

Prudential consolidation - models for the measurement of credit risk

The BPER Banca Group does not have internal portfolio credit risk models (VAR methodology).

1.2 - Market risk

1.2.1 Interest rate risk and price risk - Trading portfolio for regulatory purposes

The Group's organisation provides for centralisation of the market risk control function at the Parent Company; consequently, the qualitative information set out below also reflects the individual position of BPER Banca.

Qualitative information

A. General aspects

The Group's proprietary trading portfolio comprises all of the financial instruments acquired for trading purposes or for hedging a risk factor inherent to the portfolio or the banking book.
"For trading purposes" is understood as being the purchase of financial instruments with the following features:

- exposure to managed risk factors (interest rate risk and price risk, exchange rate risk, issuer risk, counterparty risk and liquidity risk);
- trading done prevalently on active markets;
- securities issued by operators of prime standing.

The trading portfolio is managed according to exposure to the interest rate risk deriving from the overall asset-liability structure and, as a rule, does not include complex or innovative derivatives.
The trading portfolio comprises all those financial instruments not purchased with the aim of achieving equilibrium of the asset-liability structure, but with a view to contributing to the results of the year, optimising the overall risk-yield profile.
The size of this portfolio is closely linked to the overall liquidity position of the Group.
Arbitrage and short-term speculative activity with regard to listed derivative instruments are marginal with respect to the management of the proprietary portfolio. The objective of the investment strategy underlying trading in these financial instruments is to maximise the overall risk/yield profile via appropriate diversification.
The Parent Company makes medium-term speculative investments in stock markets, in commodity derivatives, in mutual funds and, to a marginal extent, in hedge funds. However, this activity is just a small part of the transactions carried out in the bond markets.
The trading portfolio governance process is centralised in BPER Banca to respond to the needs of central oversight of market risk and greater efficiency of Group investment processes.
This process implies that the individual Group Banks remain responsible for optimisation of the return on liquidity through treasury transactions with BPER Banca or, alternatively, by investing in floating rate or fixed rate bonds issued by the Bank.
In this way, the governance of market risk has been centralised by the Parent Company on the basis of decisions taken by the Finance Committee, which is chaired by the Chief Executive Officer.

B. Management processes and measurement methods for interest rate and price risk

The BPER Banca Group's system of daily checking is consistent with market standards. Value at Risk (VaR) metrics are used to measure market risk.
VaR represents the estimated maximum potential loss, determined based on probabilities, that may be suffered by the aggregate concerned over a given time horizon at a pre-determined level of confidence.
The method adopted for calculating VaR belongs to the class of "historical simulation" models, according to which the overall risk is determined on the basis of the historical distribution of the returns on the risk factors to which the financial instruments held are sensitive. The methodologies used to monitor market risks also include sensitivity analyses based on parallel shifts in the market rate curves and periodic stress testing analyses.
Currently, the daily calculation of VaR makes reference to two distinct time horizons of portfolio holding; in fact, an analysis is carried out with a time horizon of one month and with a confidence interval of 99% on the entire Group's proprietary portfolio (banking book and trading book), in line with the Group's Risk Appetite Framework. This is accompanied by further analysis with the same confidence interval, but with a one-day time horizon, in order to monitor day by day the market risk dynamics of the Bank's trading portfolio. This model is only used for internal management purposes and is not involved in the calculation of the capital adequacy requirements regarding market risk.
The process of controlling interest-rate risk and price risk is centralised at BPER Banca. Periodic information is assured by the distribution of specific reports prepared at different time intervals, starting from the one produced daily.

The monitoring and control of interest rate risk of the trading portfolio aims to mitigate the risk in question, by defining a system of operating limits for the portfolios managed by the appropriate Group structures, addressing the various risks to which they are exposed. The limits are checked on a daily basis.
The daily monitoring and control of the price risk associated with the trading portfolio for supervisory purposes is performed via Value-at-Risk (VaR) analyses, in accordance with the method indicated above.

Quantitative information

3. Interest rate risk - Trading portfolio for regulatory purposes: internal models and other methodologies for the sensitivity analysis

The VaR readings determined over time horizons of ten days and one day are set out below, in relation to the rate risk associated with the trading portfolio reported for regulatory purposes at 31 December 2025.

Descriptive data		VaR		VaR	
		Time horizon: 10 days		Time horizon: 1 day	
		Confidence interval: 99%		Confidence interval: 99%	
Type of transaction	**Present value**	**VaR**	**Var/Present Value**	**VaR**	**Var/Present Value**
BOT	2,399	1	0.04%	-	0.00%
BTP	20,067	261	1.30%	83	0.41%
CCT	9,625	85	0.88%	27	0.28%
Other government securities	108,795	36	0.03%	12	0.01%
Bonds	25,560	131	0.51%	41	0.16%
Equity instruments	-	-	0.00%	-	0.00%
Mutual funds and Sicavs	-	-	0.00%	-	0.00%
Derivatives/Transactions to be settled	53,875	684	1.27%	222	0.41%
Effect of diversification		(42)		(3)	
Total portfolio 2025	**220,321**	**1,156**	**0.53%**	**382**	**0.17%**
Total portfolio 2024	**146,401**	**1,380**	**0.94%**	**437**	**0.30%**

The value of the trading portfolio at 31 December 2025 given a parallel shift of +/- 100 bps (sensitivity analysis) is set out below.

	+100 bps	-100 bps
31 December 2025	**(225)**	**4,626**
31 December 2024	**(211)**	**1,944**

3. Price risk - Trading portfolio for regulatory purposes: internal models and other methodologies for the sensitivity analysis

The VaR determined over time horizons of ten days and one day is set out below, in relation to the price risk associated with the trading portfolio reported for regulatory purposes at 31 December 2025.

Descriptive data		VaR		VaR	
		Time horizon: 10 days		Time horizon: 1 day	
		Confidence interval: 99%		Confidence interval: 99%	
Type of transaction	Present value	VaR	Var/Present Value	VaR	Var/Present Value
Equity instruments	26,810	3,046	11.36%	1,029	3.84%
Mutual funds and Sicavs	64,951	5,630	8.67%	1,873	2.88%
Derivatives/Transactions to be settled	2,186	670	30.65%	209	9.56%
Effect of diversification		(2,742)		(715)	
Total portfolio 2025	**93,947**	**6,604**	**7.03%**	**2,396**	**2.55%**
Total portfolio 2024	**3,106**	**831**	**26.76%**	**284**	**9.14%**

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

Interest rate risk represents the potential impact of unexpected changes in market rates on current profits and the equity value of the Parent Company. This risk typically affects the positions included in the banking book.

The exposure to interest rate risk can be further analysed into:
- income risk;
- investment risk.

Income risk derives from the possibility that an unexpected change in interest rates may reduce net interest income, being the difference between interest received and interest paid. This risk is measured by maturity gap models and depends on:
- the mismatch in the maturity structures of lending and funding, in cases where the related assets and liabilities are remunerated at fixed rates until final maturity;
- the mismatch of the review periods for rate conditions, in the case of floating-rate assets and liabilities.

The timing mismatches mentioned above expose BPER Banca to:
- refinancing risk: the risk arising when the average maturity period (period until the next rate review) is shorter for funding than for lending. In this case, the Bank is exposed to possible increases in interest rates (the Bank is Liability Sensitive);
- reinvestment risk: the risk arising when the average maturity period (period until the next rate review) is shorter for lending than for funding. In this case, the Bank's net interest income will decline if interest rates fall (the Bank is Asset Sensitive).

Investment risk derives from the possibility that adverse changes in the value of all assets, liabilities and off-balance sheet instruments held by the Bank, following changes in interest rates, may destabilise the equilibrium of the balance sheet. This risk is measured by duration gap and sensitivity analysis techniques.

The following types of interest rate risk are identified:
- Gap Risk: risk associated with differences in the maturities (fixed rate) and the repricing dates (floating rate) of the assets and liabilities held in the portfolio.
- Yield Curve Risk: risk associated with changes in the gradient and shape of the yield curve.
- Basis Risk: risk arising from the imperfect correlation between the indexation parameters for lending and funding, or from unfavourable changes in the gradient of the curve.
- Option Risk: risk associated with "explicit" or "embedded" options embedded in the banking book's assets and liabilities (e.g. cap/floor/collar, loan prepayment options).

Every month, BPER Banca monitors at both consolidated and legal entity level the impact that unexpected changes in market interest rates might have on the positions in the banking book, according to the following prospects:

- standpoint of net interest income: the purpose is to evaluate interest risk with reference to the sensitivity of net interest income to rate changes over a given period of time. Adverse changes in net interest income potentially affect the financial stability of a bank by weakening its capital adequacy. The change in net interest income depends on the various types of risk;
- standpoint of economic value: changes in interest rates may affect the economic value of the Parent Company's assets and liabilities. The economic value of a bank is represented by the present value of its expected cash flows, defined as the sum of the present value of the cash flows to be generated by its assets, liabilities and positions in derivatives. By contrast with the standpoint of current profits, the standpoint of economic value identifies the risk generated by the repricing or maturity gap over a long time horizon;
- net interest income and current earnings perspective (Market Value Changes - MVC): refers to the change in current earnings following changes in the market value of instruments measured at fair value, subject to the application of one or more interest rate curve shocks.

The objectives to be pursued in support of the proper management of interest rate risk are:

- reduce the adverse effects of the volatility of net interest income (standpoint of current profits). The stability of net interest income is mainly influenced by the Yield Curve Risk, Gap Risk, Basis Risk and Option Risk;
- immunise the economic value, being the sum of the present values of all the expected cash flows, generated by both sides of the balance sheet. By contrast with the standpoint of current profits, the standpoint of economic value takes a medium/long-term view and is mainly associated with the Gap Risk;
- ensure compliance with the related organisational requirements envisaged by the domestic and international supervisory bodies.

The model for the governance of interest rate risk is based on the following principles:

- assignment to the Parent Company of guidance and coordination rights over the strategic planning and control processes, treasury and financial management, the commercial area and the governance of lending for the entire Group, in order to ensure the consistent management of interest-rate risk and compliance with regulatory requirements;
- segregation between governance processes and the management of interest rate risk.

The strategic decisions at Group level regarding the management of risk are made by the corporate bodies of the Parent Company. The decisions made take account of the operational specifics and related risk profiles of each Group company, in order to establish an integrated and consistent risk management policy.
Given the above, the BPER Group has adopted a centralised model for the governance and management of risk.
As the Parent Company, BPER Banca is responsible for defining guidance for the governance, acceptance and management of interest-rate risk at Group level.

The model for the management of interest rate risk focuses on the following measures of risk:

- sensitivity of net interest income;
- sensitivity of economic value;
- sensitivity of net interest income and current earnings (Market Value Changes – MVC).

The sensitivity analysis of net interest income identifies the impact of changes in interest rates as a result of parallel and other shocks.
The Bank calculates the sensitivity of net interest income holding volumes constant. According to this model, maturing amounts are reinvested in transactions of similar size and financial characteristics to those maturing during the analysis period.
The indicator is calculated at both Group and legal entity levels.

The sensitivity analysis of economic value identifies the impact of yield curve shocks on the value of shareholders' equity. This change is calculated by discounting all the cash flows using two different yield curves: the current curve at the analysis date and that following the shock, and comparing the two values.

$$\Delta VA = VA_{(Curve1)} - VA_{(Curve2)}$$

In order to include the prepayment phenomenon (early repayment, in whole or in part, of the residual debt by the borrower) when measuring the sensitivity, a statistical model has been adopted whereby the potential prepayment of loan principal is estimated using different variables, both of financial nature (such as market interest rates) and contractual (such as the original duration of the loan, the type of loan, the personal characteristics of the borrower, etc.).
For the calculation of sensitivity, demand balances outstanding with customers are simulated using an econometric model which identifies a portfolio that replicates them, by allocating demand funding (lending) to a portfolio of liabilities (assets) with an identified effective repricing profile.

In addition to the risk measures mentioned above, basis risks monitoring and the measurement of capital absorbed in relation to interest rate risk are taken into account. Capital linked to interest rate risk is defined as the higher between the reduction in the economic value of capital and the reduction in net interest income under the assumption that the interest rate curve shocks required by regulations are applied.

BPER Banca monitors, on a monthly and consolidated basis, the impact that unexpected changes in credit spreads may have on the positions in the banking book on the standpoint of net interest income, on net interest income and current profits (Market Value Changes – MVC) and economic value. Credit spread risk arising from the banking book, CSRBB, captures the risk of changes in the credit spread of an instrument of the same credit quality, i.e. the trend of the credit spread within a given rating/probability of default range. The CSRBB is a combination of two elements:

- market credit spread: i.e. changes in the market price of credit risk (as opposed to the idiosyncratic credit spread), which represents the credit risk premium demanded by market operators for a given credit quality;
- market liquidity spread: i.e. changes in the market liquidity spread, which represents the liquidity premium that stimulates market appetite for investment and the presence of willing buyers and sellers

With regard to price risk, the banking book essentially includes transactions in equity instruments, mutual funds and SICAVs classified in the financial statements as measured at fair value through profit or loss and other comprehensive income.
The monitoring of the aforementioned portfolio takes place through the Value at Risk (VaR) methodology presented in detail in the section on qualitative information: "Interest rate risk and price risk - Trading portfolio reported for regulatory purposes".
The Financial Risks Service records and monitors on a daily basis the exposure to price risk through the production of specific reporting containing the main risk metrics (mainly expressed in terms of Value-at-Risk) and, where appropriate, the associated exposure limits for said type of risk.

Quantitative information

2. Banking book: Internal models and other methodologies for the analysis of sensitivity

Below are the year-end figures at 31 December 2025 and their trends (minimum, average, maximum) of the management reporting year relating to the banking book's net interest income, against a parallel shift of +100/-50 bps.

	+100 bps	-50 bps
31 December 2025	**107,975**	**(60,892)**
maximum change	158,959	(87,054)
minimum change	61,247	(17,732)
average change	98,263	(52,887)
31 December 2024	**61,798**	**(35,798)**

Below are the year-end figures at 31 December 2025 and their trends (minimum, average, maximum) of the management reporting year relating to the change in the value of the banking book, against a parallel shift of +/- 100 bps (sensitivity analysis).

	+100 bps	-100 bps
31 December 2025	**(712,659)**	**345,739**
maximum change	(712,659)	504,775
minimum change	(495,766)	192,452
average change	(606,457)	359,103
31 December 2024	**(498,954)**	**304,590**

In relation to the measurement of market risk, the VaR of the overall securities portfolio (banking and trading) amounts to Euro 579 million (Euro 367 million at 31 December 2024) and is principally attributable to the Italian government securities held in the portfolio, which account for approximately 26% of the indicator, Euro 150 million (Euro 110 million at 31 December 2024).

3. Price risk - Banking book: internal models and other methodologies for the sensitivity analysis

The VaR determined over time horizons of ten days and one day is set out below, in relation to the price risk associated with the banking book at 31 December 2025.

Descriptive data		VaR		VaR	
		Time horizon: 10 days		Time horizon: 1 day	
		Confidence interval: 99%		Confidence interval: 99%	
Type of transaction	Present value	VaR	Var/Present Value	VaR	Var/Present Value
Equity instruments	519,845	30,057	5.78%	9,910	1.91%
Mutual funds and Sicavs	1,250,091	59,625	4.77%	19,548	1.56%
Derivatives/Transactions to be settled	-	-	0.00%	-	0.00%
Effect of diversification		-		-	
Total portfolio 2025	**1,769,936**	**89,682**	**5.07%**	**29,458**	**1.66%**
Total portfolio 2024	**1,420,195**	**40,972**	**2.89%**	**12,957**	**0.91%**

1.2.3 Exchange risk

Qualitative Information

A. General aspects, management and measurement of exchange risk

The BPER Banca Group is exposed to exchange risk in connection with routine funding and lending activities and, to a marginal extent, in relation to speculative activities.
The Financial Risks Service of the Parent Company records and monitors on a daily basis the exposure to currency risk through the production of specific reporting containing the main risk metrics (mainly expressed in terms of Value-at-Risk) and, where appropriate, the associated exposure limits for said type of risk.

B. Hedging of exchange risk

The BPER Banca Group uses plain vanilla instruments for the operational hedging of exchange risk.

Quantitative information

1. Breakdown of assets, liabilities and derivatives by currency

Items	Currency					
	USD	GBP	CHF	JPY	CNY	OTHER CURRENCIES
A. Financial assets	**3,067,312**	**456,398**	**7,393,766**	**64,290**	**44,708**	**61,508**
A.1 Debt securities	1,756,426	240,525	27,754	-	-	-
A.2 Equity instruments	43,421	271	22,749	-	-	1
A.3 Loans to banks	345,421	77,263	18,836	57,104	39,939	56,326
A.4 Loans to customers	921,822	138,278	6,248,456	7,186	4,769	5,178
A.5 Other financial assets	222	61	1,075,971	-	-	3
B. Other assets	**81,154**	**3,416**	**155,226**	**1,246**	**323**	**2,046**
C. Financial liabilities	**2,994,833**	**384,217**	**4,047,430**	**59,502**	**28,861**	**67,001**
C.1 Deposits from banks	1,535,078	224,985	1,127,399	997	2,105	3,905
C.2 Deposits from customers	1,459,755	159,232	2,836,161	58,505	26,756	63,096
C.3 Debt securities	-	-	83,870	-	-	-
C.4 Other financial liabilities	-	-	-	-	-	-
D. Other liabilities	**8,668**	**81**	**505,917**	**-**	**377**	**281**
E. Financial derivatives	**2,769,490**	**184,115**	**2,839,849**	**54,801**	**49,250**	**450,072**
- Options	-	-	-	-	-	-
+ Long positions	108,627	-	3,386	4,195	-	11,844
+ Short positions	203,764	857	3,493	5,318	19,887	2,948
- Other derivatives	-	-	-	-	-	-
+ Long positions	1,233,517	51,392	37,702	20,229	17,636	215,381
+ Short positions	1,223,582	131,866	2,795,268	25,059	11,727	219,899
Total assets	**4,490,610**	**511,206**	**7,590,080**	**89,960**	**62,667**	**290,779**
Total liabilities	**4,430,847**	**517,021**	**7,352,108**	**89,879**	**60,852**	**290,129**
Net balance (+/-)	**59,763**	**(5,815)**	**237,972**	**81**	**1,815**	**650**

2. Internal models and other methodologies for the analysis of sensitivity

The VaR determined over time horizons of ten days and one day is set out below, in relation to the risk faced by the BPER Banca Group at 31 December 2025.

	VaR	VaR
	Time horizon: 10 days Confidence interval: 99%	Time horizon: 1 day Confidence interval: 99%
2025	**25,751**	**8,320**
2024	**8,503**	**2,649**

1.3 Derivative instruments and hedging policies

1.3.1 Trading derivative instruments

A. Financial derivatives

A.1 Trading financial derivatives: notional values at the end of the period

Underlying assets/Type of derivatives Underlying assets/Type of derivatives	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 agreements	Without netting agreements			With netting agreements	Without netting agreements	
1. Debt securities and interest rates	**-**	**15,924,893**	**7,756,746**	**-**	**-**	**12,192,270**	**4,844,081**	**-**
a) Options	-	1,929,761	392,881	-	-	1,500,105	326,694	-
b) Swaps	-	13,970,059	4,419,888	-	-	10,635,108	3,260,467	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	2,906,100	-	-	-	1,222,600	-
e) Other	-	25,073	37,877	-	-	57,057	34,320	-
2. Equities and stock indexes	**-**	**8,295,203**	**24,389**	**-**	**-**	**8,652,375**	**2,391**	**-**
a) Options	-	7,355,887	21,116	-	-	8,652,375	216	-
b) Swaps	-	939,316	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	3,273	-	-	-	2,175	-
e) Other	-	-	-	-	-	-	-	-
3. Currencies and gold	**-**	**1,008,790**	**5,046,728**	**-**	**-**	**709,000**	**765,531**	**-**
a) Options	-	184,266	372,366	-	-	57,618	291,090	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	624,713	4,674,362	-	-	465,496	474,441	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	199,811	-	-	-	185,886	-	-
4. Commodities	**-**	**-**	**18,411**	**-**	**-**	**151**	**151**	**-**
5. Other	**-**	**139,818**	**140,383**	**-**	**-**	**84,003**	**82,265**	**-**
Total	**-**	**25,368,704**	**12,986,657**	**-**	**-**	**21,637,799**	**5,694,419**	**-**

A.2 Trading financial derivatives: positive and negative gross fair value - breakdown by product

Type of derivatives	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 agreements	Without netting agreements			With netting agreements	Without netting agreements	
1. Positive Fair Value								
a) Options	-	426,374	6,956	-	-	304,938	6,620	-
b) Interest rate swaps	-	148,500	22,947	-	-	194,931	32,437	-
c) Cross currency swaps	-	-	-	-	-	-	-	-
d) Equity swaps	-	93,597	-	-	-	-	-	-
e) Forwards	-	4,047	28,638	-	-	7,414	8,127	-
f) Futures	-	-	-	-	-	-	-	-
g) Other	-	17,756	8,590	-	-	13,905	7,323	-
Total	**-**	**690,274**	**67,131**	**-**	**-**	**521,188**	**54,507**	**-**
2. Negative Fair Value								
a) Options	-	129,037	4,987	-	-	25,196	7,525	-
b) Interest rate swaps	-	84,101	46,146	-	-	112,134	57,124	-
c) Cross currency swaps	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-
e) Forwards	-	4,285	18,300	-	-	2,864	8,436	-
f) Futures	-	-	-	-	-	-	-	-
g) Other	-	10,168	15,108	-	-	3,027	7,894	-
Total	**-**	**227,591**	**84,541**	**-**	**-**	**143,221**	**80,979**	**-**

A.3 OTC trading financial 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 agreements				
1) Debt securities and interest rates				
- notional value	X	3,053,129	237,098	4,466,519
- positive fair value	X	1,577	1,046	24,019
- negative fair value	X	666	152	51,004
2) Equities and stock indexes				
- notional value	X	24,273	113	3
- positive fair value	X	124	6	2
- negative fair value	X	-	-	-
3) Currencies and gold				
- notional value	X	3,664,122	18,016	1,364,590
- positive fair value	X	20,875	80	13,665
- negative fair value	X	7,850	419	13,151
4) Commodities				
- notional value	X	9,290	-	9,121
- positive fair value	X	312	-	422
- negative fair value	X	412	-	301
5) Other				
- notional value	X	-	-	140,383
- positive fair value	X	-	-	5,003
- negative fair value	X	-	-	10,586
Contracts included in netting agreements				
1) Debt securities and interest rates				
- notional value	-	13,449,774	612,147	1,862,972
- positive fair value	-	156,417	1,203	6,675
- negative fair value	-	86,848	4,537	9,776
2) Equities and stock indexes				
- notional value	-	8,295,203	-	-
- positive fair value	-	509,434	-	-
- negative fair value	-	111,721	-	-
3) Currencies and gold				
- notional value	-	1,008,790	-	-
- positive fair value	-	5,630	-	-
- negative fair value	-	10,214	-	-
4) Commodities				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
5) Other				
- notional value	-	139,818	-	-
- positive fair value	-	10,915	-	-
- negative fair value	-	4,495	-	-

A.4 Residual life of OTC trading financial derivatives: notional values

Underlying assets/Residual life	Up to 1 year	Over 1 year up to 5 years	Over 5 years	Total
A.1 Financial derivatives on debt securities and interest rates	6,801,715	14,722,095	2,157,829	23,681,639
A.2 Financial derivatives on equity securities and stock indexes	2,446,714	5,872,763	115	8,319,592
A.3 Financial derivatives on currencies and gold	6,000,203	55,315	-	6,055,518
A.4 Financial derivatives on commodities	17,683	728	-	18,411
A.5 Other financial derivatives	250,607	29,594	-	280,201
Total 31.12.2025	**15,516,922**	**20,680,495**	**2,157,944**	**38,355,361**
Total 31.12.2024	**7,718,023**	**18,012,050**	**1,602,145**	**27,332,218**

B. Credit derivatives

B.1 Trading credit derivatives: end-of-period notional amounts

This Consolidated Financial Report does not include this type of derivatives.

B.2 Trading credit derivatives: positive and negative gross fair value - breakdown by product

This Consolidated Financial Report does not include this type of derivatives.

B.3 OTC trading credit derivatives: notional values, gross positive and negative fair value by counterparty

This Consolidated Financial Report does not include this type of derivatives.

B.4 Residual life of OTC trading credit derivatives: notional values

This Consolidated Financial Report does not include this type of derivatives.

B.5 Credit derivatives connected with the fair value option: annual changes

There are no amounts to be disclosed in this Consolidated Financial Report.

1.3.2 Accounting hedges

Qualitative information

The BPER Banca Group applies Chapter 6 Hedge Accounting of IFRS 9. For more details on the choices applied, please refer to Part A.2 of the Explanatory Notes, paragraph 4. “Hedging transactions”.

A. Fair value hedges

Hedged Risk - Rate Risk

As already mentioned previously and in other parts of the Financial Report, the corporate strategies provide for specific interventions aimed at the best possible management of interest rate risk. Among the intervention levers, the Group has recourse to derivative contracts (classified from an accounting point of view both as “hedging” and “trading”), used to reduce the sensitivity of the proprietary securities portfolio, loans granted and own liabilities (bond issues and on demand items), compared with a movement in risk-free rates.
The derivatives used for this purpose are:

- Interest Rate Swaps (IRS), also in currencies other than the Euro, traded over the counter, that are specific for each asset or liability instrument to be hedged, or refer to several instruments with the same maturity;
- Futures, listed, generic with underlying bonds (typically German, Italian and US bonds).

Compared with what is shown, micro-hedge accounting relationships are qualified only for hedging the interest rate risk connected to bonds in the banking book, classified among Financial assets measured at fair value through other comprehensive income and Financial assets measured at amortised cost, using IRS-type derivatives for this purpose. Hedging relationships of fixed rate bond loans issued by the Group were treated similarly under the micro-hedging arrangement.

The BPER Banca Group has also qualified its macro hedging relations (macro-hedge accounting) for the hedging of interest rate risk associated with the medium-/long-term fixed-rate loan portfolio and some liability items - Sight Items - modelled according to the results of the behavioural model adopted by the BPER Banca Group and therefore characterised by features of "inelastic core" funding, i.e. those that are substantially characterised by a trend-based fixed cost and a stable duration over time.

Hedged risk - Credit/Counterparty Risk

Given the unexpected increase in credit/counterparty risk, the BPER Banca Group may use derivative instruments to reduce the sensitivity of the investment portfolio to this type of risk.
The derivatives used for this purpose are:

- Credit Default Swaps – CDS, traded over-the-counter, generic and linked to sub-indexes;
- Futures, listed, generic with underlying bonds (typically German, Italian and US bonds).

Compared with what is shown, the credit risk is hedged only by management, as no Hedge Accounting relationship has been qualified.

Hedged risk – Price risk

The coverage of potential unwanted changes in fair value also includes transactions involving equity securities.
The derivatives used for this purpose are generally Total Return Swap (TRS), traded over the counter, specific for each individual exposure.

Cash flow hedges

Hedged Risk - Rate Risk

The objective pursued by the Group in this case is to stabilise the contribution made by the securities portfolio to the net interest income of the Bank should risk-free rates rise and fall.
Cash flow hedging generally requires the use of Interest Rate Swaps - IRS, traded over the counter, specific for each instrument to be hedged or for multiple instruments with the same maturity.

Hedged Risk – Exchange Rate Risk

The objective pursued by the Group in this case is to stabilise the contribution made by the foreign currency securities portfolio to the net interest income of the Bank should the exchange rate depreciate.
Also in this case, hedging tends to be very limited (at the end of 2025 there was just one currency hedge in place) and generally requires the use of Cross Currency Swaps - CCS, traded over the counter, specific for each issue to be hedged or for multiple issues with the same maturity.

Hedging of foreign investments

The BPER Banca Group does not have any foreign investment hedging relationships.

Hedging instruments

The hedge accounting implemented by the BPER Banca Group is therefore achieved by the use of OTC IRS derivative contracts, either plain vanilla or with cap & floor options, and CCS or TRS derivatives.

E. Hedged items

The BPER Banca Group currently has accounting micro-hedges on bonds in the banking book, on its own bond issues and (mortgage) loans granted . For these instruments, either just the Interest rate risk component or the Interest rate risk and Inflation rate risk components are hedged.

Accounting hedges on sight items, i.e. funding, were put in place. In particular, Macro Fair Value Hedges were created, in order to hedge the interest rate risk component of the core fixed-rate inelastic component.

In 2025, the BPER Group prepared created new Macro Fair Value Hedges on performing fixed-rate loans. This loan portfolio is dynamic and open, managed at an aggregate level using certain hedging derivatives, with the aim of hedging against interest rate risk.

Quantitative information

A. Hedging financial derivatives

A.1 Hedging financial derivatives: end-of-period notional amounts

Underlying assets/ Type of derivatives	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 agreements	Without netting agreements			With netting agreements	Without netting agreements	
1. Debt securities and interest rates	**-**	**19,859,878**	**54,739**	**-**	**-**	**14,620,240**	**-**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	19,859,878	54,739	-	-	14,620,240	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
2. Equities and stock indexes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Currencies and gold	**-**	**51,064**	**-**	**-**	**-**	**57,753**	**-**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	51,064	-	-	-	57,753	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Commodities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
5. Other	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**19,910,942**	**54,739**	**-**	**-**	**14,677,993**	**-**	**-**

A.2 Hedging financial derivatives: gross positive and negative fair value - breakdown by product

Type of derivatives	Positive and negative fair value								Changes in the value used to calculate hedge effectiveness	
	Total 31.12.2025				Total 31.12.2024				Total 31.12.2025	Total 31.12.2024
	Over the counter			Organised markets	Over the counter			Organised markets		
	Central counterparties	Without central counterparties			Central counterparties	Without central counterparties				
		With netting agreements	Without netting agreements			With netting agreements	Without netting agreements			
1. Positive Fair value										
a) Options	-	-	-	-	-	-	-	-	-	-
b) Interest rate swaps	-	777,935	-	-	-	649,437	-	-	-	-
c) Cross currency swaps	-	1,622	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	-	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
Total	**-**	**779,557**	**-**	**-**	**-**	**649,437**	**-**	**-**	**-**	**-**
2. Negative Fair value										
a) Options	-	-	-	-	-	-	-	-	-	-
b) Interest rate swaps	-	100,146	1,115	-	-	223,075	-	-	-	-
c) Cross currency swaps	-	-	-	-	-	3,249	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	-	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
Total	**-**	**100,146**	**1,115**	**-**	**-**	**226,324**	**-**	**-**	**-**	**-**

A.3 OTC hedging financial derivatives - notional values, gross positive and negative fair value by counterparty

Underlying assets	Central ounterparties	Banks	Other financial companies	Other entities
Contracts not included in netting agreements				
1) Debt securities and interest rates				
- notional value	X	54,739	-	-
- positive fair value	X	-	-	-
- negative fair value	X	1,115	-	-
2) Equities and stock indexes				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
3) Currencies and gold				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
4) Commodities				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
5) Other				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
Contracts included in netting agreements				
1) Debt securities and interest rates				
- notional value	-	19,859,878	-	-
- positive fair value	-	777,935	-	-
- negative fair value	-	100,146	-	-
2) Equities and stock indexes				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
3) Currencies and gold				
- notional value	-	51,064	-	-
- positive fair value	-	1,622	-	-
- 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 hedging financial derivatives: notional values

Underlying assets/Residual life	Up to 1 year	Over 1 year up to 5 years	Over 5 years	Total
A.1 Financial derivatives on debt securities and interest rates	1,927,514	6,856,538	11,130,565	19,914,617
A.2 Financial derivatives on equity securities and stock indexes	-	-	-	-
A.3 Financial derivatives on currencies and gold	-	51,064	-	51,064
A.4 Financial derivatives on commodities	-	-	-	-
A.5 Other financial derivatives	-	-	-	-
Total 31.12.2025	**1,927,514**	**6,907,602**	**11,130,565**	**19,965,681**
Total 31.12.2024	**1,785,577**	**7,614,666**	**5,277,750**	**14,677,993**

B. Credit hedging derivatives

There are no amounts to be disclosed in these Consolidated Financial Statements.

C. Non-hedging derivatives

There are no amounts to be disclosed in these Consolidated Financial Statements.

D. Hedged instruments

D.1 Fair value hedges

	Micro-hedges: book value	Micro-hedges - net positions: book value of assets or liabilities (prior to netting)	Micro-hedges			Macro-hedges: Book Value
			Cumulative fair value changes (hedged instrument)	Termination of hedging: residual cumulative fair value changes	Change in value used to assess hedge ineffectiveness	
A. Assets						
1. Financial assets measured at fair value through other comprehensive income - hedging of:	**556,686**	**-**	**(36,832)**	**(2,611)**	**(36,832)**	**-**
1.1 Debt securities and interest rates	555,049	-	(46,074)	(2,611)	(46,074)	X
1.2 Equities and stock indexes	1,637	-	9,242	-	9,242	X
1.3 Currencies and gold	-	-	-	-	-	X
1.4 Loans	-	-	-	-	-	X
1.5 Other	-	-	-	-	-	X
2. Financial assets measured at amortised cost - hedging of:	**10,860,954**	**-**	**(616,320)**	**(207,419)**	**(616,368)**	**1,700,764**
1.1 Debt securities and interest rates	10,840,322	-	(611,001)	(207,419)	(611,001)	X
1.2 Equities and stock indexes	-	-	-	-	-	X
1.3 Currencies and gold	-	-	-	-	-	X
1.4 Loans	20,632	-	(5,319)	-	(5,367)	X
1.5 Other	-	-	-	-	-	X
Total 31.12.2025	**11,417,640**	**-**	**(653,152)**	**(210,030)**	**(653,200)**	**1,700,764**
Total 31.12.2024	**6,952,640**	**-**	**(500,994)**	**(239,291)**	**(500,994)**	**-**
B. Liabilities						
1. Financial liabilities measured at amortised cost - hedging of:	**5,018,819**	**-**	**32,598**	**19,257**	**32,598**	**1,455,254**
1.1 Debt securities and interest rates	5,018,819	-	32,598	19,257	32,598	X
1.2 Currencies and gold	-	-	-	-	-	X
1.3 Other	-	-	-	-	-	X
Total 31.12.2025	**5,018,819**	**-**	**32,598**	**19,257**	**32,598**	**1,455,254**
Total 31.12.2024	**5,452,074**	**-**	**69,868**	**25,464**	**69,868**	**2,127,778**

D.2 Hedging of cash flows and foreign investments

	Change in value used to calculate hedging ineffectiveness	Hedging reserves	Termination of hedging: residual value of hedging reserves
A. Cash flow hedges			
1. Assets	-	(1,726)	-
1.1 Debt securities and interest rates	-	-	-
1.2 Equities and stock indexes	-	-	-
1.3 Currencies and gold	-	(1,726)	-
1.4 Loans	-	-	-
1.5 Other	-	-	-
2. Liabilities	-	-	-
1.1 Debt securities and interest rates	-	-	-
1.2 Currencies and gold	-	-	-
1.3 Other	-	-	-
Total (A) 31.12.2025	**-**	**(1,726)**	**-**
Total (A) 31.12.2024	**-**	**20**	**-**
B. Hedges of foreign investments	**X**	**-**	**-**
Total (A+B) 31.12.2025	**-**	**(1,726)**	**-**
Total (A+B) 31.12.2024	**-**	**20**	**-**

E. Effects of hedging on shareholders' equity

E.1 Reconciliation of components of shareholders' equity

	Cash flow hedging reserve				
	Debt securities and interest rates	Equities and stock indexes	Currencies and gold	Loans	Other
Initial balance	**-**	**-**	**20**	**-**	**-**
Changes in Fair Value (effective portion)	-	-	(1,746)	-	-
Transfer to P&L	-	-	-	-	-
of which: future transactions not expected	-	-	-	-	-
Other	-	-	-	-	-
of which: transfer to initial book value	-	-	-	-	-
Closing balance	**-**	**-**	**(1,726)**	**-**	**-**

The parts of the table relating to hedging reserves for foreign investments and hedging instruments (non-designated elements) are not shown as they do not apply.

1.3.3 Other information on derivative instruments (trading and hedging)

At 31 December 2025, the BPER Banca Group does not have any derivatives that satisfy the criteria envisaged in IAS 32, para. 42 for offsetting financial assets and liabilities.

1.4 Liquidity risk

Qualitative Information

A. General aspects, management and measurement of liquidity risk

Liquidity risk typically crystallises in the form of failure to meet payment obligations; it may take various forms, depending on the circumstances in which the risk arises. With reference to the definitions adopted at international level, a distinction is made between funding liquidity risk and market liquidity risk.

Funding liquidity risk is the risk that the Group will not be able to make, in an efficient manner, expected and unexpected cash payments, both current and future, without an adverse effect on the Group's current operations or its financial position.
Market liquidity risk, on the other hand, is the risk that the Group is not able to sell a financial asset without incurring a capital loss due to low depth in the reference market or as a consequence of the time frame within which the assets need to be transferred.

In the context of funding liquidity risk, a distinction is also made between:
- mismatch liquidity risk, being the liquidity risk implicit in the structure of the Group's assets and liabilities due to the transformation of maturities typical of financial intermediaries, when the profile of cash outflows is not perfectly matched by the profile of cash inflows (with reference to contractual maturities and routine behaviour);
- contingency liquidity risk, being the risk that future events may require access to significantly more liquidity than previously planned by the Group and of such scale that it is unable to settle sudden and unexpected payment commitments in the short or very short term.

The BPER Group, in line with the Group Guidelines on the Internal control system, has a specific policy for the governance and management of liquidity and funding risk (Group Policy for Liquidity and Funding Risk Governance), which includes the plan covering the objectives, processes and strategies for action under contingency circumstances (Contingency Funding Plan).

The Policy, which forms an integral part of the Risk Appetite Framework – RAF of the BPER Group, defines the principles, objectives and methods of governance and monitoring of liquidity and funding risk at Group level. More specifically, it contains:
- the definition of the governance model in terms of the parties involved in risk governance and their roles and responsibilities;
- definition of limits and mitigating actions aimed at risk containment;
- the formalisation of risk management methods, through the establishment of rules, procedures and metrics for the measurement and monitoring of liquidity and funding risk and describing the stress test model adopted to evaluate the risk exposure in adverse scenarios.

In particular, the Group's model for the governance of liquidity and funding risk has the following objectives:
- guarantee solvency in the ordinary course of business and under crisis conditions;
- ensure enough liquidity to satisfy the contractual commitments of the Group at all times, while also optimising the cost of funding given both current and expected market conditions;
- apply the instructions issued by the Supervisory Authorities, while also taking account of the Group's own operating characteristics;
- development of processes for the governance and management of liquidity and funding risk, using a model that involves the appropriate corporate bodies and functions;
- ensuring conformity of the processes for the governance and management of liquidity and funding risk with the prudential supervision instructions.

The BPER Group's model for the governance of liquidity and its risk is characterised by a centralised-type system, in which the Parent Company BPER Banca exercises management, coordination and control over each of the Group's Banks and Companies.

Internal assessment of liquidity adequacy is conducted periodically through the ILAAP (Internal Liquidity Adequacy Assessment Process), which allows the Group to identify, measure, manage, and monitor its liquidity and funding risk profile. Through the ILAAP, carried out at consolidated level, the Corporate Bodies and organisational Functions acquire the information and instruments necessary to define liquidity and funding strategies and to manage liquidity in a prudent and effective manner, maintaining on an ongoing basis the adequacy of the risk profile with respect to the objectives of the Risk Appetite Framework.

With regard to short-term liquidity (i.e., operational liquidity), the Parent Company manages funding and lending operations, defines and oversees the Funding Plan, and monitors the liquidity risk profile for each entity within the consolidated perimeter. Similarly, for medium- to long-term liquidity (i.e., structural liquidity), the Parent Company:

- coordinates the commercial and credit policies of the Group's Banks and Companies to ensure consistency in the overall governance of funding risk and to ensure compliance with regulatory requirements ;
- ensures the clear attribution of responsibilities among the governance, control, and operational bodies within the Group, consistently developing the processes for managing and controlling funding risk.

The metrics that monitor short-term liquidity risk, aimed at maintaining the ability of the Group to meet both routine and unexpected payment obligations, while minimising the related cost, envisage:

- calculation, on a daily basis, of the exposure using the Liquidity Risk Mismatch Model, considering the eligible assets that are readily convertible into liquid funds, as well as any reserves held in the form of working capital;
- that assets minus liabilities due to mature in the various time bands fits within a cumulative limit.

The metrics that monitor funding risk are designed to maintain suitable dynamics in the ratio of medium/long-term assets and liabilities, avoiding pressure on the sources of current and expected short-term liquidity while optimising the cost of funding. These metrics envisage:

- calculation of the liquidity mismatch which, in practical terms, means calculating the gap ratios between assets and liabilities in the time bands beyond one year;
- calculation of the funding gap, being the difference between lending and commercial funding as a percentage of total lending;
- the use of statistical/quantitative behavioural models for items without contractual maturities or which are subject to options;

Group liquidity is monitored both in the ordinary course of business and under stress conditions. The Liquidity Stress Testing framework is aimed at assessing and monitoring the Group's ability to withstand severe but plausible liquidity stress situations, fulfilling its contractual and regulatory obligations without business interruption.
This framework is based on the simulation of scenarios characterised by adverse components of a Systemic (Market Driven) nature, Idiosyncratic (Bank Specific) nature, and a combination of systemic and idiosyncratic components, of sufficient intensity to negatively impact the Group's liquidity position.

In line with both external and internal regulatory frameworks, the Group has also implemented comprehensive organisational safeguards and internal control processes, set out in an emergency plan, or Contingency Funding Plan (CFP), to be activated in the event of anomalies identified through an appropriate system of early warning indicators.
The CFP is identified as a suitable tool for mitigating liquidity risk, with its primary purpose being to protect the Group's liquidity and funding position during periods of stress or liquidity crisis, through the provision of stress management strategies and procedures suitable for raising funds in the event of a contingency.
The CFP formalises the process of liquidity management under stress or crisis scenarios. The business functions responsible for monitoring and managing liquidity risk must be able to carry out their activities both under normal conditions and at times of stress and/or liquidity crises that are unlikely to occur, but which would have a significant impact.

In view of the governance model of the liquidity and funding risk previously illustrated, BPER Banca - as the lender of last resort for all Group subsidiaries - guarantees their short, medium and long-term solvency and is responsible for activating the Contingency Funding Plan, regardless of the Group Bank or Company where the liquidity crisis arises.

The BPER Group's CFP identifies four reference operating scenarios:

- ordinary course of business;
- state of attention;
- state of stress;
- state of crisis.

Depending on the operational scenario of reference, identified by monitoring a system of quantitative alerts, the management process will be defined in terms of functions involved and actions to be adopted.

The Contingency Funding Plan and its revisions must be approved by the Board of Directors of the Parent Company.

B. Liquidity indicators

The harmonised rules for banks and investment companies contained in EU Regulation 575/2013 (CRR), as subsequent updates, introduced the following liquidity indicators, to be calculated at a consolidated level:

- Liquidity Coverage Ratio (LCR): this is an indicator of coverage of short-term liquidity whose purpose is to force banks to accumulate sufficient high-quality assets that are readily convertible into cash, in order to deal with a scenario of high stress on the funding side over a period of thirty days. At 31 December 2025 the ratio was 172.1% calculated as a ratio of Euro 36,463 million of highly liquid assets and Euro 21,184 million of net cash outflows;
- Net Stable Funding Ratio (NSFR): a structural long-term indicator that is measured with a view to reporting any mismatches between assets and liabilities. As at 31 December 2025, the ratio stood at 134.4%, calculated as the ratio between Euro 143,195 million of available stable funding and Euro 106,525 million of required stable funding.

The liquidity requirements are over 100%, so above the minimum requirements.

Quantitative information

1. Time breakdown of financial assets and liabilities by contractual residual maturity

EURO

Items/time bands	On demand	From 1 to 7 days	From 7 to 15 days	From 15 days to 1 month	From 1 to 3 months
On-balance-sheet assets	**22,004,669**	**2,132,507**	**3,385,762**	**5,977,092**	**8,861,440**
A.1 Government securities	2,743	-	19,771	344,119	361,662
A.2 Other debt securities	8,218	3,114	55,181	95,151	262,889
A.3 UCITS units	1,287,050	-	-	-	-
A.4 Loans	20,706,658	2,129,393	3,310,810	5,537,822	8,236,889
- Banks	9,811,414	4,464	2,035	19,711	97,421
- Customers	10,895,244	2,124,929	3,308,775	5,518,111	8,139,468
On-balance-sheet liabilities	**128,617,981**	**8,415,449**	**2,813,056**	**5,771,188**	**3,396,875**
B.1 Deposits and current accounts	125,598,417	228,834	1,875,633	569,438	1,529,810
- Banks	522,230	30,324	12,007	3,436	12,206
- Customers	125,076,187	198,510	1,863,626	566,002	1,517,604
B.2 Debt securities	7,318	4,540	25,846	88,577	328,902
B.3 Other liabilities	3,012,246	8,182,075	911,577	5,113,173	1,538,163
Off-balance sheet transactions					
C.1 Financial derivatives with exchange of principal					
- Long positions	-	222,607	140,018	574,277	495,312
- Short positions	-	204,243	2,141,866	749,139	390,878
C.2 Financial derivatives without exchange of principal					
- Long positions	168,005	-	-	-	-
- Short positions	149,864	-	-	67	30
C.3 Deposits and loans to be received					
- Long positions	2,493,380	4,607,954	-	-	-
- Short positions	-	5,046,473	2,054,861	-	-
C.4 Irrevocable commitments to disburse funds					
- Long positions	913,513	964	7,275	49,622	146,253
- Short positions	5,260,807	6,208	9,879	51,879	95,517
C.5 Financial guarantees granted	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-
C.7 Credit derivatives with exchange of principal					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.8 Credit derivatives without exchange of principal					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-

1. Time breakdown of financial assets and liabilities by contractual residual maturity

EURO

(cont.)

Items/time bands	From 3 to 6 months	From 6 months to 1 year	Over 1 year up to 5 years	> 5 years	Undefined maturity
On-balance-sheet assets	**6,981,589**	**11,683,856**	**54,839,185**	**65,072,056**	**1,411,705**
A.1 Government securities	336,346	553,186	9,288,739	18,500,690	-
A.2 Other debt securities	331,131	2,110,884	7,008,330	4,256,797	220
A.3 UCITS units	-	-	-	-	-
A.4 Loans	6,314,112	9,019,786	38,542,116	42,314,569	1,411,485
- Banks	19,732	19,741	81,604	1,422	1,409,089
- Customers	6,294,380	9,000,045	38,460,512	42,313,147	2,396
On-balance-sheet liabilities	**2,618,034**	**2,209,251**	**13,127,021**	**5,028,528**	**-**
B.1 Deposits and current accounts	1,070,247	559,788	173,839	62	-
- Banks	3,056	25,333	173,790	-	-
- Customers	1,067,191	534,455	49	62	-
B.2 Debt securities	1,368,853	1,080,535	11,808,031	3,177,131	-
B.3 Other liabilities	178,934	568,928	1,145,151	1,851,335	-
Off-balance sheet transactions					
C.1 Financial derivatives with exchange of principal					
- Long positions	201,904	196,791	66,800	8,281	-
- Short positions	200,334	153,967	23,691	6,513	-
C.2 Financial derivatives without exchange of principal					
- Long positions	-	-	-	-	-
- Short positions	126	227	-	-	-
C.3 Deposits and loans to be received					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds					
- Long positions	55,107	87,234	1,944,784	676,125	-
- Short positions	89,279	46,919	-	-	-
C.5 Financial guarantees granted	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-
C.7 Credit derivatives with exchange of principal					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.8 Credit derivatives without exchange of principal					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-

1. Time breakdown of financial assets and liabilities by contractual residual maturity

OTHER CURRENCIES

Items/time bands	On demand	From 1 to 7 days	From 7 to 15 days	From 15 days to 1 month	From 1 to 3 months
On-balance-sheet assets	**1,572,676**	**287,793**	**203,137**	**454,376**	**1,052,598**
A.1 Government securities	-	-	-	-	13
A.2 Other debt securities	4,000	-	-	103,967	211,359
A.3 UCITS units	25,891	-	-	-	-
A.4 Loans	1,542,785	287,793	203,137	350,409	841,226
- Banks	1,352,387	97,650	106,637	42,010	54,462
- Customers	190,398	190,143	96,500	308,399	786,764
On-balance-sheet liabilities	**4,453,223**	**199,130**	**104,418**	**276,807**	**1,452,148**
B.1 Deposits and current accounts	4,422,876	199,010	52,366	39,668	234,244
- Banks	133,298	188,375	9,340	8,638	72,541
- Customers	4,289,578	10,635	43,026	31,030	161,703
B.2 Debt securities	771	86	303	129	553
B.3 Other liabilities	29,576	34	51,749	237,010	1,217,351
Off-balance sheet transactions					
C.1 Financial derivatives with exchange of principal					
- Long positions	-	247,451	2,198,295	804,153	397,228
- Short positions	-	252,670	200,320	633,516	499,977
C.2 Financial derivatives without exchange of principal					
- Long positions	1,076	-	-	-	-
- Short positions	994	-	-	15	4
C.3 Deposits and loans to be received					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds					
- Long positions	14,804	-	754	346	335
- Short positions	15,861	1,117	559	3,523	3,786
C.5 Financial guarantees granted	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-
C.7 Credit derivatives with exchange of principal					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.8 Credit derivatives without exchange of principal					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-

1. Time breakdown of financial assets and liabilities by contractual residual maturity

OTHER CURRENCIES

(cont.)

Items/time bands	From 3 to 6 months	From 6 months to 1 year	Over 1 up to 5 years	> 5 years	Undefined maturity
On-balance-sheet assets	**683,300**	**1,039,719**	**4,398,227**	**1,475,786**	**241**
A.1 Government securities	-	1,085	747,800	85,106	-
A.2 Other debt securities	83,007	261,759	487,404	81,461	-
A.3 UCITS units	-	-	-	-	-
A.4 Loans	600,293	776,875	3,163,023	1,309,219	241
- Banks	20,164	43,310	-	-	-
- Customers	580,129	733,565	3,163,023	1,309,219	241
On-balance-sheet liabilities	**151,647**	**184,921**	**347,920**	**469,900**	**-**
B.1 Deposits and current accounts	80,807	148,877	314,559	468,848	-
- Banks	30,698	124,009	314,482	468,848	-
- Customers	50,109	24,868	77	-	-
B.2 Debt securities	11,886	35,978	33,102	1,052	-
B.3 Other liabilities	58,954	66	259	-	-
Off-balance sheet transactions					
C.1 Financial derivatives with exchange of principal					
- Long positions	198,519	168,893	21,787	-	-
- Short positions	197,454	210,630	78,474	-	-
C.2 Financial derivatives without exchange of principal					
- Long positions	-	-	-	-	-
- Short positions	-	33	-	-	-
C.3 Deposits and loans to be received					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds					
- Long positions	35	-	-	-	-
- Short positions	44	-	-	-	-
C.5 Financial guarantees granted	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-
C.7 Credit derivatives with exchange of principal					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.8 Credit derivatives without exchange of principal					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-

As required by the regulations, liquidity risk includes the self-securitisations carried out by the BPER Banca Group and outstanding as at 31 December 2025.

Sardegna Re-Finance self-securitisation

During 2017, the subsidiary Banco di Sardegna completed a securitisation of performing residential mortgage loans pursuant to Law 130 dated 30 April 1999 to strengthen the funding available - through the Parent Company BPER Banca - to control liquidity risk.

This transaction involved the without-recourse bulk sale of 19,494 performing loans, comprising residential mortgage loans granted to developers and residential mortgage loans granted to home owners, totalling Euro 1,494.9 million, to Sardegna Re-Finance S.r.l., a company formed pursuant to Law 130. The vehicle company financed the transaction via issue of the asset-backed bonds described in the following table, all of which were taken up by Banco di Sardegna.

The objective of this transaction, which did not involve the market, was to create a reserve of liquidity via the issue of securities to be used for refinancing with the ECB - through the Parent Company BPER Banca - and for use as collateral for other funding transactions. It represents one aspect of the liquidity management activities arranged by the BPER Banca Group.

The securities have been rated by Moody's and DBRS.

As structured, the sale did not transfer to third parties, with respect to the originator bank, the real credit risk associated with the underlying loans. Based on the provisions of IAS regarding derecognition (IAS 39 at the time of the transaction, subsequently replaced by IFRS 9 starting from 1 January 2018, which kept the same approach for the assessment of asset recognition), the transactions subject to securitisation have remained on the books of the subsidiary Banco di Sardegna (and therefore of the BPER Banca Group) and are discussed in the Explanatory Notes.

Since the possibility of subsequent sales of loan portfolios was envisaged - within 24 months from the December 2017 closing date - to be followed by an adjustment of the securities issued due to an increase in their respective pool factor values, there were two further sales of mortgages, selected with criteria similar to those used for the first sale, of Euro 443 million and Euro 175 million, respectively, in June and December 2018. The portfolio has therefore reached its maximum capacity already after 12 months and the transaction has been consolidated as follows.

Classes	A	J
Issue amount	1,668,800,000	531,200,000
Current Pool Factor	0.25292135	0.85368328
Currency	Euro	Euro
Maturity	22.12.2060	22.12.2060
Listing	Dublin Stock Exchange	Unlisted
ISIN code	IT0005317034	IT0005317042
Depreciation	Pass Through	Pass Through
Indexation	Euribor 3m	Unindexed
Spread	0.80%	Residual
Issue Moody's Rating	Aa2	Unrated
Issue DBRS Rating	AA (low)	Unrated
Current Moody's Rating	Aa2	Unrated
Current DBRS Rating	AAA (sf)	Unrated

Diamantino RMBS

On 9 May 2023, BPER Banca s.p.a. signed a contract for the sale of loans relating to residential mortgages and property loans of Euro 3.7 billion in favour of the Diamantino RMBS vehicle that, on 22 June 2023, issued securities for a total of Euro 3,648,422,000 (of which Euro 2,645,100,000 in class A and Euro 1,003,322,000 in class J), fully subscribed for by BPER Banca s.p.a. in order to optimise the counterbalancing capacity with securities highly rated by the refinancing market.

Disposal date:	9 May 2023.
Seller:	BPER Banca s.p.a..
Special purpose vehicle:	DIAMANTINO RMBS S.r.l., Via Vittorio Emanuele II 24/28, 20122 Milan.
Servicer:	BPER Banca s.p.a., as Servicer, Account Bank and Paying Agent, Zenith Services as Calculation Agent and Corporate Servicer.
Issue date of securities	22 June 2023.
Type of transaction	Traditional.
Organisational structure	BPER Banca s.p.a. provides a quarterly report on the collections in which it comments on the activity carried out with indications relating to collections, providing specific details about interest and principal payments. The Corporate Servicer activity has been delegated to Zenith Service s.p.a..
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out by the Originator.

The operational aspects are summarised below:

Assets sold	Property loans and residential mortgage loans.
Quality of assets securitised	Performing loans.
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 3.7 billion.
Disposal price of securitised assets	The disposal price is Euro 3.7 billion.
Guarantees and credit lines granted by the bank	None.
Guarantees and credit lines granted by third parties	None.
Analysis by business sector	Mortgage agreements entered into with both natural and legal persons, excluding Public Administrations.
Analysis by geographical area	Securitised loans are concentrated in Italy.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Residual balance at 31.12.2025
IT0005549594	Senior	Dec-75	2,645,100	1,579,588
IT0005549602	Junior	Dec-75	1,003,322	1,003,322
Total			**3,648,422**	**2,582,910**

Early unwinding of MultiLease AS Self-Securitisation

The self-securitisation of performing lease receivables "Multilease 4" was structured in 2021 on an initial scope of Euro 1,796 million worth of assets sold, with the issuance of senior securities for an amount of Euro 1,321 million, rated "A(sf)" by S&P and "A(high)(sf)" by DBRS as at the issue date.

The financial duration of the transaction, linked to the expected amortisation schedule for the repayment of the senior securities, had been estimated to 3 to 4 years; therefore, the planned early unwinding of the transaction was between mid-2024 and the first quarter of 2025 (the nominal maturity date of the transaction had been set for February 2047).

With the transaction being a "self-securitisation", BPER Leasing (or Sardaleasing) had acted since the closing date as subscriber for the notes issued by the special purpose vehicle Multilease. At the same time, the Senior Tranche of the Notes was borrowed by the Parent Company BPER Banca to be pledged as collateral for refinancing operations with the ECB. In parallel, the company had received revocable credit lines for a total of Euro 1,200 million, as funding support from the Parent Company.

In the first half of 2025, in agreement with the Finance Department of the Parent Company, BPER Leasing deemed it appropriate to unwind the transaction ahead of schedule. In this context, the Board of Directors of BPER Banca, at its meeting of 27 March 2025, resolved upon the early unwinding of ML4, by authorising operational support to BPER Leasing for all matters necessary to terminate any contract, deed and document required for the unwinding.

The outstanding amount of senior securities as at 30 April 2025, namely the effective date of the early unwinding, was Euro 72.9 million. The financial trades marking the unwinding of the transaction, which involved full repayment of the securities and of all of the Company's credit claims, took place in June 2025.

Banca Popolare di Sondrio self-securitisations

The securitisations of receivables are, *inter alia*, aimed at improving liquidity risk management, by optimising the availability of assets that can be used to meet any liquidity shortfall. In the case of self-securitisations, the Bank's direct and full underwriting of the securities issued by the special purpose vehicle, whilst not generating immediate funding from the market, provides financial instruments that can be used for refinancing operations with the ECB and for repurchase agreements in the market. These transactions have no impact on the financial statements: the securitised receivables continue to be recognised as assets, while the securities subscribed for are not shown.
On 16 June 2023, Banca Popolare di Sondrio carried out a self-securitisation transaction as part of the strategies to manage its funding sources and optimise its assets. The initiative is designed to diversify funding sources, provide the Bank with appropriate instruments to extend the maturity of its funding, including with a view to managing liquidity risks, and support the efficient management and enhance the value of high-quality lending assets. The transaction consisted in the non-recourse sale, pursuant to Law 130/1999, to the specifically established special-purpose vehicle, Centro delle Alpi SME S.r.l., of an initial granular portfolio of Euro 1,554 million worth of performing loans granted to SMEs, both secured and unsecured. Including through the option to carry out additional disposals of assets with similar characteristics, the transaction involved the issuance, by the special purpose vehicle, of securities for a total amount of Euro 3,199.97 million:

- a Senior tranche of Euro 2,288.2 million, sub-divided as follows:
  - Class A1 - Nominal Value = Euro 941.6 million
  - Class A2 - Nominal Value = Euro 73 million
  - Class A3 - Nominal Value = Euro 1,182 million
  - Class A4 - Nominal Value = Euro 91.6 million

  The senior securities were rated A by the rating agencies S&P Global Ratings and DBRS Morningstar and were granted ECB eligibility.
- a mezzanine tranche, with nominal value of Euro 288 million. The securities were rated BB (high) by DBRS Morningstar and BBB by S&P Global Ratings.;
- a junior tranche, with nominal value of Euro 623.77 million, unrated.

All classes were subscribed to by Banca Popolare di Sondrio; therefore, they were not derecognised from the financial statements. The Bank retained the credit risk associated with the securitised portfolio and the related rewards; consequently, in the originator bank's separate financial report, the assets continue to be recognised as 'Assets sold but not derecognised'; the consideration received from the sale are recognised as an offsetting entry against a debt exposure to the special purpose vehicle, net of the securities subscribed by the Bank itself.
The Bank acts as a 'servicer' on behalf of the special purpose vehicle Centro delle Alpi SME srl, providing mortgage loan management, administration and debt collection services; it acts on behalf of the special purpose vehicle but remains the sole counterparty for customers and is paid servicing fees for this service.
As at 31 December 2025, the outstanding amount subscribed for by the Bank was Euro 1,271.6 million in senior securities, Euro 251.6 million in mezzanine securities and Euro 544.9 million in Junior securities.

1.5 Operational risk

Qualitative Information

A. General aspects, governance and measurement of operational risk

Operational risk is "the risk of losses due to inadequate or dysfunctional procedures, human resources or internal systems, or to exogenous events, including the legal risk[186]".

The BPER Banca Group adopts the Standardised Approach (TSA) introduced as part of the Basel framework reforms, to calculate the Capital Requirement for operational risk. This method replaces the previous Traditional Standardised Approach (TSA) and is based on a Business Indicator and on risk factors calibrated to the Group's scale and operational complexity. The Own Funds requirements are calculated in accordance with the regulatory provisions in force, ensuring greater sensitivity to the risk profile and closer correlation with the intermediary's operational characteristics.

Note that, on the basis of the principles of organisational separation and independence of functions exercising second and third level control activities, it is envisaged that there is:

- a first level control of operational risk;
- a function that performs second level controls of operational risk within the Risk Management Department, part of the Operational, ICT and Reputational Risk Unit;
- a function for third-level controls that is attributed to the Internal Audit Department, in accordance with the Group's internal control system.

Operational risk management is based on the following principles:

- identification: operational risks are identified, highlighted and reported to senior management;
- measurement and assessment: the risk is quantified by determining the impact on business processes, inclusive of the financial impact thereon;
- monitoring: monitoring of operational risk and of exposure to significant losses is ensured, generating information flows that favour active risk management;
- mitigation: appropriate measures have been taken to mitigate operational risk;
- reporting: a reporting system has been set up to report on operational risk management.

The collection and storage of data relating to loss events is done by means of the Group's Loss Data Collection process.
The process of Loss Data Collection is supported by special IT tools, which are under constant development, to ensure the integrity and quality of data.
The assessment of operational risk exposure, which is performed by means of risk self assessment, is aimed at determining, with an annual time horizon and for significant operating segments:

- the extent of exposure to operational risk;
- an assessment of the adequacy of line processes and controls.

The management of operational risk also includes assessment of the risks associated with the process adopted to approve new products and services, the start-up of new activities, the entry into new markets and the third party management process.

The Group has implemented an analytical framework for ICT and Security risk in compliance with Bank of Italy Circular 285 of 17 December 2013, with the aim of providing an overview of the current risk situation and the remedy plan needed to avoid exceeding the threshold set for the Group's risk appetite.
Following the new regulatory provisions (Directive (EU) 2015/2366 implemented in the 28th update of Circular 285 of July 2019), every year the Group carries out an in-depth assessment of the operational and security risks related to the payment services provided and the adequacy of the mitigation measures and control mechanisms put in place to address them.

186 See (EU) Regulation 575/2013 of the European Parliament and the Council of 26 June 2013 on prudential requirements for credit institutions and investment companies (CRR) – Part one, Title I, art. 4. Legal risk is the risk of losses resulting from violations of laws or regulations, from contractual or extra-contractual liability or from other disputes.

The Parent Company prepares a quarterly report for Senior Management and the managers of central organisational units on the operational losses incurred during the period, as well as an annual report that analyses the forward-looking assessments of operational risk, based on the risk self assessments carried out, and describes the various risk mitigation actions planned. Specific reporting is also provided for the ICT and Security risk management framework and the third-party risk management framework.

Membership by the BPER Banca Group of the DIPO consortium[187] allows the Bank to obtain feedback about the operational losses reported by the other Italian banks that are members. The Parent Company currently uses this feedback to analyse the positioning of the Group with respect to the system as a whole, to update the map of operational risks and to support the estimates made during the Risk Self Assessment process.
Operational risk management includes the various steps involved in the process of Business Continuity Management. This process is designed to maintain an appropriate level of attention regarding operational continuity and to avoid the progressive obsolescence of organisational measures (rules, impact assessment, scenarios, emergency measures, operating plans etc.) taken to ensure the continuity of critical business processes.

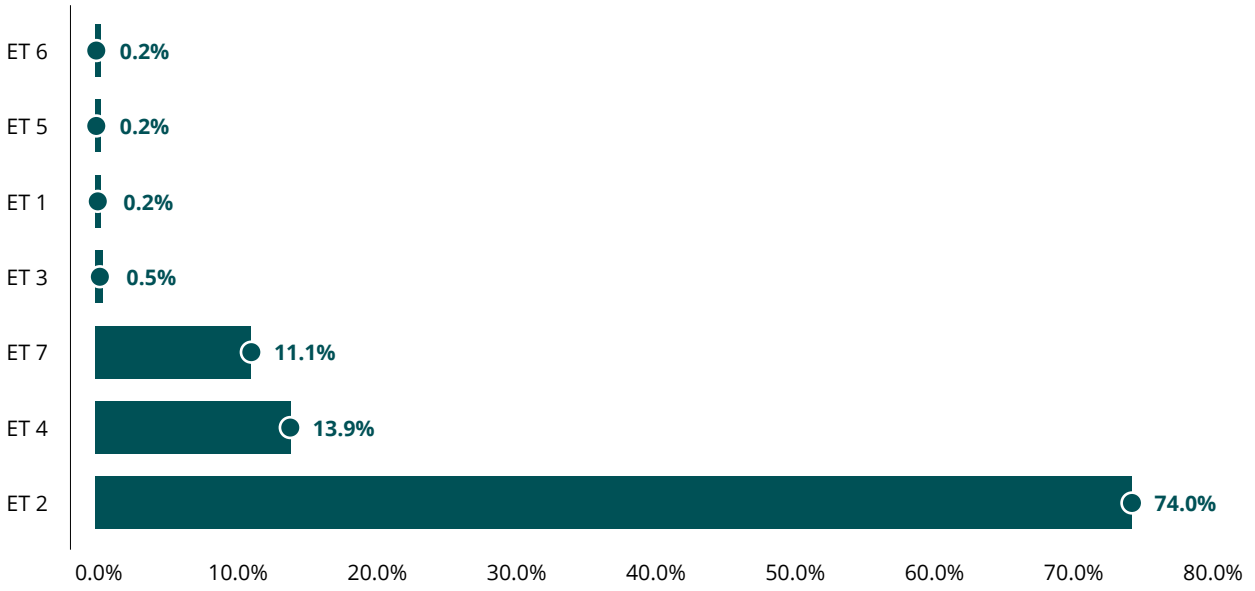
Quantitative information

The following is the distribution of the number of events and operating losses recorded in 2025, divided into the following risk categories:

- internal fraud: losses due to fraud, embezzlement or circumvention of regulations, laws or company policies, excluding incidents of discrimination or failure to apply equal treatment, which involves at least one internal resource of the entity;
- external fraud: losses due to fraud, embezzlement or violation/circumvention of laws, by a third party;
- employment and safety at work: losses arising from acts not in compliance with laws or agreements in respect of employment, health and safety at work, from the payment of compensation for personal injuries or incidents of discrimination or failure to apply equal treatment;
- customers, products and business practices: losses arising from unintentional or negligent non-performance relating to professional obligations to specific clients (including fiduciary and suitability requirements), or from the nature or characteristics of the product;
- damage to fixed assets: losses resulting from loss or damage to assets from natural disasters or other events;
- business interruption and system failures: losses arising from business interruption or system failures;
- performance, delivery and management of processes: losses due to weaknesses in the handling of transactions or management of processes, as well as losses due to relations with business partners and suppliers.

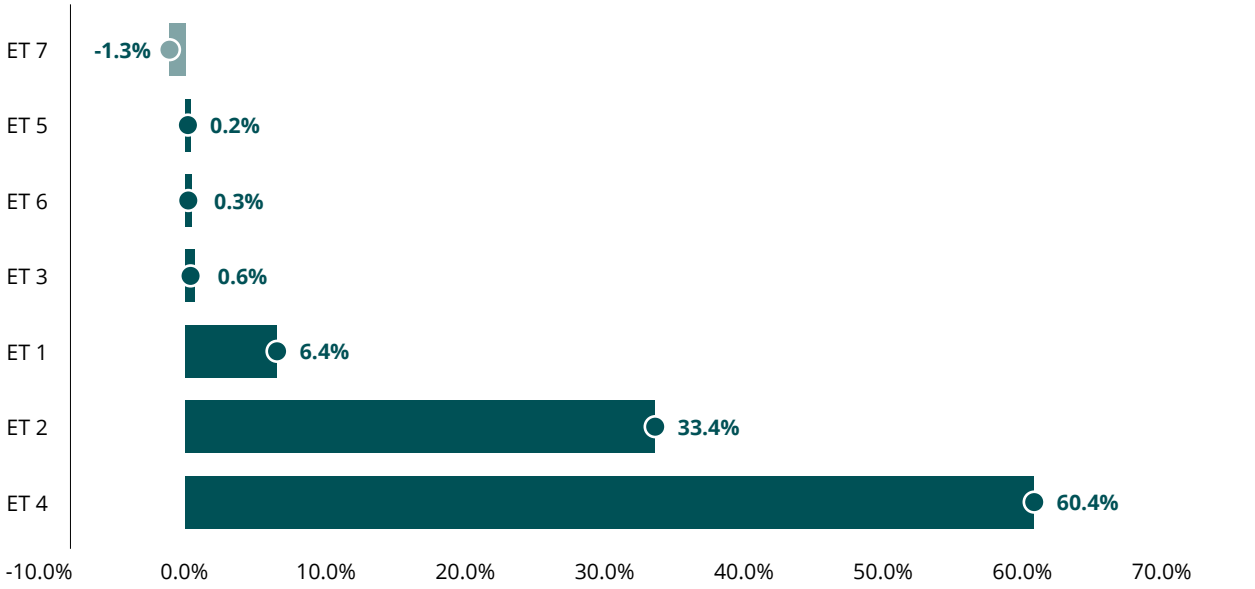
187 Database Italiano Perdite Operative (Italian Database of Operational Losses) which the BPER Banca Group has participated in since 2003. The DIPO observatory is a service provided by the Italian Banking Association designed to support the development of Operational Risk Management and to create a methodology for gathering and exchanging information on operational losses suffered by members.

FIGURE 1: PERCENTAGE BREAKDOWN OF OPERATIONAL LOSS EVENT FREQUENCIES BY EVENT TYPE



ET1 - Internal fraud
ET2 - External fraud
ET3 - Employment and safety at work
ET4 - Customers, products and business practicies
ET5 - Loss for damage to fixed assets
ET6 - Business interruption and system dysfunctions
ET7 - Performance, delivery and management of processes

FIGURE 2: PERCENTAGE CONTRIBUITION OF EVENT TYPE CATEGORIES TO TOTAL GROSS OPERATIONAL LOSS AMOUNTS



ET1 - Internal fraud
ET2 - External fraud
ET3 - Employment and safety at work
ET4 - Customers, products and business practicies
ET5 - Loss for damage to fixed assets
ET6 - Business interruption and system dysfunctions
ET7 - Performance, delivery and management of processes

The percentages are calculated on the overall total.
Negative values indicate offsetting contributions resulting from reversals of provisions.

An analysis of the graphs shows that the most relevant type of event in terms of frequency is:
- "External fraud" with 74.0% of the total frequency of new events in 2025;
- "Customers, products and business practices", with 13.9% of the total frequency of new events in 2025.

In terms of economic impact the most significant events related to:
- "Customers, products and business practices", with 60.4% of the total gross loss recognised in 2025.
- "External fraud", with 33.4% of the total gross loss recognised in 2025.

Reputational risk

Qualitative Information

A. General aspects, management and methods to measure reputational risk

Reputational risk is "the current or prospective risk of a decline in earnings or capital arising from an adverse perception of the Group by customers, employees, counterparties, shareholders, investors or Supervisory Authorities".
The framework for the management of reputational risk is supervised by the Reputational & Other non Financial Risk office within the Risk Management Function, with support from the organisational units involved (Reputational Risk Owner) in managing risk and monitoring the corrective actions needed to mitigate any vulnerabilities identified.

The system of reputational risk management adopted by the BPER Group has the following components:
- identification and assessment of risk based on Reputational Data Collection and Reputational Self-Assessment;
- monitoring of the Group's exposure to reputational risk using a series of specific Key Risk Indicators;
- management of critical reputational events (escalation): management of particularly critical reputational events, by means of a functional escalation process and the determination of short and long term responses and mitigation;
- reporting: preparation of suitable reports, based on the various processes/sub-processes comprising the framework, in order to present in summary form the outcome of the risk management activities to all bodies and functions concerned.

With reference to the reputational risk management process, the following results are reported (specifying that the analyses relating to the monitoring of Reputational Risk Indicators and the Reputational Risk Self-Assessments are to date carried out only at Group level):
- in 2025, 1 reputational event was recorded with high risk, 20 with medium risk and 170 with low risk on a rating scale with 3 levels (low, medium, high);
- no reputational critical issues identified in the monitoring of the Parent company's KRIs;
- no reputational critical issues identified as part of the RSA campaign of the Parent company;
- presence of some previous events in 2025 (mainly ongoing criminal proceedings) potential future reputational impacts.

No internal capital is allocated to cover reputational risk (since it is included in other risk categories).

Section 3 – Risks of insurance companies

This section is not applicable as the BPER Banca Group does not include insurance companies.

Section 4 – Risks of other companies

This section is not applicable because, as already explained in part A of these Explanatory Notes, the BPER Banca Group has decided to align the scope of consolidation with that used for regulatory purposes.

PART F

Information on Consolidated Shareholders' Equity

Section 1 – Consolidated shareholders' equity

Qualitative Information

Equity management and its continuous monitoring in terms of size and quality compared with the risks assumed is an activity that the BPER Banca Group carries on constantly to ensure an adequate level of capitalisation in compliance with the prudential rules.
As Parent Company, BPER Banca performs the role of coordination and guidance of Group banks and companies, coordinating the management of capital in each individual entity and providing appropriate guidelines.
By means of active capital management, a suitable combination of different capitalisation instruments and continuous monitoring, the Parent Company has managed to combine projects for capital growth and optimisation that have enabled the Group to maintain a strong capital profile.
The extent of the Group's consolidated capital resources and those of the individual Group companies is verified and periodically brought to the attention of top management and the Corporate Bodies. The capital position is monitored under both the Capital Plan and the RAF (Risk Appetite Framework) and further examined during the meetings of the managerial Risk Committee, the Board Control and Risk Committee, and the Board of Directors through periodic reports related to capital situations and in impact simulations related to most significant transactions.
The capital management and planning activities are aimed at governing and improving the current and prospective financial strength of the Group. such as conservative pay-out policies, strategic finance operations (capital increases, convertible loans, subordinated bonds) and levers connected to the containment of risks, such as insurance coverage, management of loans as a function of counterparty risk, technical form and guarantees assumed.

The Parent Company is subject to the capital adequacy requirements established by the Basel Committee, in accordance with the rules defined by Regulation (EU) No. 575/2013 (CRR). In regulatory terms, BPER Banca, Banco di Sardegna and Bibanca were authorised from 30 June 2016 to use the IRB approach for measuring credit risk for the Corporate and Retail segments. Authorisation later extended to:

- former Cassa di Risparmio di BRA credit exposures (starting from Supervisory Reporting of March 2019);
- the credit exposures acquired through the business units deriving from Intesa Sanpaolo (starting from Supervisory Reporting as at 31 December 2021);
- former Cassa di Risparmio di Saluzzo and former UBI Banca credit exposures (starting from Supervisory Reporting as at 31 March 2023);
- former Unipol Banca credit exposures (starting from Supervisory Reporting as at 30 June 2023);
- credit exposures pertaining to the Holding segment and credit exposures pertaining to the corporate segments of former Carige and Banca del Monte di Lucca (starting from Supervisory Reporting as at 31 December 2025).

Furthermore, in relation to the M&A consisting in the acquisition of Banca Popolare di Sondrio (BPS) and in line with the Return to Compliance Plan (RtC) authorised by the Supervisory Authority, the capital requirements (RWA) of BPS will be calculated, from the acquisition until IT migration, using its own credit risk internal models for exposures authorised for the IRB approach.

Other BPER Banca Group companies apply the Standardised Approach (SA) for the measurement of credit risk while, at the same time, continuing preparations to extend the use of advanced methodologies to other Group entities whose IT systems have already been aligned through a specific gradual extension plan.

Quantitative information

B.1 Consolidated Shareholders' equity: breakdown by business type

Items	Prudential consolidation	Insurance companies	Other companies	Consolidation adjustments and eliminations	Total
1. Share capital	5,405,823	-	-	(2,188,452)	3,217,371
2. Share premium reserve	4,999,050	-	-	(393,246)	4,605,804
3. Reserves	9,909,247	-	-	(3,889,328)	6,019,919
3.5 Advanced dividends (-)	(196,357)	-	-	-	(196,357)
4. Equity instruments	1,793,575	-	-	-	1,793,575
5. (Treasury shares)	(41,547)	-	-	(4,700)	(46,247)
6. Valuation reserves:	481,152	-	-	(160,184)	320,968
- Equity instruments measured at fair value through other comprehensive income	257,459	-	-	(171,105)	86,354
- Hedging of equity instruments measured at fair value through other comprehensive income	(9,150)	-	-	(110)	(9,260)
- Financial assets (no equity instruments) measured at fair value through other comprehensive income	(26,387)	-	-	3,008	(23,379)
- Property, plant and equipment	324,299	-	-	-	324,299
- Intangible assets	-	-	-	-	-
- Foreign investment hedges	-	-	-	-	-
- Cash flow hedges	(1,155)	-	-	-	(1,155)
- Hedging instruments [non-designated elements]	-	-	-	-	-
- Foreign exchange differences	439	-	-	-	439
- Non-current assets and disposal groups held for sale	-	-	-	-	-
- Financial liabilities designated at fair value through profit or loss (variation due to changes in creditworthiness)	(37,216)	-	-	-	(37,216)
- Actuarial gains (losses) on defined benefit plans	(211,199)	-	-	-	(211,199)
- Share of valuation reserves of equity investments valued at equity	4,251	-	-	8,023	12,274
- Financial revenues or costs relating to insurance contracts issued	-	-	-	-	-
- Financial revenues or costs relating to outwards reinsurance	-	-	-	-	-
- Special revaluation laws	179,811	-	-	-	179,811
7. Profit (loss) for the year (+/-) of group and minority interests	2,060,503	-	-	(180,037)	1,880,466
Total	**24,411,446**	**-**	**-**	**(6,815,947)**	**17,595,499**

B.2 Valuation reserves of financial assets measured at fair value through other comprehensive income: breakdown

Assets/Amounts	Prudential consolidation		Insurance companies		Other companies		Consolidation adjustments and eliminations		Total	
	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve
1. Debt securities	35,560	63,391	-	-	-	-	3,998	990	39,558	64,381
2. Equity instruments	281,233	23,774	-	-	-	-	(172,483)	(1,378)	108,750	22,396
3. Loans	1,444	-	-	-	-	-	-	-	1,444	-
Total 31.12.2025	**318,237**	**87,165**	**-**	**-**	**-**	**-**	**(168,485)**	**(388)**	**149,752**	**86,777**
Total 31.12.2024	**204,098**	**116,323**	**-**	**-**	**-**	**-**	**5,022**	**990**	**209,120**	**117,313**

B.3 Valuation reserves of financial assets measured at fair value through other comprehensive income: annual changes

	Debt securities	Equity instruments	Loans
1. Opening balance	**(90,220)**	**182,027**	**-**
2. Increases	**123,905**	**137,683**	**3,022**
2.1 Fair value increases	102,395	28,467	-
2.2 Impairment losses for credit risk	1,605	X	-
2.3 Reclassification to profit and loss of negative reserves following disposal	13,678	X	-
2.4 Transfer to other components of shareholders' equity (equity instruments)	-	6,221	-
2.5 Other decreases	6,227	102,995	3,022
- of which: business combinations	-	68,714	3,022
3. Decreases	**58,508**	**233,356**	**1,578**
3.1 Fair value decreases	12,145	18,663	1,578
3.2 Write-backs for credit risk	1,324	-	-
3.3 Reclassification to profit or loss of positive reserves: -from disposal	4,346	X	-
3.4 Transfer to other components of shareholders' equity (equity instruments)	-	190,214	-
3.5 Other decreases	40,693	24,479	-
- of which: business combinations	1,975	-	-
4. Closing balance	**(24,823)**	**86,354**	**1,444**

B.4 Valuation reserves about actuarial gains (losses) on defined benefit plans: annual changes

	31.12.2025	31.12.2024
1. Opening balance	**(145,744)**	**(145,321)**
2. Increases	**8,934**	**1,204**
2.1 Actuarial gains	8,121	949
2.2 Other decreases	813	255
3. Decreases	**74,389**	**1,627**
3.1 Actuarial losses	2,398	1,519
3.2 Other decreases	71,991	108
4. Closing balance	**(211,199)**	**(145,744)**

Section 2 – Own funds and capital adequacy ratios

The disclosures about own funds and capital adequacy are provided in the document entitled "Public Disclosure as at 31 December 2025 – Pillar 3", prepared in accordance with the regulatory framework consisting of Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 (the Capital Requirements Regulation or CRR) as later amended. The disclosure is published on the same date as -or as soon as possible after- the Consolidated Financial Report of the BPER Banca Group as at 31 December 2025 on the website of the Parent Company https://group.bper.it.

PART G
Business combinations

Section 1 – Transactions carried out during the year

1.1. Business combinations

Description of the transaction

On 6 February 2025, the BPER Banca Group announced its decision to launch a voluntary public exchange offer on all the ordinary shares of Banca Popolare di Sondrio s.p.a.

After the necessary prior authorisations were obtained from the competent Supervisory Authorities, two tender offer periods were opened for the offer (which was turned into a Public Tender and Exchange Offer (*Offerta Pubblica di Acquisto e Scambio* - OPAS) as early as during the first tender period), closing with settlement of the shares tendered to the offer respectively on 18 July 2025 and 1 August 2025, resulting in the Parent Company BPER Banca's acquisition of 364,293,545 Banca Popolare di Sondrio shares in total, corresponding to 80.35% of its share capital, and hence control over BPSO. 1,550,000 shares purchased by BPER Banca on the market on 7 April 2025 were added to the shares acquired upon completion of the aforementioned Public Tender and Exchange Offer, bringing the equity investment held to 80.69%. For further details on the strategic objectives pursued and the process followed to complete the offer, please refer to the section dedicated to the transaction in Chapter 3.2 of the Directors' Consolidated Report on Operations.

The following table shows the "revenues" (conventionally identified as Net Interest and Other Banking Income) and the "net income" contributed by the Banca Popolare di Sondrio sub-group to the BPER Group's Consolidated Financial Report as at 31 December 2025[188].

Company name	Total revenues (1)	Net profit (loss) (2)
Banca Popolare di Sondrio Group	791,545	185,061

(1) The figure refers to Net interest and other banking income contributed by the Banca Popolare di Sondrio sub-group in the second half of 2025.
(2) The figure refers to Net income contributed by the Banca Popolare di Sondrio sub-group in the second half of 2025.

The following table shows the "revenues" (conventionally identified as Net Interest and Other Banking Income) and the "net income" of the entity resulting from the business combination described above for the financial year ended 31 December 2025, assuming that said combination occurred at the start of the reporting period[189].

Company name	Date of the transaction	Cost the transaction	Interest acquired (1)	Total revenues (2)	Net profit (loss) (3)
Banca Popolare di Sondrio Group	1 July 2025	4,514,763	81.331%	7,259,456	2,154,656

(1) Share calculated on exercisable voting rights.
(2) The figure refers to the Net interest and other banking income of the BPER Group as at 31 December 2025, assuming that the combination took place at the beginning of 2025 and therefore considering the net interest and other banking income of the BPSO Group as at 30 June 2025, as reported in its Consolidated Half-Year Financial Report as at that date.
(3) The figure refers to the Net Profit (Loss) of the BPER Group as at 31 December 2025, assuming that the combination took place at the beginning of 2025 and therefore considering the Net Profit (Loss) of the BPSO Group as at 30 June 2025, as reported in its Consolidated Half-Year Financial Report as at that date.

Accounting treatment of the transaction

This transaction counts as a Business Combination for the purposes of IFRS 3, having satisfied the requirements for the identification of an acquired "business".
Since this is the acquisition of control of Banca Popolare di Sondrio s.p.a., i.e. of a pre-existing company actively operating on the national banking market as parent company of the banking group of the same name, the elements qualifying a "business" pursuant to IFRS 3[190] are easy to identify (Inputs, Processes, Outputs).
It should also be noted that the "concentration test" envisaged by paras. B7A and B7B of IFRS 3 (in force since 1 January 2020), focusing on gross assets and indicated, in any case, as optional, was not applied as the qualitative analysis showed sufficient elements to conclude that the acquired set of activities and assets is a business.
Having qualified the transaction as a business combination, the Acquisition Method envisaged by IFRS 3 has to be applied, as described in Part A.2 of these Explanatory Notes, to which reference should be made for details.

188 As required by IFRS 3 para. B64(q)(i).
189 As required by IFRS 3 para. B64(q)(ii).
190 As required by IFRS 3 B7.

On the assumption that the legal effectiveness of the acquisition of control and the consequent onset of direction and coordination activities by BPER Banca took place on 18 July 2025, the identification of the date of the business combination for accounting and financial reporting purposes under IFRS 3, took into account the time sequence in which the relevant events occurred, namely:

- *18 July 2025* – settlement of the shares tendered to the offer and payment of the cash premium of Euro 1.00 for each share tendered to the offer, i.e. a total of 263,633,476 Banca Popolare di Sondrio shares, accounting for 58.15% of its share capital; the shares tendered to the offer, on top of the 1,550,000 Banca Popolare di Sondrio shares, equal to 0.34% of its share capital, already held by BPER Banca in its portfolio, resulted in BPER Banca obtaining 265,183,476 shares, equal to 58.49% of the share capital;
- *1 August 2025* – on the basis of the binding commitments undertaken in the offer document presented to the market, highlighting to this end the results obtained at the end of the first tender and exchange offer period, BPER Banca confirmed the reopening of the terms, pursuant to and for the purposes of Article 40-*bis*, paragraph 1, letter a) of the Issuers' Regulation, for a further five trading days (sessions of 21, 22, 23, 24 and 25 July 2025). At the end of the mandatory second tender period, additional 100,660,069 Banca Popolare di Sondrio shares, representing a percentage equal to approximately 22.20% of its share capital, were tendered to the Offer. Taking these additional shares tendered to the offer into account, BPER Banca obtained a total of 365,843,545 Banca Popolare di Sondrio shares, equal to 80.69% of its share capital, on 1 August 2025.

Therefore, the date of the combination was identified with the latest settlement date of the overall voluntary Public Tender and Exchange Offer, i.e. 1 August 2025, although for the purposes of the accounting treatment of the combination in the Consolidated Financial Report , the book values of the acquired companies as at 30 June 2025 were considered, reasonably assuming that the time difference with respect to the date of the combination does not lead to any significant effects[191].
The same sequence according to which the acquisition of the overall stake in the share capital was developed and the strategic objective declared by BPER Banca already at the time the offer to purchase was presented, are equally relevant for the definition of the cost of the combination. In accordance with the relevant accounting principles and practices, the total consideration paid by BPER to complete the merger was determined by considering:

- the 1,550,000 shares already held in the trading portfolio, measured at the fair value of the BPSO share as at the date of settlement of the share exchange following the first tender period, for an amount of Euro 18,406.2 thousand;
- the 263,633,476 shares tendered to the offer in the first tender period, valued on the basis of the share capital increase carried out by BPER Banca pursuant to the provisions of the offer (share exchange ratio of 1.45) and market prices as at the date of settlement, for a total amount of Euro 2,868,543.1 thousand;
- the 100,660,069 shares tendered to the offer in the second tender period, valued on the basis of the share capital increase carried out by BPER Banca pursuant to the provisions of the offer (share exchange ratio of 1.45) and market prices as at the date of settlement, for a total amount of Euro 1,263,520.0 thousand;
- the total cash consideration awarded to the shareholders tendering to the Offer for a total of Euro 364,293.5 thousand.

The Consolidated Financial Report as at 31 December 2025 was prepared on the basis of a definitive Purchase Price Allocation - PPA, as the BPER Banca Group finalised the fair value measurements of assets acquired and liabilities assumed at the merger date as defined above.

191 This decision was made in consideration of: a) the reliability of the consolidated interim report as at 30 June 2025, formally approved by the Board of Directors of Banca Popolare di Sondrio, subject to a limited review by the auditing firm and published, b) on the other hand, the absence of a subsequent interim financial report as at 31 July 2025 with characteristics similar to those highlighted in the previous point, c) the non-significance of the impacts of this choice on the balance sheet and profit & loss results presented in this Consolidated Financial Report of the BPER Banca Group.

Evidence of fair value measurement of the assets and liabilities acquired at the merger date is reported below; it should be noted that, for the purposes of accounting recognition of the business combination in the Consolidated Financial Report, the sub-consolidated book values of the Banca Popolare di Sondrio Group (as at 30 June 2025 were considered, the reference accounting date for the business combination.

(in thousands)

Assets		Carrying amount as at 30.06.2025	PPA	Fair value as at 30.06.2025
10.	Cash and cash equivalents	2,022,352		2,022,352
20.	Financial assets measured at fair value through profit or loss	657,520	(8,741)	648,779
	a) financial assets held for trading	278,734		278,734
	c) other financial assets mandatorily measured at fair value	378,786	(8,741)	370,045
30.	Financial assets measured at fair value through other comprehensive income	2,936,593	(9,263)	2,927,330
40.	Financial assets measured at amortised cost	47,134,180	434,791	47,568,971
	a) loans to banks	1,963,777	3,336	1,967,113
	b) loans to customers	45,170,403	431,455	45,601,858
60.	Change in value of macro-hedged financial assets	1,575		1,575
70.	Equity investments	408,844	242,940	651,784
90.	Property, plant and equipment	870,659	(13,203)	857,456
100.	Intangible assets	26,702	463,267	489,969
	of which:			
	- goodwill	-	-	-
110.	Tax assets	191,734	93,569	285,303
	a) current	1,310		1,310
	b) deferred	190,424	93,569	283,993
120.	Non-current assets and disposal groups classified as held for sale	-	1,140	1,140
120.	Other assets	2,311,547	-	2,311,547
	Total assets	**56,561,706**	**1,204,500**	**57,766,206**

The item "Financial assets measured at amortised cost – b) loans to customers" includes Euro 196.3 million in loans to customers classified by Banca Popolare di Sondrio as "Financial assets measured at fair value through profit or loss". The reclassification was carried out following the positive outcome of the SPPI test performed by BPER Banca when the loans were initially recognised in its Consolidated Financial Report.
The balance of the item "Intangible Assets" shown in the consolidated balance sheet of Banca Popolare di Sondrio as at 30 June 2025 amounts to Euro 12,632 thousand. This balance was directly adjusted when the acquired equity was determined as it was not considered material for BPER Banca, in the context of the PPA carried out.

(in thousands)

Liabilities and shareholders' equity		Carrying amount as at 30.06.2025	PPA	Fair value as at 30.06.2025
10.	Financial liabilities measured at amortised cost	49,561,965	152,670	49,714,635
	a) due to banks	4,527,745	(13,316)	4,514,429
	b) due to customers	39,376,729	(4)	39,376,725
	c) debt securities issued	5,657,491	165,990	5,823,481
20.	Financial liabilities held for trading	42,940		42,940
30.	Financial liabilities designated at fair value	-		-
40.	Hedging derivatives	1,991		1,991
60.	Tax liabilities	150,778	289,893	440,671
	a) current	48,850		48,850
	b) deferred	101,928	289,893	391,821
70.	Liabilities associated with assets classified as held for sale	-	-	-
80.	Other liabilities	2,077,354	-	2,077,354
90.	Employee termination indemnities	30,976		30,976
100.	Provisions for risks and charges:	379,339	26,000	405,339
	a) commitments and guarantees granted	84,074		84,074
	b) pension and similar obligations	187,471		187,471
	c) other provisions for risks and charges	107,794	26,000	133,794
	Accounting differences of assets and liabilities	4,316,363	735,937	5,052,300
	Total liabilities and shareholders' equity	**56,561,706**	**1,204,500**	**57,766,206**

The considerations made in the process of determining the fair value for the purposes of the PPA[192] are summarised below:

- Performing loans: the portfolio being valued is attributable to medium and long-term operations. As there is no active market for this type of instrument, the Bank has adopted an internal valuation model which was able to replicate the exit price that would be received or paid in an orderly transaction between market participants, in accordance with IFRS 13. A Discounted Cash Flow (DCF)[193] model, based on the discounting of expected future cash flows, was adopted for this assessment. More specifically, future cash flows were determined by considering principal and interest flows, representing the contractual plan of the individual accounts[194], corrected by applying appropriate prepayment coefficients in order to incorporate the probability of early, total or partial repayment.
- The discount rate applied was obtained as the sum of three components:
  - the level of risk-free interest rates, observed on the various tenors of the curve;
  - the cost of funding, corresponding to the remuneration curve of the BPER Banca Group's cost of money;
  - the level of the average credit spread, determined on the basis of the Probability of Default (PD) and Loss Given Default (LGD), the average residual duration and currency of the individual transaction. Both the expected loss component, starting from the PD and LGD levels deriving from BPER Banca's internal models considered by population cluster and applied to their reference portfolio, and the unexpected loss component, starting from the regulatory capital of the positions acquired and the cost of equity estimated internally by BPER Banca, were considered in the credit spread.
- Overall, the performing loans assessed as mark-to-model amounted to approximately Euro 22.5 billion. Testing determined that the overall fair value of the performing portfolio was higher than the carrying amount acquired by Euro 668.9 million (partially allocated to the item "Assets held for sale" – Euro 1.3 million – in relation to loans originated by the branches identified for sale). With regard to short-term operations (understood as on-demand transactions or those with a residual duration of less than 12 months), the carrying amount acquired at the reference date was considered a reasonable approximation of the fair value in accordance with IFRS 13, taking into account that the discounting of future cash flows is of little significance, even if there are changes in reference market rates.
- Non-performing loans: similarly to what was done for performing loans, since there is no active market for this type of instrument, determination of fair value assumes that it replicates the price that would be received in an orderly transaction between market participants, based on a framework that is as consistent as possible with the situations that can actually be observed on the market. To this end, a DCF model (the main valuation methodology currently used by the market) was applied to the individual relationships, defining some specific aspects of the different risk classes, distinguishing bad loans, on the one hand, and UTP and Past Due loans on the other.
- With reference to secured bad loans, an analytical estimate was made of the expected recovery flows from the sale of the assets pledged to guarantee the position (assuming that collateral was sold through judicial auctions with a haircut and an average duration of the recovery process in line with market benchmarks). For unsecured bad loans, statistical benchmark recovery curves were applied, differentiated by the duration of the non-performing position and the counterparty's segment. The "gross" cash flows determined in this way were subsequently corrected with a prudential factor to reflect the risk of volatility in recoveries. This component discounts the elements of uncertainty associated with recoveries and therefore makes it possible to take into account possible developments in the NPL market. The recovery flows were also reduced by legal costs, applying benchmark values, estimated in proportion to gross recoveries and consistent with what has been observed on the market. They were also reduced by servicing costs, using benchmark values consistent with the average forecast in the servicing agreements for NPL portfolios (generally based on an annual fee applied to the receivables under management and a success fee applied to gross collections). The discount rate of the recovery flows was determined as the weighted average cost of a hypothetical securitisation involving the issue of notes with different seniority (without recourse to the GACS state guarantee).
- With regard to corporate exposures classified as UTP and Past Due, the so-called "Steady-state Cash Flow" approach was applied, which results from a similar method used for assessing loans in the Asset Quality Review (AQR). According to this approach, the recovery flows are determined by estimating the present value of the debtor's forecast cash flows quantified through a joint analysis of various items in the counterparty's financial statements, subsequently allocating them to cover the exposure in relation to the effective seniority of each position. As regards UTP and Past Due exposures to counterparties for which financial statements are unavailable in the database of the Company Accounts Data service ("Centrale Bilanci"), a methodology has been applied based on Danger Rate and Cure Rate benchmark grids, obtained from market information, according to which the value of each exposure has been determined as the weighted average of the average price observed on performing and non-performing portfolios, with weighting based on the Cure Rates and Danger Rates attributed.
- As the last phase of the evaluation process, a benchmarking analysis was carried out with respect to the prices of recent transactions observed on the market for homogeneous clusters. The results of the analysis showed that the valuation prices of bad loans and UTPs, if compared with the most recent transactions , are generally prudential, incorporating the possible evolutions of the NPL market.

192 In order to conduct said valuation activities, the Bank also made use of the support of external experts.

193 This methodology was appropriately supplemented by the application of specific pricing models designed to accommodate non-linear optional components.

194 With regard to certain types of credit facilities issued through the Swiss subsidiary Banca Popolare di Sondrio Suisse S.A., the internal models developed for management purposes were applied to determine future cash flows.

- Overall, the net carrying amount of non-performing loans, acquired from the Banca Popolare di Sondrio Group and subject to valuation, amounted to approximately Euro 477.2 million. The fair value resulting from these models, quantified on the basis of assumptions and proxies, was lower than this amount by Euro 156.2 million (partially allocated to the item "Assets held for sale" – Euro 0.2 million – in relation to loans originated by the branches identified for sale).
- Securities in the portfolio: different types of financial instruments in the portfolio were specifically taken into consideration:
  - Bonds already measured at fair value (classified under items 20a, 20c and 30 of the Balance Sheet): outstanding for a total amount of Euro 3,051.7 million. For the most part admitted to trading on regulated markets or organised trading systems, these notes have revealed no need for any adjustments;
  - Bonds measured at amortised cost (classified under items 40a and 40b of the Balance Sheet): outstanding for a total amount of Euro 9,537.1 million. For the most part admitted to trading on regulated markets or organised trading systems, these notes required a negative fair value adjustment by a total of Euro 80.0 million;
  - Asset-Backed Securities (ABS) comprising i. mezzanine and junior tranches already measured at fair value (classified under item 20c of the Balance Sheet): outstanding for a total amount of Euro 23.6 million, these securities showed a positive fair value adjustment (L3) of Euro 1.4 million, in application of the models used by BPER Banca; ii. senior tranche measured at amortised cost (classified under item 40.b of the Balance Sheet): outstanding for a total amount of Euro 539.5 million, these securities showed a positive fair value adjustment (L3) of Euro 3.2 million. in application of the models used by BPER Banca;
  - Mutual investment funds (UCITs) already measured at fair value (classified under items 20a and 20c of the Balance Sheet): outstanding for a total amount of Euro 363.4 million, they showed a negative fair value adjustment (L3) of Euro 10.1 million, in application of the valuation models used by BPER Banca;
  - Equities already measured at fair value (classified under items 30 of the Balance Sheet): outstanding for a total amount of Euro 98.0 million and consisting in securities that are not admitted to trading on regulated or active markets (L3), these securities showed a negative fair value adjustment of Euro 9.3 million, in application of the models used by BPER Banca;
  - Equities measured under the equity method (classified under item 70 of the Balance Sheet): outstanding for a total amount of Euro 408.8 million and consisting in securities that are not admitted to trading on regulated or active markets (L3), showed a net positive fair value adjustment of Euro 242.9 million, in application of the valuation models used by BPER Banca, partially already applied for the assessment of the instruments held in BPER Banca's portfolio (contributed by advisors responsible for periodic assessment); particularly noteworthy was the revaluation , of the shareholding in Arca Holding s.p.a. due to fair value adjustment – already a subsidiary of BPER Banca[195] – for Euro 172.5 million and of the shareholding in Arca Vita s.p.a. for Euro 63.5 million.

The equity investment held by Banca Popolare di Sondrio in Alba Leasing s.p.a., accounted for 19.26% of its share capital. When added to the stake already held directly by BPER Banca (33.50%), the investment led BPER Banca to also temporarily acquire control of that company. Control subsequently ceased during the fourth quarter of 2025 following the sale of a 5.1% shareholding to a third-party investor. For PPA purposes, it should be noted that the value of this investment was confirmed by BPER Banca as essentially aligned with equity, including on the back of an ad-hoc fair value assessment provided by a specifically appointed advisor[196].

- Derivative contracts: instruments already measured at fair value and intended for i. trading purposes (classified under item 20a of the Balance Sheet Assets) with positive fair value for a total amount of Euro 34.1 million, and ii. trading purposes (classified under item 20 of the Balance Sheet Liabilities) with negative fair value for a total amount of Euro 42.9 million; iii. hedging purposes (classified under item 40 of the Balance Sheet Liabilities) with negative fair value for a total amount of Euro 2 million. No need for a valuation adjustment was identified.
- Intangible assets: the analyses carried out were aimed at identifying any intangible assets not yet recognised in the Financial Statements of Banca Popolare di Sondrio. In particular, the following intangible assets were identified:
  - Customer Relationships (CRs), intangible assets associated with indirect deposits and aimed at reaping the future economic benefits linked to sound relationships with the customers. In this case, the value of customer relationships was measured by taking into consideration three main types of products: (i) Assets Under Management ("AuM"), (ii) Assets Under Administration ("AuA") and (iii) Insurance, supplementary social security and pension funds ("Funds").
  - Core Deposits ("CDs"), intangible assets linked to direct funding and aimed at capturing the economic rewards associated with the lower cost of such funding as compared with alternative funding sources (mark-down). Consequently, the value attributable to CDs is determined on the basis of the difference (funding spread) between the actual cost of funding from CDs and the cost of alternative funding sources, approximated by interbank market rates.

195 As Arca Holding was already a subsidiary and, thus, fully consolidated by BPER Banca, the carrying amount of the equity investment held by BP Sondrio in that company, and the related increase in value to align it with the fair value – which resulted in a total amount of Euro 363 million – make it so that this becomes a transaction with third-party shareholders, to be treated in accordance with IFRS 10 as a direct offsetting entry to the BPER Banca Group's equity; this treatment therefore resulted in a Euro 212 million reduction in the Group's equity, whilst the amount reduced from minority interests totalled Euro 151 million.

196 This assessment, together with the analysis carried out by BPER's relevant units regarding the company's financial structure (assets and liabilities) essentially funded by its shareholders, led to the conclusion that no goodwill had emerged in connection with the temporary control acquired over that company.

- In this case, for the purposes of determining the fair value of CRs and CDs, in accordance with best market valuation practices, the Multi-period Excess Earnings Method ("MEEM") was used, whereby the economic value of the specific intangible asset was calculated on the basis of the residual cash flows generated by the business, after remunerating all other assets used to generate revenues ("Contributory Asset Charges" or "CAC"). To apply this valuation method, a discount rate of 10.5% determined using the Capital Asset Pricing Model (CAPM) was considered. With this valuation method, the Bank estimated a fair value of Euro 100.2 million for Customer Relationships and a fair value of Euro 258.1 million for Core Deposits.
- It should also be noted that the Bank deemed it appropriate to recognise an intangible asset linked to the Merchant Acquiring business following the agreement entered into by and between Nexi s.p.a. and Banca Popolare di Sondrio for the sale of that business. Although the sale was finalised on 24 December 2025, as at the reporting date it remains subject to obtaining the necessary authorisations by the relevant Authorities. The fair value of this intangible asset amounts to Euro 105.0 million, equal to the sale price agreed upon by Nexi and BPER.
- In light of the above, the Bank identified and measured the following intangible assets: (i) Customer Relationships, for Euro 100.2 million, (ii) Core Deposits, for Euro 258.1 million and (iii) Merchant acquiring, for Euro 105.0 million; for a total fair value of Euro 463.3 million.
- Property, plant and equipment: although owned properties had already been measured at fair value by Banca Popolare di Sondrio (both in terms of assets used in operations and assets held for investment purposes), independent comparative fair valuations were carried out on all properties acquired (land and buildings), based on appraisals by the independent expert used by the BPER Banca Group. Moreover, with regard to the amount of properties recognised as "Inventories (IAS 2)", as they were acquired with the recovery of non-performing exposures and, thus, recognised in the financial statements at the lower of cost and estimated realisable value, these assets were measured at fair value, based on the valuations provided by the same expert already appointed by the BPER Group. The results of these activities led to a comprehensive estimated adjustment to the fair value of the property, plant and equipment acquired from the Banca Popolare di Sondrio Group of Euro 13.2 million.
- Provisions for risks and charges and contingent liabilities: the recognition of risks embedded in the business acquired (mainly resulting from ongoing litigation relating to banking and investment services provided to customers or associated with non-performing credit exposures) and the fair value measurement of the contingent liabilities identified during the legal Due Diligence process carried out by BPER led to the estimation of additional contingent liabilities for an amount of Euro 26.0 million. More specifically, the possible risks considered for the purposes of the PPA includes the indirect adjustment carried out for alignment with the treatment already adopted by BPER Banca, of the Irrevocable Payment Commitments (IPCs) still outstanding in Banca Popolare di Sondrio as at the date of the business combination and relating to contributions to the Single European Resolution Fund paid via deposits pledged as collateral (and, therefore, not yet definitive) for an amount of Euro 20.2 million.
- Debt securities issued: the fair value measurement of bonds issued and outstanding at the business combination date was carried out using list prices from the main infoproviders, for all issues actively traded on the market; where it was not possible to obtain these prices, or they were not considered representative of active markets, the instruments were measured according to internal models capable of adequately considering the issuer risk based on their seniority. The fair value measurement of outstanding bonds (totalling Euro 5,079.5 million) showed a Euro 166.0 million higher value than the corresponding carrying amount acquired.
- Due to customers: the liabilities consisting in medium/long-term customer deposits were also measured using internal models. More specifically, a Discounted Cash Flow (DCF) model was used, in which the cash flows (including principal and interest amounts), as resulting from the contractual plan of the individual positions, were discounted at an appropriate discount rate, incorporating the estimate of the main risk factors and identified as the sum of the level of risk-free interest rates, observed on the various curve tenors, and the cost of funding, corresponding to the liquidity cost remuneration curve of the BPER Banca Group. Overall, term deposits assessed as mark-to-model amounted to approximately Euro 944.2 million. The fair value measurement showed a Euro 13.4 million lower value than the corresponding carrying amount acquired. With regard to short-term funding (understood as on-demand relationships or those with a residual duration of less than 12 months), the carrying amount acquired at the reference date was considered a reasonable approximation of the fair value in accordance with IFRS 13, taking into account that the discounting of future cash flows is of little significance, even if there are changes in reference market rates.
- Tax effects: for the purposes of preparing these financial statements, fiscal relevance was given to the fair value measurement of the items described above, which result in deferred tax assets being recognised for a total Euro 93.6 million and deferred tax liabilities for a total Euro 290.0 million.

Depending on the choices made, including the adoption of the Partial Goodwill method for the accounting treatment of the business combination and the resulting allocation of a portion of the aforementioned fair value adjustments to minority shareholders (18.67% of the share capital was not tendered to the Public Tender and Exchange Offer) for a total of - Euro 137.4 million, the difference between the assets and liabilities acquired and the price paid is shown below, so as to identify the result of the PPA in terms of goodwill recognised in the Consolidated Financial Statements of BPER Banca.

(in thousands)

BPSO Group	
Consideration paid (A)	**4,514,763**
- of which: Fair value of former-HFT BPSO shares	18,406
- of which: Fair value of BPER shares allotted under the 1st tranche	2,868,543
- of which: Fair value of BPER shares allotted under the 2nd tranche	1,263,520
- of which: cash component	364,294
Accounting differences of assets and liabilities acquired (*) - 81.331% (B)	**3,510,530**
Positive difference - Goodwill to allocate (A-B)	**1,004,233**
Financial assets designated at FV	(8,741)
Financial assets measured at FV through other comprehensive income	(9,263)
Financial assets measured at AC - a) loans to banks	3,336
Financial assets measured at AC - b) loans to customers	431,455
Equity investments	242,940
Property, plant and equipment	(13,203)
Intangible assets	463,267
Tax assets and liabilities	(196,324)
Non-current assets and disposal groups held for sale	1,140
Financial liabilities measured at AC - a) due to banks	13,316
Financial liabilities measured at AC - b) due to customers	4
Financial liabilities measured at AC - c) debt securities issued	(165,990)
Provisions for risks and charges	(26,000)
Minority interests (+/-)	(137,392)
Items to which goodwill has been allocated	**598,545**
Residual goodwill	**405,688**

(*) The amount reported corresponds to the Banca Popolare di Sondrio Group's shareholders' equity as at 30 June 2025, adjusted by the amount of goodwill recognised under assets as at the same date (Euro 12.6 million). The percentage used to determine the share of Equity acquired was 81.331%, since the 3,565,256 shares that Banca Popolare di Sondrio holds in its portfolio and that have no voting rights were excluded.

To conclude the allocation process, the BPER Banca Group recognised goodwill associated with the business combination for a total of Euro 405.7 million.

1.2 Transactions between entities under common control

On 16 January 2025, the demerger deed relating to the transfer of payment services from Bibanca s.p.a. to BPER Banca s.p.a. was executed, determining its accounting effectiveness. The project had been launched on 6 and 7 August 2024 by resolutions approving the transaction adopted by the Boards of Directors of BPER Banca and Bibanca; it was authorised by the European Supervisory Authority with a measure dated 30 October 2024. Subsequently, the transaction was approved by the extraordinary Shareholders' Meetings of BPER and Bibanca, both held on 19 December 2024. The transfer of activities to a single entity will enable the BPER Banca Group to align monitoring of the business and its pricing with market best practice, to optimise relations with payment circuits and simplify the internal governance model.
For more details on the strategic rationale behind the transaction, please refer to the Directors' Report on Group Operations.

Section 2 – Transactions carried out after the end of the reporting period

2.1. Business combinations

No business combinations falling within the scope of IFRS 3 have occurred after 31 December 2025 and before the date of approval of the Consolidated Financial Report by the Board of Directors of the Parent Company.

Section 3 – Retrospective adjustments

No retrospective adjustments to business combinations performed in previous years were necessary.

PART H
Related-party transactions

1. Information on the remuneration of Managers with strategic responsibilities

	Board of Directors	Board of Statutory Auditors	Other managers with strategic responsibilities
Short-term benefits (1)	5,144	350	8,641
Post-employment benefits (2)	-	-	551
Other long-term benefits (3)	1,316	-	1,968
Indemnities for termination of employment (4)	-	-	452
Share-based payment (5)	438	-	865
Total 31.12.2025	**6,898**	**350**	**12,477**
short-term benefits (1)	4,527	328	8,774
post-employment benefits (2)	-	-	542
other long-term benefits (3)	874	-	1,552
indemnities for termination of employment (4)	-	-	2,960
share-based payments (5)	1,380	-	2,268
Total 31.12.2024	**6,781**	**328**	**16,096**

The information provided is consistent with that required by IAS 24.
The amounts shown for the Directors (including the emoluments of the Chief Executive Officer), the Statutory Auditors and other Managers with strategic responsibilities, represent their emoluments for the year, regardless of when they are paid.

(1) The item includes salaries, indemnities in lieu of untaken vacation, paid leave of absence and any fringe benefits, such as insurance, housing and car, in addition to social security contributions.
As regards the Directors, note that the amount shown (Euro 5,144 thousand) consists of their emoluments for the period in accordance with art. 11 of the Articles of Association. More specifically:
- Euro 2,246 thousand (Euro 2,058 thousand as at 31 December 2024), comprising the fees payable to the Directors (Euro 1,350 thousand), the additional emoluments due to members of the Board committees (Euro 540 thousand), as well as the attendance fees payable to the Directors for participating in meetings of the Board of Directors (Euro 140 thousand) and amounts earned for positions held in subsidiaries not paid directly to the Parent Company (Euro 216 thousand);
- Euro 520 thousand (Euro 475 thousand as at 31 December 2024) of additional emoluments payable to Directors appointed to particular positions in compliance with the Articles of Association (specifically Chair and Deputy Chair); in fact, this remuneration has to be set by the Board of Directors, after having sought the opinion of the Board of Statutory Auditors;
- Euro 1,500 thousand (Euro 1,411 thousand as at 31 December 2024) as additional emoluments, again with reference to the same clause of the Articles of Association mentioned above, for the office of Chief Executive Officer, plus Euro 878 thousand of variable remuneration.

The amounts shown for other Key Management Personnel belong to the types of costs detailed above. They are disclosed in the Report on Remuneration (art. 123-ter of Legislative Decree No. 58/1998) in accordance with CONSOB's instructions.

(2) The item includes payments to the supplementary pension funds and provisions for termination indemnities.
(3) The item includes deferred variable remuneration relating to annual variable incentive plans, as specified in the Remuneration Report.
(4) The item includes termination indemnities.
(5) The item includes the costs accrued for the Long-Term Incentive Plan during the year.

2. Information on related-party transactions

The BPER Banca Group has adopted a series of regulations that include the "Group policy governing non-compliance risk in relation to conflicts of interest with related parties and risk activities with associated persons". This regulatory framework complies with the Bank of Italy's requirements in terms of "Risk activities and conflict of interest with related parties and associated persons" as contained in Circular 285 dated 17 December 2013 and subsequent updates. The Policy describes the prudential limits placed on risk activities involving related parties and associated persons, the continuous monitoring of limits, the management of situations where the limits have been exceeded. An "internal threshold of attention" establishes an individual limit on the weighted consolidated exposure that is lower than the regulatory threshold. This threshold is set at such a level as to constitute an adequate precaution against accepting particularly significant exposures to related parties and persons associated with them.
The following shows the transactions with related parties, identified in application of IAS 24.

	Assets	Liabilities	Guarantees and commitments	Revenues	Costs
Subsidiaries (*)	420,302	13,061	85,985	2,086	763
Associates	1,458,244	327,177	291,343	147,091	51,754
Directors, Statutory Auditors and Managers	879	2,639	256	54	42
Other related parties	322,713	1,231,889	142,198	112,738	45,109
Total 31.12.2025	**2,202,138**	**1,574,766**	**519,782**	**261,969**	**97,668**
Subsidiaries (*)	49,309	7,213	4,530	498	360
Associates	810,341	24,463	165,347	34,920	50,683
Directors, Statutory Auditors and Managers	940	2,237	259	53	20
Other related parties	625,853	1,924,099	139,176	267,490	110,836
Total 31.12.2024	**1,486,443**	**1,958,012**	**309,312**	**302,961**	**161,899**

(*) Not consolidated line-by-line.

Balances and transactions with related parties all relate to routine banking and other services and arose normally during the period, as a consequence of needs and requirements in the common interests of the parties or, where applicable, of the Group. The conditions applied to the individual accounts are in line with those currently applied in the market.
"Other related parties" are situations other than those set out in the table, such as entities controlled by associated companies of BPER Banca, entities which have a significant influence over the BPER Banca Group and entities subject to the control of Directors, Statutory Auditors or Managers, or by subjects that may have significant influence over them, as defined by IAS 24.
The total amount of cash and endorsement loans to Directors, Statutory Auditors, Managers and other related parties comes to Euro 466 million (Euro 766.2 million at 31 December 2024). The above amount accounts for 0.17% of total cash and endorsement loans.

	Assets	Liabilities	Guarantees and commitments	Revenues	Costs
Total reference amounts - 31.12.2025	**204,649,960**	**187,054,461**	**70,223,003**	**8,428,712**	**5,026,981**
Total reference amounts - 31.12.2024	**140,591,432**	**129,027,152**	**41,085,761**	**7,818,892**	**5,133,813**

The total reference amounts for revenues include interest income (item 10), commission income (item 40) and other operating income (detail of item 230); costs include interest expense (item 20), commission expense (item 50), other operating expenses (detail of item 230) and administrative expenses (item 190).

Related party transactions stated as a percentage of reference amounts (financial position and economic results)

	Assets	Liabilities	Guarantees and commitments	Revenues	Costs
Subsidiaries (*)	0.21%	0.01%	0.12%	0.02%	0.02%
Associates	0.71%	0.17%	0.41%	1.75%	1.03%
Directors, Statutory Auditors and Managers	0.00%	0.00%	0.00%	0.00%	0.00%
Other related parties	0.16%	0.66%	0.20%	1.34%	0.90%
Total 31.12.2025	**1.08%**	**0.84%**	**0.73%**	**3.11%**	**1.95%**
Subsidiaries (*)	0.04%	0.01%	0.01%	0.01%	0.01%
Associates	0.58%	0.02%	0.40%	0.45%	0.99%
Directors, Statutory Auditors and Managers	0.00%	0.00%	0.00%	0.00%	0.00%
Other related parties	0.45%	1.49%	0.34%	3.42%	2.16%
Total 31.12.2024	**1.07%**	**1.52%**	**0.75%**	**3.88%**	**3.16%**

(*) Not consolidated line-by-line.

PART I
Equity-based payments

Qualitative Information

1. Description of equity-based payments

On 18 April 2025, the Shareholders' Meeting, based on a prior resolution of the Board of Directors of 12 March 2025, approved the Remuneration policies of the BPER Banca Group for the year 2025 containing guidelines on the use of remuneration plans based on equity (financial) instruments.

In order to pursue the objective of encouraging alignment of the interests of management with those of shareholders, the "Supervisory Provisions for banks" regarding "Remuneration and incentive policies and practices (Bank of Italy Circular No. 285 of 17 December 2013 and subsequent updates) establish that at least 50% of variable remuneration provided to "key employees" (or "Material Risk Takers" or "MRT") should be paid in the form of shares or associated financial instruments (pursuant to article 114-*bis* of Legislative Decree No. 58 of 24 February 1998 and paid through upfront payment systems or deferred for a period of no less than 4-5 years. "Variable remuneration" refers to both variable performance-linked components or other parameters, and to amounts paid as incentives for the early termination of the employment relationship or for the early exit from office recognised to recipients ("severance").

In compliance with the aforementioned regulatory provisions, the BPER Banca Group has therefore made provision for:

- a short-term incentive plan on an annual basis - MBO 2025: the plan identifies the following beneficiaries: in addition to the Chief Executive Officer, the executives with strategic responsibilities of the BPER Banca Group and selected persons from other categories of employees or associates of the BPER Banca Group classified as "Material Risk Takers" pursuant to the applicable legislation. As far as the structure is concerned, the Plan envisages paying part of the incentive through the assignment of BPER Banca shares, subject to the fulfilment of the conditions for its activation ("entry gates") and based on the bonus amount accrued by each MRT. The period for implementing the Plan runs between 2026 (the period in which the results for the financial year 2025 are recognised) and the actual availability of the last deferred portion in BPER shares (2032). If the annual variable remuneration is ≤ Euro 50 thousand and ≤ 1/3 of total annual remuneration, the bonus will be paid up-front and 100% in cash.
- 2025-2027 Long-Term Incentive (LTI) Plan: in addition to the Chief Executive Officer, the plan is aimed at people who are considered essential to the success of the strategic guidelines outlined in the "B:Dynamic | Full Value 2027" Business Plan. As regards the structure, the Plan makes provision, subject to the achievement of specific long-term company performance targets in line with the Strategic Plan in force, for the assignment to beneficiaries of an individual bonus, to be paid solely in ordinary BPER Banca shares at the end of the three-year vesting period (1 January 2025 - 31 December 2027). The period for implementing the 2025-2027 LTI Plan runs between the year of the shareholders' meeting approval (2025) and the actual availability of the last deferred portion in BPER shares (2034).

For detailed information, please refer to the document "2025 Report on remuneration policy and compensation paid", published on the Bank's website www.bper.it – Homepage > Governance > Documents.

Methods of implementation of the short-term incentive plan on an annual basis -MBO 2025

The assignment of variable remuneration is provided on the condition that the BPER Banca Group achieves the economic-financial targets established on an ex-ante basis ("entry gates") tied to the following parameters targeted at ensuring the maintenance of adequate income,capital and liquidity standards:

- Consolidated Common Equity Tier 1 Ratio (CET1);
- Consolidated Liquidity Coverage Ratio (LCR);
- Net Stable Funding Ratio (NSFR) - consolidated;
- Consolidated Return On Risk-Weighted Assets (RORWA).

After checking that the entry gates have been exceeded, the bonus allocation and the deriving extent of the variable remuneration are defined by evaluating individual performances using a process that includes an analysis of various qualitative and quantitative indicators.
If the variable remuneration determined for each individual beneficiary is greater than Euro 50 thousand or 1/3 of the total annual remuneration, this Plan is activated, which envisages payment (also through quotas with deferred vesting) of a part of the bonus through the free-of-charge, personal assignment of a given number of BPER shares. With regard to the share bonus component deferred over time, the Plan envisages its allocation in equal portions to the years subsequent to that of the bonus assignment (subject to a retention period of 1 year starting from the maturity date of each deferred portion), after having exceeded the entry gates set for the year prior to the year of disbursement of each deferred quota.

The up-front and deferred instalments are subject to malus rules that can reduce the instalment to zero in the event of failure to achieve the entry gates for the financial year preceding the year of payment of each deferred instalment. The malus mechanism, which can block payment of the deferred portions of the Bonus, also acts on activation of the clawback clauses.

The total number of BPER Banca shares derives from the size of the bonus assigned and the average price of the share established in the period prior to the date of the Board of Directors' meeting which approves the Group's consolidated results.

The Bank asks Beneficiaries – through specific individual agreements – not to make use of personal hedging or insurance strategies, in compliance with the regulatory framework in force.

Note that there are Compensation Plans still outstanding for the years 2019, 2020 (in phantom stocks), 2021, 2022, 2023 and 2024 in shares.

For detailed information on the contents of the Plan, please refer to the "2025 Information Document on the compensation plan based on financial instruments" prepared in accordance with article 114-*bis* of the Consolidated Law on Finance and article 84-*bis* of the Issuers' Regulation available to the public at the company's registered office, on the Bank's website www.bper.it - Homepage > Governance > Shareholders' Meeting.

Methods of implementation of the 2025-2027 Long-Term Incentive (LTI) Plan

In line with market practices, the entry gates defined for the LTI Plan are in line with those defined for the MBO Plan: consolidated Common Equity Tier 1 (CET1) ratio, consolidated Net Stable Funding Ratio (NSFR), consolidated Return On Risk-Weighted Assets (RORWA) and consolidated Liquidity Coverage Ratio (LCR). In particular, the assignment of variable remuneration (exclusively in BPER Banca shares) in the 2025-2027 LTI Plan is linked to the achievement, in 2028 with reference to 2027, of the entry gate objectives as defined. Failure to achieve even only one of the entry gates means not paying any bonus under this long-term incentive scheme.

After checking that the Entry Gates have been exceeded, the actual allocation of the bonus and the related amount, within the maximum limits set for the variable remuneration, are defined through a process of corporate performance assessment that includes an analysis of 5 KPIs.

For the three-year period 2025-2027, the scorecard of the ILT Plan, which is the same for all beneficiaries, is made up of profitability objectives operational efficiency, capitalisation and sustainability objectives, in addition to a relative Total Shareholder Return objective which was introduced to strengthen alignment with investors.

2025-2027 LTI scorecard

KPIs	Weight
ROTE (2025-2027 average) (*)	35%
CET 1 ratio as at 31/12/2027	20%
Cost/Income at 31/12/2027	15%
rTSR 9/10/24-29/02/2028 (**)	10%
ESG	20%

(*) 2025-2027 average, with CET1 Ratio constraint > 13%.

(**) Includes the change in the share price and all dividends distributed during the reference period: 9 October 2024 - last trading day of February 2028 (based on the implicit assumption that these dividends are re-invested in the stock itself). For further information, please refer to the "Information document on the compensation plan based on financial instruments – 2025-2027 LTI Plan".

Attainment of the above-mentioned KPIs is verified in 2028 in relation to the last year of the vesting period (2027). However, continuous monitoring of the indicators is required under the Plan to verify compliance with the objectives of the Strategic Plan. The target values of the KPIs of the 2025-2027 LTI Plan are indicated in the Remuneration Report approved by the Shareholders' Meeting on 18 April 2025.

The target amount of the Individual Bonus (on a one-year and three-year vesting basis) for each Recipient shall be determined (in respect of the variable/fixed ratio defined by the relevant remuneration policies at the moment of participation and in compliance with the regulations in force at any given time), as a percentage of the relevant individual gross annual remuneration:

- 37.5% (112.5% on a three-year basis) for the Chief Executive Officer;
- 30% (90% on a three-year basis) for the Top Management of Business and Corporate areas;
- 22.5% (67.5% on a three-year basis) for the Senior Management of Business and Corporate areas;
- 15% (45% on a three-year basis) for the Recipients identified among selected key resources for the achievement of the strategic guidelines.

The Plan excludes the Company's control functions.

The manner in which bonuses are awarded is structured as an up-front portion, awarded at the end of the three-year vesting period, and as a portion deferred pro-rata in equal tranches, over a number of years (5 years). The payment structure for the shares provides for a retention period of one year for the up-front portion and for the deferred portions.
The exact identification of the number of ordinary BPER Banca shares to be assigned in each fiscal year of the Plan term is conditional on the opening of gates and the level of achievement of the specific performance indicators upon payment of the Bonus at 2027.

The Bank cannot assign shares to beneficiaries, in whole or in part, and also reserves the right to ask the beneficiaries to return the shares, in whole or in part, if malus and claw-back clauses are triggered.
The Bank asks beneficiaries – through specific individual agreements – not to make use of personal hedging or insurance strategies which may alter or nullify the effects of the alignment with the risk inherent in the Plan, in compliance with the regulatory framework in force.

For detailed information on the contents of the Plan, please refer to the "Information document on the compensation plan based on financial instruments – 2025-2027 LTI Plan" prepared in accordance with article 114-*bis* of the Consolidated Law on Finance and article 84-*bis* of the Issuers' Regulation available to the public at the company's registered office, on the Bank's website www.bper.it – Homepage > Governance > Shareholders' Meeting.

Quantitative information

As regards the LTI Plan, the grant of shares without charge in execution of the Plan will take place using treasury shares that derive from purchases authorised at the Shareholders' Meeting, pursuant to articles 2357 and 2357-ter of the Italian Civil Code. With regard to the 2022-2024 Long-Term Incentive (LTI) Plan, the achievement of the entry gates and performance levels obtained entailed the assignment of 10,963,917 BPER Banca shares, as of May 2025, according to the procedures set out in the Plan.

Please refer to the relevant chapter "Other information" of the Interim Report on Group Operations, paragraph "Treasury shares" for a description of the authorisation obtained from the ECB.

The determination of the short-term variable remuneration referring to 2024 involved the assignment of 773,914 BPER Banca s.p.a. shares, starting from May 2025.

2. Other information

Determination of the fair value and accounting treatment

Short-term variable component

The determination of the variable remuneration for 2025 is being finalised at the date of approval of this Consolidated Financial Report.
In relation to 2024, the short-term variable remuneration involved the assignment of 773,914 BPER Banca s.p.a. shares.

Long-term variable component - Long-Term Incentive (2019-2021 LTI Plan)

The achievement of the entry gates and performance levels obtained have entailed the assignment of 1,714,223 BPER Banca shares, as of June 2022, according to the procedures set out in the Plan.

Long-term variable component - Long-Term Incentive (2022-2024 LTI Plan)

With regard to the 2022-2024 Long-Term Incentive (LTI) Plan, the achievement of the entry gates and performance levels obtained entailed the assignment of 10,963,917 BPER Banca shares, as of May 2025, according to the procedures set out in the Plan.

PART L
Segment reporting

According to IAS/IFRS, financial reporting must include descriptive information or more detailed analysis of the figures shown in the Financial Statements.

In addition, the Conceptual Framework of Financial Information points out that Financial Statements can include additional information compared with what is specifically requested by the Standards, when, in the opinion of preparers of Financial Statements, this is likely to give a clearer explanation of the company's business.

In this sense, paragraph 1 of IFRS 8 states that the objective of the Standard is to disclose information to enable users of the Financial Statements to evaluate the nature and financial effects of the business activities of an entity and the economic environments in which it operates.

In accordance with these principles and recent developments in the reporting and management analysis of the Group's performance, the segment reporting below was updated with respect to the information provided up to the Consolidated Financial Report as at 31 December 2024, with specific reference to the methods for identifying the operating sectors (data presented for comparative purposes has been restated accordingly). Consistently with the previous methods for preparing segment reporting, it should be noted that the new segmentation into Business Units and the related aggregation of the items analysed still refer to the "behavioural model" adopted by the Group for the clustering of customers for commercial purposes[197], further aggregating these clusters by the 'Service Models (SMs)' adopted for assigning management to the commercial/ relationship roles identified by the Group within its distribution network. Any remaining items are then combined into a single segment ("Non-core business"), namely: i. the Finance area (including the portfolio of owned securities, institutional funding, the Treasury pool), ii. the Corporate Centre (including governance and the operations), and iii. a small portion of customer relations, indirectly managed by the sales network (e.g. some captive relationships and the NPL portfolio whose recovery is outsourced).

197 Customers are classified into clusters according to asset thresholds (Retail customers) or according to their turnover/facilities granted/total assets (Corporate customers), behavioural drivers or specific characteristics (e.g. bankruptcy/insolvency proceedings, dedicated risk segments).

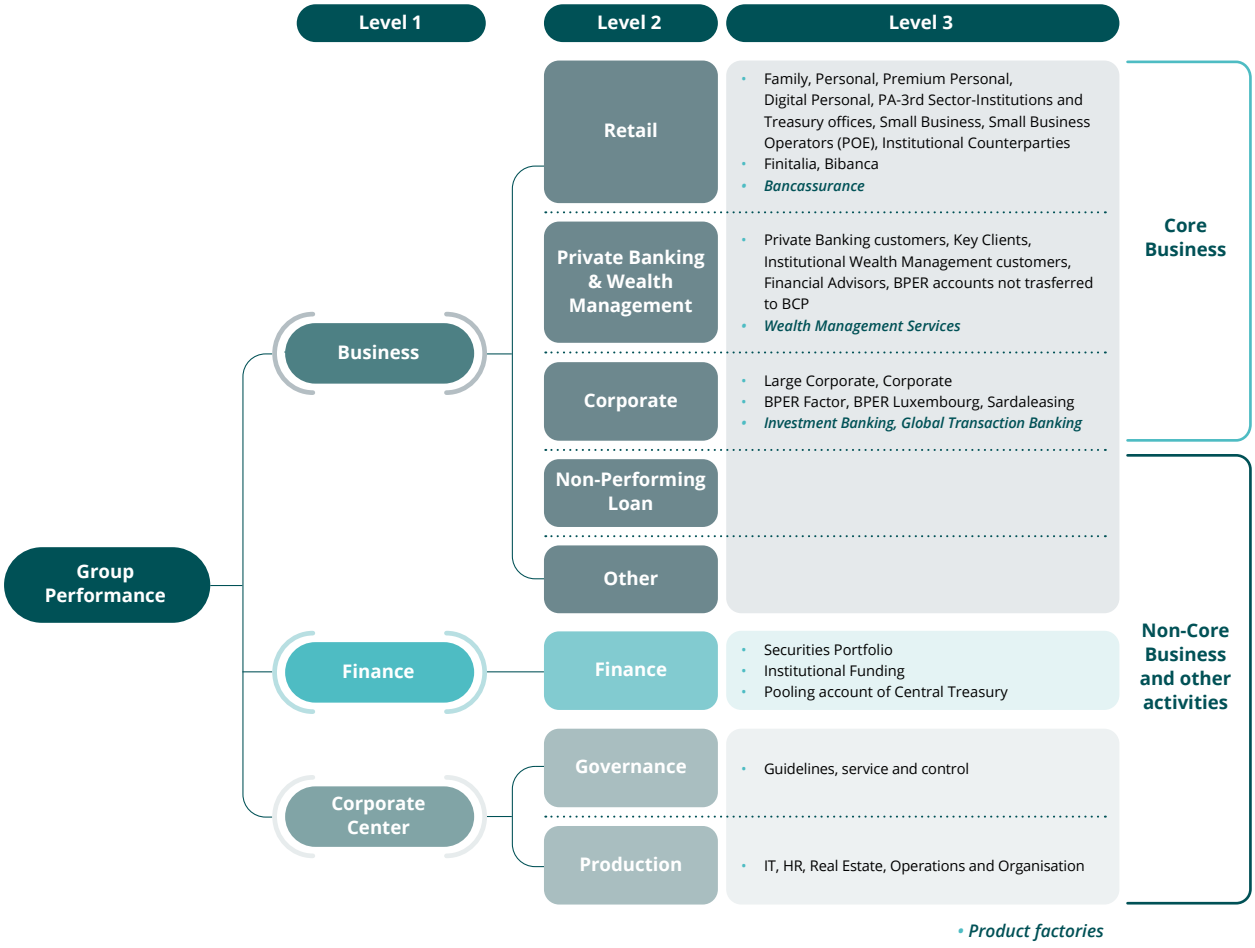
Below is a summary of the Operating Segments identified according to the structure described above, as well as a more detailed description of their composition.

Segments

The reporting framework breaks down Income Statement and Balance Sheet data into the following Operating Segments identified within the Group Core Business[198].

BUSINESS UNIT STRUCTURE

Analysis of profitability and value generation for individual BUs understood as customer clusters and groups of organisational units under the same manager.



198 With regard to the approach described, for the purposes of segment reporting as at 31 December 2025, the data provided by Banca Popolare di Sondrio (and its subsidiaries) – taking into account the timing of the business combination in 2025 – were treated and presented as a "dedicated segment", as the Parent Company had not yet incorporated its input into the management systems used to prepare segment reporting for the management of the BPER Group.

With specific reference to the Group Core Business, customer clusters ("behavioural model") are characterised below and then assigned to the Business Units identified as Operating Segments.

Retail		Corporate	
Family	Assets < €50 K	**Small Business Operators**	Turnover < €1 M BPER Group facilities granted < €50 K Total assets < €2.5 M
Personal	Assets >= €50 K and <€500 K	**Small Business**	Turnover < €5 M BPER Group facilities granted < €2 M Total assets < €25 M
Private	Assets >= €500 K	**Corporate**	Turnover <€500 M BPER Group facilities granted < €20 M Total assets > €25 M
		Large Corporate	Turnover > €500 M BPER Group facilities granted > €20 M

In relation to the internal organisational units acting as 'Internal Product Factory' for the customer Business Units (BUs), this includes: Bancassurance, Global Transaction Banking, Wealth Management Services, Investment Banking, in their capacity as organisational structures internal to BPER Banca, involved in the origination, structuring and management of specific products or services, whose 'remuneration' has been assigned to the operating segments identified through a revenue sharing mechanism, drawing on the profitability operationally allocated to customer BUs, based on the effort/involvement required of the central structures, according to the assumptions shown in the table below.

A.1 Breakdown by segment: income statement

Based on the requirements established in IFRS 8, the income statement by segment contains the following information:

(in thousands)

Data as at 31 December 2025	Core Business			Total Core Business	Banca Popolare di Sondrio	Total Non-Core and Other Business[1]	Reclassified Income Statement
	Retail	Private & WM	Corporate				
Net interest income	1,766,052	75,064	608,400	2,449,516	546,545	819,182	3,815,243
Net commission income	1,337,387	405,759	402,388	2,145,534	243,391	16,462	2,405,387
Finance and other expense/income[2]	15,299	311	28,495	44,105	91,840	232,713	368,658
Operating income	**3,118,738**	**481,134**	**1,039,283**	**4,639,155**	**881,776**	**1,068,357**	**6,589,288**
Operating costs	(1,916,472)	(186,514)	(307,826)	(2,410,812)	(318,184)	(284,547)	(3,013,543)
Net operating income	**1,202,266**	**294,620**	**731,457**	**2,228,343**	**563,592**	**783,810**	**3,575,745**
Net impairment losses for credit risk[3]	(112,069)	(831)	(131,050)	(243,950)	2,510	(72,515)	(313,955)
Other items	-	-	-	-	(4,328)	(61,331)	(65,659)
Profit (Loss) from current operations	**1,090,197**	**293,789**	**600,407**	**1,984,393**	**561,774**	**649,964**	**3,196,131**
Contributions to systemic funds	-	-	-	-	(1,700)	(10,151)	(11,851)
Integration costs and PPA impact	-	-	-	-	(266,368)	(203,965)	(470,333)
Profit (Loss) before tax	**1,090,197**	**293,789**	**600,407**	**1,984,393**	**293,706**	**435,848**	**2,713,947**

(1) The residual segment "Non-core and Other Business" includes: Arca SGR for relationships relating to "Non-captive" companies, relationships with "Non-captive" companies, customers attributed to residual Service Models, Finance BU, Non-Performing Loan (NPL) BU, Corporate Centre BU, Accounting Reconciliations; the contribution of the Finance BU to Profit before tax amounts to Euro 341.4 million.

(2) The aggregate includes: Dividends, Gains (losses) of equity investments measured under the equity method, Net income from financial activities, Other operating expense/income.

(3) Credit risk is managed by the Non-Performing Loan (NPL) BU (Segment "Other"), where all customers with a status other than performing are allocated. A mechanism was established, based on which the Core Business BUs, where performing customers are allocated, pay an amount equal to the expected one-year loss to the Non-Performing Loan (NPL) BU, while the latter pays the entire cost in terms of accounting adjustments.

(in thousands)

Data as at 31 December 2024	Core Business			Total Core Business	Total Non-Core and Other Business[1]	Reclassified Income Statement
	Retail	Private & WM	Corporate			
Net interest income	2,195,060	90,537	644,625	2,930,222	446,654	3,376,876
Net commission income	1,277,087	350,925	389,538	2,017,550	40,885	2,058,435
Finance and other expense/income[2]	-	-	-	-	139,326	139,326
Operating income	**3,472,147**	**441,462**	**1,034,163**	**4,947,772**	**626,865**	**5,574,637**
Operating costs	(1,947,094)	(216,752)	(298,887)	(2,462,733)	(571,509)	(3,034,242)
Net operating income	**1,525,053**	**224,710**	**735,276**	**2,485,039**	**55,356**	**2,540,395**
Net impairment losses for credit risk[3]	(146,947)	(1,399)	(129,069)	(277,415)	(45,429)	(322,844)
Other items	-	-	-	-	(51,887)	(51,887)
Profit (Loss) from current operations	**1,378,106**	**223,311**	**606,207**	**2,207,624**	**-41,960**	**2,165,664**
Contributions to systemic funds	-	-	-	-	(111,684)	(111,684)
Profit (Loss) before tax	**1,378,106**	**223,311**	**606,207**	**2,207,624**	**(153,644)**	**2,053,980**

(1) The residual segment "Non-core and Other Business" includes: Arca SGR for relationships relating to "Non-captive" companies, relationships with "Non-captive" companies, customers attributed to residual Service Models, Finance BU, Non-Performing Loan (NPL) BU, Corporate Centre BU, Accounting Reconciliations.

(2) The aggregate includes: Dividends, Gains (losses) of equity investments measured under the equity method, Net income from financial activities, Other operating expense/income.

(3) Credit risk is managed by the Non-Performing Loan (NPL) BU (Segment "Other"), where all customers with a status other than performing are allocated. A mechanism was established, based on which the Core Business BUs, where performing customers are allocated, pay an amount equal to the expected one-year loss to the Non-Performing Loan (NPL) BU, while the latter pays the entire cost in terms of accounting adjustments.

A.2 Breakdown by segment: Balance Sheet Information

Based on the requirements established in IFRS 8, the Balance Sheet by segment contains the following information:

(in thousands)

	Business						Reclassified Balance sheet
	Core Business			Total Core Business	Banca Popolare di Sondrio	Total Non-Core and Other Business[1]	
	Retail	Private & WM	Corporate				
Gross Loans to Customers 31.12.2025	51,400,944	756,345	35,975,859	88,133,148	37,061,712	5,826,330	131,021,190
Gross Loans to Customers 31.12.2024	50,903,779	742,728	34,618,429	86,264,936		5,694,421	91,959,357
Direct deposits 31.12.2025	78,228,536	5,493,252	19,319,498	103,041,286	46,648,040	18,981,813	168,671,139
Direct deposits 31.12.2024	77,337,068	5,664,931	18,210,412	101,212,411		16,905,144	118,117,555
Assets under Custody 31.12.2025	25,171,789	13,025,260	6,613,592	44,810,641	41,601,118	61,244,590	147,656,349
Assets under Custody 31.12.2024	20,064,380	11,252,915	5,007,327	36,324,622	-	59,381,525	95,706,147
Assets under Management - Life Insurance Policies 31.12.2025	55,533,220	25,055,447	1,286,782	81,875,449	6,382,048	17,640,490	105,897,987
Assets under Management - Life Insurance Policies 31.12.2024	51,844,295	22,983,257	1,150,827	75,978,379		16,485,514	92,463,893

(1) The residual segment "Non-core and Other Business" includes: Arca SGR for relationships relating to "Non-captive" companies, relationships with "Non-captive" companies, customers attributed to residual Service Models, Non-Performing Loan (NPL) BU, Finance BU, Corporate Centre BU, Accounting Reconciliations.

Balance sheet information has been allocated to the segments using the criteria adopted for the allocation of the related Income Statement items.

Financial information by geographical area

All the activities of the BPER Banca Group are essentially concentrated in Italy.

PART M
Information on leases

Section 1 – Lessee

Qualitative Information

With regard to the contracts entered into as lessee, BPER Banca recognises both the leased right-of-use asset and the liability for the future lease instalments envisaged in the contract.
In the context of the elections allowed by IFRS 16, BPER Banca decided not to recognise right-of-use assets or lease payables in relation to the following lease contracts:

- lease of intangible assets;
- short-term leases with less than 12 months remaining;
- lease of assets with a low unit value (as described further in the Explanatory Notes – Part A – Accounting policies, an asset is deemed to have a low unit value if its fair value when new was not more than Euro 5 thousand).

Consequently, the lease payments for these assets are charged to item "160. Administrative expenses" on an accruals basis; for further information about this, see the Explanatory Notes – Part C – Income statement, Table 10.5 "Other administrative expenses: breakdown".

Quantitative information

Rights of use acquired through leases: see the Explanatory Notes - Part B - Assets, table 8.1 "Property, plant and equipment used in operations: breakdown of assets measured at cost".

Lease liabilities: see the Explanatory Notes - Part B - Liabilities, table 1.1 "Financial liabilities measured at amortised cost: breakdown by product of due to banks", table 1.2 "Financial liabilities measured at amortised cost: breakdown by product of due to customers", and table 1.6 "Lease liabilities".
Interest expense on lease liabilities: see the Explanatory Notes – Part C – Income statement, table 1.3 "Interest and similar expense: breakdown".

Other expenses associated with right-of-use assets acquired under leases: see the Explanatory Notes – Part C – Income statement, table 12.1 "Net adjustments to property, plants and equipment: breakdown".

Income from sub-lease transactions: see the Explanatory Notes - Part C – Income statement, table 1.1 "Interest and similar income: breakdown".

1.1 Right-of-use assets acquired under leases: changes in right-of-use assets relating to property, plant and equipment used in operations

Property, plant and equipment used in operations	Right-of-use assets acquired under leases 31.12.2024	Depreciation of the year	Other changes of the year	Impairment losses of the year	Net 31.12.2025
a) land	-	-	-	-	-
b) buildings	325,636	(65,835)	204,433	607	464,841
c) furniture	-	-	-	-	-
d) electronic systems	63,619	(20,932)	28,635	-	71,322
e) other	8,446	(4,538)	7,413	-	11,321
Total	**397,701**	**(91,305)**	**240,481**	**607**	**547,484**

As regards "Other changes of the year", the impact is mainly linked to new contracts acquired (approximately Euro 17 million) and those acquired through the business combination with the Popolare di Sondrio Group (roughly Euro 141 million) in addition to remeasurement of the rights of use mainly due to ISTAT adjustments, changes in the lease term, opening and termination of contracts.

1.2 Expense and Income relating to leases other than right of use

	Total 31.12.2025	Total 31.12.2024
Costs relating to short-term leases	3,609	3,055
Expense relating to leases of low-value assets (*)	3,683	3,826
Income from finance subleases	-	1

(*) Including VAT.

1.3 Lease liabilities: changes

	Lease liabilities 31.12.2024	Interest expense	Lease payments made	Other	Net 31.12.2025
Total lease liabilities	**413,073**	**16,972**	**(103,906)**	**245,140**	**571,279**

As regards "Other changes of the year", the impact is mainly linked to new contract acquired (approximately Euro 17 million) and those acquired through the business combination with the Popolare di Sondrio Group (approximately Euro 141 million) in addition to remeasurement of lease liabilities mainly due to ISTAT adjustments, changes in the lease term, opening and termination of contracts.

Section 2 – Lessor

Qualitative Information

The lease contracts in which BPER Banca is the lessor are classified as either finance leases or operating leases.

- Finance leases transfer to the lessee substantially all the risks and rewards of ownership. In substance, under finance leases, the lessee obtains the economic benefits deriving from use of the leased asset over most of its economic life, in exchange for a commitment to pay the lessor a consideration that is substantially the same as the fair value of the asset and the related financial charges. The lease contract is therefore recognised by the lessor in the following manner:
  - the value of the credit granted is recognised as an asset, net of the principal portion of the lease payments due and paid by the lessee;
  - interest income is credited to the income statement.
- Operating leases do not transfer to the lessee substantially all the risks and rewards incidental to ownership, which remain with the lessor. Under operating leases, the lessor shall recognise the lease payments in profit or loss on an accruals basis.

See the Explanatory Notes – Part A – Accounting policies for additional information.

Given the legal structure of finance leases, the credit risk faced by the Bank is limited by retaining ownership of the asset until the end-of-lease payment is made by the lessee. This factor is particularly important in relation to property leases and those in which the asset concerned is highly fungible. In particular, in order to limit more effectively the risk of losses and whenever indicated in the lease origination report, BPER Banca may request the customer to provide additional secured guarantees (typically pledged securities) and/or unsecured guarantees (personal or bank sureties). In addition, finance leases may also be secured by commitments to take over the lease or repurchase the asset (sometimes obtained from the supplier of the asset concerned).

Quantitative information

1. Balance Sheet and Income Statement information

Finance leases: see the Explanatory Notes – Part B – Assets, table 4.2 "Financial assets measured at amortised cost: breakdown of loans to customers".

Interest income on finance leases: see the Explanatory Notes – Part C – Income statement, table 1.1 "Interest and similar income: breakdown".

Other income from operating leases: see the Explanatory Notes – Part C - Income statement, table 14.2 "Other operating income: breakdown".

2. Finance leases

2.1 Breakdown by time bands of lease payments receivable and reconciliation with finance leases recognised as assets

Time bands	31.12.2025 Lease payments receivable	31.12.2024 Lease payments receivable
Up to 1 year	528,131	584,737
Over 1 years up to 2 years	446,038	496,459
Over 2 years up to 3 years	372,614	421,422
Over 3 years up to 4 years	313,106	347,626
Over 4 years up to 5 years	255,166	289,270
Over 5 years	801,476	980,234
Total lease payments receivable	**2,716,531**	**3,119,748**
RECONCILIATION WITH FINANCE LEASES		
Unearned finance income (+)	310,215	354,021
Unguaranteed residual value (-)	-	-
Finance leases	**2,406,316**	**2,765,727**

"Not accrued gains" derive from unearned interest embedded in lease payments receivable.

2.2 Other information

2.2.1 Other information about finance leases: type and credit quality

	31.12.2025		31.12.2024	
	Performing	Non-performing	Performing	Non-performing
A - Real estate assets	**1,600,446**	**23,815**	**1,779,519**	**32,272**
Land	-	-	-	-
Buildings	1,600,446	23,815	1,779,519	32,272
B - Operating assets	**366,940**	**2,430**	**479,518**	**4,106**
C - Movable assets	**289,006**	**2,842**	**322,168**	**1,665**
Motor vehicles	166,754	1,572	188,527	1,181
Aircraft and rolling stock	122,252	1,269	133,641	484
Other	-	-	-	-
D - Intangible assets	**120,752**	**85**	**146,284**	**195**
Trademarks	-	-	-	-
Software	-	-	-	-
Other	120,752	85	146,284	195
Total	**2,377,144**	**29,172**	**2,727,489**	**38,238**

2.2.2 Other information about finance leases: unopted assets, assets returned after termination, other assets

	31.12.2025			31.12.2024		
	Unopted assets	Assets returned after termination	Other assets	Unopted assets	Assets returned after termination	Other assets
A - Real estate assets	**-**	**1,998**	**1,622,509**	**-**	**3,318**	**1,804,286**
Land	-	-	-	-	-	-
Buildings	-	1,998	1,622,509	-	3,318	1,804,286
B - Operating assets	**-**	**313**	**369,349**	**-**	**356**	**483,559**
C - Movable assets	**-**	**-**	**291,848**	**-**	**-**	**323,833**
Motor vehicles	-	-	168,326	-	-	189,708
Aircraft and rolling stock	-	-	123,522	-	-	134,125
Other	-	-	-	-	-	-
D - Intangible assets	**-**	**-**	**120,836**	**-**	**-**	**146,479**
Trademarks	-	-	-	-	-	-
Software	-	-	-	-	-	-
Other	-	-	120,836	-	-	146,479
Total	**-**	**2,311**	**2,404,542**	**-**	**3,674**	**2,758,157**

3. Operating leases

3.1 Breakdown of lease payments receivable by time bands

Time bands	31.12.2025 Lease payments receivable	31.12.2024 Lease payments receivable
Up to 1 year	9,006	9,399
Over 1 years up to 2 years	8,143	8,494
Over 2 years up to 3 years	7,680	7,773
Over 3 years up to 4 years	5,848	7,296
Over 4 years up to 5 years	4,727	5,590
Over 5 years	17,114	23,992
Total	**52,518**	**62,544**

3.2 Other information

No additional information is deemed necessary to meet the disclosure objective specified in paragraph 92 of IFRS 16.

ATTACHMENTS

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Fees for audit and non-audit services

Information pursuant to art. 149-*duodecies* of Consob Issuers' Regulation

This schedule, prepared pursuant to art. 149-*duodecies* of CONSOB Issuers' Regulation (Resolution 11971 of 14 May 1999 and subsequent amendments), reports the 2025 fees for audit and non-audit services provided by the Independent Auditors and member firms of its network. These fees represent the costs incurred and recorded in the Consolidated Financial Report, net of expenses, unrecoverable VAT and the CONSOB contribution.

(in thousands)

Type of service	Party providing the service	Recipient	Fees
Audit services	Deloitte & Touche s.p.a.	Parent Company BPER Banca	1,733
	Deloitte & Touche s.p.a.	Subsidiaries	1,178
	Deloitte Network	Subsidiaries	369
Certification services (*)	Deloitte & Touche s.p.a.	Parent Company BPER Banca	2,109
	Deloitte & Touche s.p.a.	Subsidiaries	289
Other services	Deloitte Network	Parent Company BPER Banca	98
	Deloitte & Touche s.p.a.	Subsidiaries	105
	Deloitte Network	Subsidiaries	34
Total			**5,915**

It should be noted that Statutory Auditing also includes the Limited Review of the Consolidated Financial Statements as at 31 March and 30 September prepared for the purpose of determining the result for the period for the calculation of the Common Equity Tier 1 capital as required by Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms.

(*) Certification services mainly refer to services rendered to the Group concerning:
- activities performed in relation to the translation into English of the independent auditors' reports on the condensed consolidated half-year financial statements at 30 June 2025 and the Separate and Consolidated Financial Statements at 31 December 2025;
- activities carried out in relation to programmes for the issuance of covered bonds;
- activities to check the GHG Statement that will be attached to the CDP Questionnaire – Reporting on Climate Change;
- verification activities in relation to sustainability reporting;
- activities carried out for the purpose of issuing the Report pursuant to art. 23 paragraph 7 Bank of Italy Regulation 5 December 2019 - Mifid II;
- activities carried out for the statutory audit of 2020-2021-2022-2023-2024 expenses for 4.0 innovation and innovation activities;
- activities carried out for the purpose of issuing the Opinion pursuant to Art. 2441 of the Italian Civil Code and Art. 158 of the Consolidated Law on Finance for the BPS public exchange offer;
- activities carried out for the purpose of issuing the ISAE 3420 Report on pro-forma consolidated information for the BPS public exchange offer;
- activities carried out for the purpose of preparing the report determining the exchange ratio in connection with the BPS public exchange offer;
- activities carried out to verify the conformity of tax returns.

Public Disclosure - Country by country as at 31 December 2025

Information pursuant to Circular 285/2013 of the Bank of Italy

This information is disclosed following the introduction into Italian law, with the 4th update of the Bank of Italy's Circular 285 of 17 December 2013, of the rules laid down in art. 89 of EU Directive 2013/36/EU (CRD IV) on Country by Country Reporting.

Company name	Head Office	Nature of the activity	Turnover (a)	Number of employees (FTEs)	Profit (Loss) before tax (b)	Income taxes (c)	Government grants received (d)
BPER Banca s.p.a.	Italy	Banking	4,146,626	14,365	1,791,660	(547,452)	-
Banco di Sardegna s.p.a.	Italy	Banking	341,461	1,543	89,979	(77,845)	-
Bibanca s.p.a.	Italy	Banking	284,125	160	274,729	(29,841)	-
Banca Cesare Ponti s.p.a.	Italy	Banking	152,845	520	120,762	(38,936)	-
Sardaleasing s.p.a.	Italy	Leasing	113,172	47	22,970	(6,466)	-
BPER Factor s.p.a.	Italy	Factoring	78,937	55	12,472	(4,177)	-
Arca Holding s.p.a.	Italy	Holding company	407,114	90	110,822	(34,515)	-
Finitalia s.p.a.	Italy	Consumer credit	33,973	85	13,018	(4,248)	-
BPER Real Estate s.p.a.	Italy	Real estate	(1,513)	-	(5,707)	954	-
Modena Terminal s.r.l	Italy	Storage and safekeeping warehouse	(135)	30	(1,812)	(714)	-
Banca Popolare di Sondrio (sub-consolidated)	Italy	Banking	729,836	1,674	279,802	(94,267)	
Alba Leasing	Italy	Leasing	32,406	63	8,872	(3,018)	
Total Italy			**6,318,847**	**18,632**	**2,717,567**	**(840,525)**	**-**

The figures for Alba Leasing relate solely to the third quarter of 2025

Company name	Head Office	Nature of the activity	Turnover (a)	Number of employees (FTEs)	Profit (Loss) before tax (b)	Income taxes (c)	Government grants received (d)
BPER Bank Luxembourg s.a.	Luxembourg	Banking	24,825	37	5,189	(1,291)	-
BPS (Suisse) s.a.	Switzerland	Banking	56,162	182	154	(693)	
	Principality of Monaco		5,547	10	(91)	156	
Total Luxembourg			**86,534**	**229**	**5,252**	**(1,828)**	**-**
Total			**6,405,381**	**18,861**	**2,722,819**	**(842,353)**	**-**

Key:
(a) net interest and other banking income, in thousands of euro, net of inter-company eliminations where necessary
(b) profit (loss) from current operations added to gains (losses) before tax on groups of assets classified as held for sale, in thousands of euro, net of inter-company eliminations where necessary.
(c) income taxes on current operations for the year and on assets classified as held for sale, in thousands of euro, net of inter-company eliminations where necessary.
(d) refers to government grants not considered in the transactions covered by the State aid schedules in Part A of the Notes to the Financial Statements.

Information on loans to third-party funds

Jessica Sardinian Urban Development Fund

The Autonomous Region of Sardinia and the European Investment Bank (EIB) signed a Loan Agreement for the creation of a JESSICA Sardinia Investment Fund to manage the resources available under Axes III and V of the ERDF Regional Operational Programme 2007-2013. Banco di Sardegna was selected for lot 1: Urban Renewal (Axis V).

In July 2012, the EIB and Banco di Sardegna signed the operational agreement for a loan of Euro 33.1 million that, based on the performance achieved, was supplemented in 2015 with an additional Euro 6.3 million. Pursuant to art. 2447-*decies* of the Italian Civil Code, a separate fund has been set up as part of the Urban Development Fund (UDF) for the specific purpose of managing JESSICA project loans.
The resources may be made available in the following ways:

- direct loans to authorities and public entities;
- loans to private companies;
- investment in the equity of private companies.

(in Euro)

Description	Investment (*)	JESSICA loan agreement	Jessica equity	Agreement date	Disbursements	
		Jessica			Loan	Equity
					Outstanding debt as at 31.12.2025	Disbursed and not yet paid back as at 31.12.2025
Purchase of 12 modern trolleybuses Two loans.	7,126,000	6,769,700	-	18.12.2013	2,898,499	-
Construction and management of a natural gas distribution network (*).	45,120,239	7,000,000	-	15.04.2014	-	-
Construction and management of a new cruise terminal at the "Molo Rinascita" in Cagliari. Two loans.	715,000	534,173	-	18.12.2014 08.07.2016	-	-
Two projects involving the construction and management of a natural gas distribution network based on two separate catchment areas (*).	38,913,569	8,000,000	4,000,000	16.02.2015	7,742,100	4,000,000
Renovation and expansion of the Municipal Market of Oristano with adjacent parking.	4,133,055	1,140,000	-	12.06.2015	380,000	-
Redevelopment of a building owned by the Municipality of Borutta destined to bar diner.	265,000	251,750	-	22.06.2015	75,525	-
Construction of a residential and daytime comprehensive rehabilitation centre for the intellectually and relationally disabled in the Municipality of Selargius.	2,150,000	1,432,695	-	31.08.2015	779,474	-
Redevelopment of Alghero Town Hall.	600,000	570,000	-	30.10.2015	190,000	-
Construction of the municipal indoor swimming pool in Alghero.	2,100,000	1,915,026	-	30.05.2016	702,176	-
Redevelopment of the multi-purpose sports area in the Latte Dolce district of Sassari.	560,000	532,000	-	24.06.2016	230,533	-
Redevelopment of the multi-purpose sports area in the Monte Rosello district of Sassari.	750,000	712,500	-	24.06.2016	308,750	-
Redevelopment of the multi-purpose sports area in the Carbonazzi district of Sassari.	600,000	570,000	-	24.06.2016	247,000	-
Redevelopment of the "Roberta Serradimigni" sports hall in Sassari.	4,300,000	4,085,000	-	24.06.2016	1,770,167	-
Total	**107,332,863**	**33,512,844**	**4,000,000**		**15,324,224**	**4,000,000**

(*) The capital expenditure indicated only considers the technical costs associated with the project. This excludes the financial costs of the operation (costs associated with working capital, interest, commissions, Debt Service Reserve Account - DSRA- etc. which still have to be financed during construction).

The following table shows simplified accounts for the JESSICA Urban Development Fund at 31 December 2025.

Balance Sheet

(in Euro)

Assets		31.12.2025	31.12.2024
40.	Financial assets measured at amortised cost	638,606	668,872
	a) loans to banks	638,606	668,872
120.	Other assets	14	22
	Total assets	**638,620**	**668,894**

(in Euro)

Liabilities and shareholders' equity		31.12.2025	31.12.2024
10.	Financial liabilities measured at amortised cost	810,833	551,533
	a) due to banks	810,833	551,533
80.	Other liabilities	58,470	62,878
180.	Profit (loss) for the year	(230,683)	54,483
	Total liabilities and shareholders' equity	**638,620**	**668,894**

Income Statement

(in Euro)

Items		31.12.2025	31.12.2024
10.	Interest and similar income	77,816	392,645
30.	**Net interest income**	**77,816**	**392,645**
40.	Commission income	**6,528**	**-**
50.	Commission expense	(315,027)	(338,162)
60.	**Net commission income**	**(308,499)**	**(338,162)**
300.	**Profit (loss) for the year**	**(230,683)**	**54,483**

Fund of the NOP Research and Innovation Funds of MIUR-EIB

As the Managing Authority for the National Operational Programme (NOP) "Research and Innovation 2014-2020", the Ministry of Universities and Research ("MUR"), signed an agreement with the EIB in December 2016 to manage a Fund of Funds financed by NOP resources. Banco di Sardegna was one of the financial intermediaries that won the EIB public call for financial intermediaries selection. Separate equity allocated for a specific purpose was established in order to manage the Financial Instrument, pursuant to art. 2447 decies of the Italian Civil Code.

(in Euro)

Description	Project	R&I Fund Loan	Investment in the equity of the R&I Fund	Agreement date	Disbursements	
		Jessica			Loan	Equity
					Outstanding debt as at 31.12.2025	Disbursed and not yet paid back as at 31.12.2025
Construction of a testing platform for advanced materials to be used in the aerospace industry.	229,108	47,200	-	31.10.2019	18,551	-
Development of software (SW) for the application of Artificial Intelligence (AI) algorithms to SAR satellite images.	1,293,541	799,778	-	03.12.2019	513,725	-
Development of diagnostic device on robotic platform for microbiological diagnosis.	962,340	632,100	-	05.12.2019	399,017	-
Development of a device for extracting water from emulsions, solutions and granulates.	1,362,165	953,516	-	19.12.2019	759,517	-
Research into new bio-preservation biotechnologies to extend shelf life of baked goods using modern packaging systems.	757,021	285,614	-	19.05.2020	215,149	-
Development of an innovative automatic station to inspect visual quality of industrial products.	857,158	600,010	-	20.05.2020	311,287	-
Development of an AI-based hardware and software system to simplify access to corporate information.	1,851,207	1,241,358	-	02.09.2020	1,241,358	-
Define, design and build an Equipment Testing Laboratory (Modular Iron Bird) to test the flight control equipment of different types of aircrafts.	1,553,902	649,750	-	03.09.2020	334,131	-
Construction of a unique infrastructure with a built-in interactive system to control the most diverse environmental and anthropogenic risks/alerts.	1,174,906	814,844	-	12.05.2021	614,477	-
Provide visually impaired people with a tool that can read any type of paper document by interacting with a smart speaker in the home environment.	403,278	282,295	-	21.01.2022	159,559	-
The project aims to provide a system based on artificial intelligence to automatically classify respiratory illnesses in slaughtered swine.	606,869	424,808	-	29.04.2022	320,223	-
Production of an innovative infusion solution for peritoneal dialysis and an innovative peritoneal dialysis device for automated treatment, which is usually performed overnight (**).	943,382	660,367	-	06.07.2023	328,992	-
Creation of a "Design collaboration room", a tool based on virtual reality technology that provides the user with a set of functionalities that, based on input data and information, allow the operator to carry out the process of designing, planning, manufacturing and testing satellites directly in VR.	1,561,959	702,882	-	11.09.2023	550,554	-
Total	**13,556,836**	**8,094,522**	**-**		**5,766,540**	**-**

(**) It is noted that the project was completed with a curtailment; consequently, the loan was proportionally reduced and repaid by the company, as it had been disbursed to the company in advance to meet the Fund's deadline requirements.

The following is a simplified accounting report of the NOP Research and Innovation-MIUR-EIB Fund of Funds at 31 December 2025.

Balance Sheet

(in Euro)

Assets		31.12.2025	31.12.2024
40.	Financial assets measured at amortised cost	750,989	450,645
	a) loans to banks	750,989	450,645
120.	Other assets	2,138	19,060
	Total assets	**753,127**	**469,705**

(in Euro)

Liabilities and shareholders' equity		31.12.2025	31.12.2024
10.	Financial liabilities measured at amortised cost	726,587	411,505
	a) due to banks	726,587	411,505
80.	Other liabilities	29,852	34,014
180.	Profit (loss) for the year	(3,312)	24,186
	Total liabilities and shareholders' equity	**753,127**	**469,705**

Income statement

(in Euro)

Items		31.12.2025	31.12.2024
10.	Interest and similar income	100,161	143,740
30.	**Net interest income**	**100,161**	**143,740**
50.	Commission expense	(103,473)	(119,554)
60.	**Net commission income**	**(103,473)**	**(119,554)**
300.	**Profit (loss) for the year**	**(3,312)**	**24,186**

Sardinia Business Emergency Fund - RAS-EIB

The Sardinia Region and the European Investment Bank (EIB) on 26 May 2020 signed a Financing Agreement for the establishment of a Fund of Funds called "Sardinia Enterprise Emergency Fund" ("Sardinia FoF") for the management of resources relating to the 2014-2020 Regional Operational Program ("POR"), with the aim of addressing market failures further increased by the COVID-19 pandemic effects.

Banco di Sardegna was the winner of the EIB selection tender, due to the largest available ceiling, equal to Euro 66.66 million. Separate equity allocated for a specific purpose was established in order to manage the Financial Instrument, pursuant to art. 2447-*decies* of the Italian Civil Code.
The resources allocated are intended for companies operating in the Sardinian territory that have suffered damage from Covid-19. They will disbursed in the form of long, medium and short-term loans to support investments and working capital needs, as part of the "Temporary Framework for State aid measures in support of the economy in the current epidemic of COVID-19"of the EC and in particular under Articles 3.1 and 3.3.
On 1 September 2020, Banco di Sardegna entered into an agreement with the EIB. On 23 February 2021 and 26 July 2022, Banco di Sardegna subsequently signed two contractual addenda with the EIB following the Region's allocation of additional funds, bringing the total available ceiling to Euro 112.75 million.
Out of 159 applications processed, 149 loans were stipulated for a total of Euro 108.6 million.
From 1 January 2024, the Fund has entered its post-investment phase.

Balance Sheet

(in Euro)

Assets		31.12.2025	31.12.2024
40.	Financial assets measured at amortised cost	3,309,921	3,430,202
	a) loans to banks	3,309,921	3,430,202
120.	Other assets	13,613	82,363
	Total assets	**3,323,534**	**3,512,565**

(in Euro)

Liabilities and shareholders' equity		31.12.2025	31.12.2024
10.	Financial liabilities measured at amortised cost	4,529,780	4,836,741
	a) due to banks	4,529,780	4,836,741
80.	Other liabilities	529,021	563,620
180.	Profit (loss) for the year	(1,735,267)	(1,887,796)
	Total liabilities and shareholders' equity	**3,323,534**	**3,512,565**

Income statement

(in Euro)

Items		31.12.2025	31.12.2024
10.	Interest and similar income	100,913	383,150
30.	**Net interest income**	**100,913**	**383,150**
50.	Commission expense	(1,836,180)	(2,270,946)
60.	**Net commission income**	**(1,836,180)**	**(2,270,946)**
300.	**Profit (loss) for the year**	**(1,735,267)**	**(1,887,796)**

Jessica2 Sardinian Urban Development Fund

Following the successful completion of the due diligence by the European Investment Bank (EIB) for the refinancing of the Jessica Fund, the EIB and Banco di Sardegna signed the Euro 21 million loan agreement on 17 June 2021. The Fund's resources are intended to finance projects submitted by private companies or public institutions in the Region of Sardinia in the following areas:

- integrated urban development (urban infrastructure; commercial and retail activities, part of a wider urban regeneration project; sports infrastructure, providing a service to the local community; office buildings if part of a wider urban regeneration project; reclamation and redevelopment of brownfield sites; restoration of environmentally compromised sites)
- energy efficiency (energy efficiency in buildings; public lighting, if the interventions are aimed at improving the energy performance of existing public lighting; cogeneration plants);
- renewable energy (solar energy; hydroelectric energy; biomass energy; biogas energy; onshore wind energy).

As at 31 December 2025, six positions for a total amount of Euro 16.7 million were positively approved by the Investment Committee and two further applications were under consideration.

(in Euro)

Description	Investment	JESSICA2 loan agreement	Agreement date	Amount Disbursed	Residual debt as at 31 December 2025
		Jessica			Equity
					Disbursed and not yet paid back as at 31.12.2024
Construction of a photovoltaic plant of approximately 900kWp aimed at creating an energy community, waterproofing of the underlying roof, and installation of five double-sided 22kWp charging stations.	1,274,571	608,541	28.08.2024	481,267	481,267
Construction of a photovoltaic plant with a total capacity of 700kWp. Replacement of the old air conditioning system to ensure energy efficiency.	1,500,000	488,857	12.11.2024	488,857	488,857
Construction of two photovoltaic plants with capacities of 250 kW and 1.5 MW, and a 300 kW biogas plant	5,952,000	2,976,000	20.01.2025	1,886,000	1,886,000
Renovation of the main street (infrastructure modernisation including green charging points) in the municipality of Tortolì	3,450,621	1,725,311	26.11.2025	1,725,311	1,725,311
Total	**12,177,192**	**5,798,709**		**4,581,435**	**4,581,435**

The following table shows simplified accounts for the Jessica2 Sardinia Urban Development Fund as at 31 December 2025.

Balance Sheet

(in Euro)

Assets		31.12.2025	31.12.2024
40.	Financial assets measured at amortised cost	16,575,573	20,279,844
	a) loans to banks	16,575,573	20,279,844
120.	Other assets	1,911	55,479
	Total assets	**16,577,484**	**20,335,323**

(in Euro)

Liabilities and shareholders' equity		31.12.2025	31.12.2024
10.	Financial liabilities measured at amortised cost	16,317,067	20,270,509
	a) due to banks	16,317,067	20,270,509
80.	Other liabilities	293,399	166,312
180.	Profit (loss) for the year	(32,982)	(101,498)
	Total liabilities and shareholders' equity	**16,577,484**	**20,335,323**

Income statement

(in Euro)

Items		31.12.2025	31.12.2024
10.	Interest and similar income	148,149	64,814
30.	**Net interest income**	**148,149**	**64,814**
50.	Commission expense	(181,131)	(166,312)
60.	**Net commission income**	**(181,131)**	**(166,312)**
300.	**Profit (loss) for the year**	**(32,982)**	**(101,498)**

Sustainable Growth Fund

Banco di Sardegna is part of the Temporary Consortium (RTI), led by Medio Credito Centrale, alongside other national banks. Since December 2021, RTI has been the successful bidder for the new agreement with the Ministry of Enterprises and Made in Italy (MIMIT) (formerly the Ministry of Economic Development – MISE), to manage the interventions planned under the "Sustainable Growth Fund". The duration of the Agreement is 5 years, with the option of renewal for a further 4 years. During the year, applications for an amount of approximately Euro 900 million were submitted at RTI level, for a total of Euro 560 million of resources allocated in the form of either capital contributions or subsidised loans.

The endowment of the Fund will finance programmes and actions that will have a significant impact on the competitiveness of the productive system at national level, with a particular focus on:

- promoting research, development and innovation projects of strategic importance in order to relaunch the competitiveness of the productive system, not least by consolidating the R&D centres and organisations of firms;
- strengthening the productive system, the reuse of productive plants and the relaunch of areas of national importance hit by complex crises, via the signature of programme agreements;
- promoting the international presence of businesses and attracting investment from abroad, partly in coordination with the actions to be implemented by ICE (Agency for the promotion abroad and internationalisation of Italian businesses).

The activities of the Fund are based on calls for applications and directives from the Minister of the Ministry of Enterprises and Made in Italy (MIMIT).
A at 31 December 2025, 37 calls for applications have already been made and the value of the projects submitted totals about Euro 20 billion.

Reconciliation between the Consolidated Financial Statements and the Reclassified Financial Statements as at 31 December 2025

Reclassified balance sheet - Assets

(in thousands)

Circular no. 262/2005 8° update - Assets	31.12.2025	Cash and cash equivalents	Financial assets						Loans			Macro-hedge accounting		Equity investments	Property, plant and equipment	Intangible assets	- of which: goodwill	Other assets
			a) Financial assets held for trading	b) Financial assets designated at fair value	c) Other financial assets mandatorily measured at fair value	d) Financial assets measured at fair value through other comprehensive income	e) Debt securities measured at amortised cost - banks	e) Debt securities measured at amortised cost - customers	a) Loans to banks	b) Loans to customers	c) Loans mandatorily measured at fair value	a) Hedging derivatives	b) Change in value of macro-hedged financial assets (+/-)				
10. Cash and cash equivalents	11,681,192	11,681,192																
20. Financial assets measured at fair value through profit or loss	2,585,291																	
a) financial assets held for trading	1,020,166		1,020,166															
b) financial assets designated at fair value	-			-														
c) ther financial assets mandatorily measured at fair value	1,565,125				1,395,895						169,230							
30. Financial assets measured at fair value through other comprehensive income	6,995,048					6,995,048												
40. Financial assets measured at amortised cost	167,539,122																	
a) loans to banks	8,324,017						5,828,841		2,495,176									
b) loans to customers	159,215,105			-				30,477,040		128,738,065								
50. Hedging derivatives	779,557											779,557						
60. Change in value of macro-hedged financial assets (+/-)	(83,799)												(83,799)					
70. Equity investments	869,937													869,937				
90. Property, plant and equipment	3,132,924		-												3,132,924			
100. Intangible assets	1,608,239															1,608,239		
of which:	-																	
- goodwill	575,706																575,706	
110. Tax assets	1,690,772																	
a) current	242,663																	242,663
b) deferred	1,448,109																	1,448,109
120. Non current assets and disposal groups classified as held for sale	345,782																	345,782
130. Other assets	7,505,895																	7,505,895
Total assets	**204,649,960**	**11,681,192**	**1,020,166**	**-**	**1,395,895**	**6,995,048**	**5,828,841**	**30,477,040**	**2,495,176**	**128,738,065**	**169,230**	**779,557**	**(83,799)**	**869,937**	**3,132,924**	**1,608,239**	**575,706**	**9,542,449**

Reclassified balance sheet - Liabilities and shareholders' equity

(in thousands)

Circular no. 262/2005 8° update - Liabilities		31.12.2025	Due to banks	Direct deposits			Financial liabilities held for trading	Macro-hedge accounting		Other liabilities	Minority interests	Shareholders' equity								
				a) Due to customers	b) Debt securities issued	c) Financial liabilities designated at fair value		a) Hedging derivatives	b) Change in value of macro-hedged financial liabilities (+/-)			a) Valuation reserves	b) Reserves	c) Equity instruments	d) Advanced dividends	e) Share premium reserve	f) Share capital	g) Treasury shares	h) Profit (Loss) for the year
10.	Financial liabilities measured at amortised cost	175,298,947																		
	a) due to banks	10,095,677	10,095,677																	
	b) due to customers	150,762,018		150,762,018																
	c) debt securities issued	14,441,252			14,441,252															
20.	Financial liabilities held for trading	316,687					316,687													
30.	Financial liabilities designated at fair value	3,467,869				3,467,869														
40.	Hedging derivatives	101,261						101,261												
50.	Change in value of macro-hedged financial liabilities (+/-)	(43,704)							(43,704)											
60.	Tax liabilities	644,338																		
	a) current	249,286								249,286										
	b) deferred	395,052								395,052										
80.	Other liabilities	5,010,770								5,010,770										
90.	Employee termination indemnities	127,638								127,638										
100.	Provisions for risks and charges	1,727,574																		
	a) commitments and guarantees granted	186,208								186,208										
	b) pension and similar obligations	262,326								262,326										
	c) other provisions for risks and charges	1,279,040								1,279,040										
120.	Valuation reserves	289,707										289,707								
140.	Equity instruments	1,793,575												1,793,575						
150.	Reserves	5,358,543											5,358,543							
155.	Advanced dividends (-)	(196,357)													(196,357)					
160.	Share premium reserve	4,589,105														4,589,105				
170.	Share capital	2,953,572															2,953,572			
180.	Treasury shares (-)	(41,547)																(41,547)		
190.	Minority interests (+/-)	1,030,454									1,030,454									
200.	Profit (Loss) for the year (+/-)	1,818,447																		1,818,447
	Total liabilities and shareholders' equity	**204,649,960**	**10,095,677**	**150,762,018**	**14,441,252**	**3,467,869**	**316,687**	**101,261**	**(43,704)**	**7,913,401**	**1,030,454**	**289,707**	**5,358,543**	**1,793,575**	**(196,357)**	**4,589,105**	**2,953,572**	**(41,547)**	**1,818,447**

Reclassified Income statement

(in thousands)

Circular no. 262/2005 8° update - Income statement	31.12.2025	Net interest income	Net commission income	Dividends	Gains (losses) of equity investments measured under the equity method	Net income from financial activities	Other operating expense/ income	Staff costs	Other administrative expenses	Net adjustments to property, plant and equipment and intangible assets	Net impairment losses to financial assets at amortised cost - loans	Net impairment losses to financial assets at amortised cost - other financial assets	Net impairment losses to financial assets at fair value	Gains (Losses) from contractual modifications without derecognition	Net provisions for risks and charges	Gains (Losses) on investments	Contributions to systemic funds	Integration costs	PPA impact	Income taxes on current operations for the year	Profit (Loss) from discontinued operations, after tax	Profit (Loss) for the year pertaining to minority interests	Profit (Loss) for the year pertaining to the Parent Company
10. Interest and similar income	5,180,136	5,187,318																	-54,046		46,864		
20. Interest and similar expense	(1,371,617)	(1,372,075)																	25,758		(25,300)		
30. Net interest income	**3,808,519**																						
40. Commission income	2,671,648		2,664,678																		6,970		
50. Commission expense	(290,347)		(284,857)																		(5,490)		
60. Net commission income	**2,381,301**																						
70. Dividends and similar income	62,764			62,764																			
80. Net income from trading activities	280,877					280,877																	
90. Net income from hedging activities	(3,685)					(3,697)															12		
100. Gains (Losses) on disposal or repurchase of:	51,988																						
a) financial assets measured at amortised cost	39,940					39,940																	
b) financial assets measured at fair value through other comprehensive income	10,984					10,984																	
c) financial liabilities	1,064					1,064																	
110. Net income on other financial assets and liabilities measured at fair value through profit or loss	(176,383)																						
a) financial assets and liabilities designated at fair value	(200,245)		25,566			(225,811)																	
b) other financial assets mandatorily measured at fair value	23,862					24,001													(139)				
120. Net interest and other banking income	**6,405,381**																						
130. Net impairment losses for credit risk relating to:	(465,225)																						
a) financial assets measured at amortised cost	(465,379)										(313,955)	(3,658)							(142,077)		(5,689)		
b) financial assets measured at fair value through other comprehensive income	154												154										
140. Gains (Losses) from contractual modifications without derecognition	(1,524)													(1,529)							5		
150. Net income from financial activities	**5,938,632**																						
180 Net income from financial and insurance activities	**5,938,632**																						
190. Administrative expenses:	(3,266,893)																						
a) staff costs	(1,970,710)							(1,786,778)										(177,533)			(6,399)		
b) other administrative expenses	(1,296,183)							(13,786)	(1,211,324)								(11,851)	(56,969)		-	(2,253)		
200. Net provisions for risks and charges	(55,007)																						
a) commitments and guarantees granted	3,296														3,035						261		
b) other net provisions	(58,303)														(46,352)			(12,241)			290		
210. Net adjustments to property, plant and equipment	(188,437)									(188,737)									**671**		**(371)**		
220. Net adjustments to intangible assets	(210,899)									(168,115)								(30,601)	(11,942)		(241)		
230. Other operating expense/income	478,804						134,623		355,197						-			(11,214)			198		
240. Operating costs	**(3,242,432)**																						
250. Gains (Losses) of equity investments	25,718				43,913											(18,195)							
260. Valuation differences on property, plant and equipment and intangible assets measured at fair value	1,386															1,386							
270. Impairment losses on goodwill	-															-							
280. Gain on a bargain purchase	(485)															(500)					15		
290. Profit (Loss) from current operations before tax	**2,722,819**																						
300. Income taxes on current operations for the year	(842,353)																			(839,335)	(3,018)		
310. Profit (Loss) from current operations after tax	**1,880,466**																						
330. Profit (Loss) for the year	**1,880,466**																						
340. Profit (Loss) for the year pertaining to minority interests	(62,019)																					(62,019)	
350. Profit (Loss) for the year pertaining to the Parent Company	**1,818,447**	**3,815,243**	**2,405,387**	**62,764**	**43,913**	**127,358**	**134,623**	**(1,800,564)**	**(856,127)**	**(356,852)**	**(313,955)**	**(3,658)**	**154**	**(1,529)**	**(43,317)**	**(17,309)**	**(11,851)**	**(288,558)**	**(181,775)**	**(839,335)**	**5,854**	**(62,019)**	**1,818,447**

CERTIFICATIONS AND OTHER REPORTS

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Certification of the Consolidated Financial Report as at 31 December 2025 pursuant to art. 81-*ter* of CONSOB Regulation no. 11971 of 14 May 1999, as amended 590

Consolidated Sustainability Statement Certification pursuant to Art. 81-*ter*, paragraph 1, of Consob regulation No. 11971 of 14 May 1999, as amended 591

Independent Auditor's Report pursuant to article 14 of Legislative Decree No. 39 of January 27, 2010 and Article 10 of the EU Regulation 537/2014 on the Consolidated Financial Statements 592

Independent Auditor's limited assurance Report on the Consolidated Sustainability Statement pursuant to article 14-*bis* of Legislative Decree No. 39 of January 27, 2010 604

Certification of the Consolidated financial report as at 31 December 2025 pursuant to art. 81-ter of Consob Regulation no. 11971 of 14 May 1999, as amended

- The undersigned
  - Gianni Franco Papa, as Chief Executive Officer of BPER Banca S.p.A.,
  - Giovanni Tincani, as the Manager responsible for preparing the Company's financial reports of BPER Banca S.p.A.,

  having considered the requirements of paras. 3 and 4 of art. 154-*bis* of Decree no. 58 of 24 February 1998,

  confirm:

  - the adequacy, in relation to the characteristics of the Bank, and
  - the proper application, during 2025, of the administrative and accounting procedures adopted for the preparation of the consolidated financial report.

- This assessment of the adequacy of the administrative and accounting procedures adopted for the preparation of the consolidated financial report as at 31 December 2025 is based on a model developed by BPER Banca S.p.A., consistent with the Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. This framework represents reference standards for systems of internal control that are generally accepted at an international level.

- It is also certified that:
  - the consolidated financial report as at 31 December 2025:
    a) have been prepared in accordance with the applicable international accounting standards recognised within the European Union pursuant to European Parliament and Council Regulation (EC) no. 1606/2002 of 19 July 2002, Decree 38/2005 and the enabling regulations for art. 9 of this Decree;
    b) agree with the underlying accounting records and entries;
    c) present a true and fair view of the financial position and results of operations of the Bank and of the companies included within the scope of consolidation;
  - the report on operations includes a reliable analysis of performance and the results of operations, as well as of the position of the Bank and of the companies included within the scope of consolidation, together with a description of the principal risks and uncertainties to which they are exposed.

Modena, 11 March 2026

Signed by
Gianni Franco Papa

Chief Executive Officer

Signed by
Giovanni Tincani

Manager responsible for preparing the Company's financial reports

Consolidated Sustainability Statement Certification pursuant to Art. 81-ter, paragraph 1, of Consob regulation No. 11971 of 14 May 1999, as amended

The undersigned Gianni Franco Papa, as Chief Executive Officer of BPER Banca S.p.A., and Giovanni Tincani, as the Manager responsible for preparing the Company's financial reports of BPER Banca S.p.A., attest, pursuant to Art. 154-bis, paragraph 5-ter, of the Italian Legislative Decree no. 58 dated 24 February 1998, that the Consolidated Sustainability Statement included in the Directors' Report on Group Operation were drawn up:

- 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 of Legislative Decree 6 September 2024, no. 125;
- with the specifications adopted pursuant to Article 8.4 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

Modena, 11 March 2026

Signed by
Gianni Franco Papa

Chief Executive Officer

Signed by
Giovanni Tincani

Manager responsible for preparing the Company's financial report

Deloitte & Touche S.p.A.
Piazza Malpighi, 4/2
40123 Bologna
Italia

Tel: +39 051 65811
Fax: +39 051 230874
www.deloitte.it

INDEPENDENT AUDITOR'S REPORT PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010 AND ARTICLE 10 OF THE EU REGULATION 537/2014

To the Shareholders of
BPER Banca S.p.A.

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of BPER Banca S.p.A. and its subsidiaries (the "Group"), which comprise the consolidated balance sheet as at December 31, 2025, the income statement, the statement of comprehensive income, the statement of changes in shareholders' equity, the statement of cash flows for the year then ended and the explanatory notes including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at December 31, 2025, and of its financial performance and its 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 and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05and the requirements of national regulations issued pursuant to art. 43 of Italian 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 our report. We are independent of BPER Banca S.p.A. (the "Bank") in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

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Classification and valuation of performing loans to customers measured at amortised cost	
Description of the key audit matter	As reported in paragraph *5.1 Balance sheet aggregates* of the Directors' Report on Group Operations and in the *quantitative information, A. Credit quality, Part E – Information on risks and related hedging policies* of the Explanatory notes, performing loans to customers, only with reference to loans portfolio, measured at amortised cost of BPER Banca Group as at December 31, 2025 amount to a gross exposure of Euro 128,254 million, where impairment losses are associated for Euro 822 million, and consequently to a net exposure of Euro 127,432 million, highlighting a coverage ratio equal to 0.64%. In the Explanatory notes *Part A.1 – General Information, Section 5 – Other Aspects- Risks and uncertainties inherent in the current macroeconomic environment - Management Overlays applied in the assessment of credit risk; Part A.2 - Main items in the financial statements Paragraph 3 - Financial assets measured at amortised cost and Paragraph 23. Method for determining the extent of impairment*, are described with reference to performing loans to customers: • Group's rules for classifying non-performing loans to customers measured at amortised cost in compliance with the current instructions of the Supervisory Authorities and the applicable accounting standards; • the methods for determining their recoverable amounts which are based on the estimate of the present value of expected cash flows deriving from a lump sum valuation; • the methods with which managerial corrective measures (so-called management overlays) have been applied in the assessment of credit risk and consequently in determining the expected credit losses also to take into account the persistent uncertainty in the general and sectoral macroeconomic scenario, mainly due to geopolitical tensions (the armed conflicts in Russia-Ukraine and in the Middle East) and U.S. policies on global trade and international relations, accompanied by measures to combat climate risk with unpredictable effects on the economic and production system. Furthermore, as reported in *Part E – Information on risks and related hedging policies, Section 2 – Risk of prudential consolidation, Chapter 2. Credit risk management policies, Paragraph 2.2. Systems for managing, measuring and monitoring* of the Explanatory notes as at December 31, 2025, the Group, as part of its policies for managing loans to customers, adopted rules and procedures for monitoring credit exposures, which have entailed, among other things, a structured action of classification into homogeneous risk categories.

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In particular, on the basis of “rating” and “Early Warning” systems, the Group identified among performing loans to customers measured at amortised cost those most at risk.

Considering the significance of the amount of the performing loans to customers recorded in the financial statements and the complexity of the classification and estimation processes adopted by the Group, we have identified the classification of performing loans to customers with particular reference to exposures with a higher level of management risk (“high risk” exposures) as well as the related process for determining the loan loss provisions, as a key audit matter of the consolidated financial statements of the Group as at December 31, 2025.

Audit procedures performed

The audit procedures performed included, among others, the following:

- analysis and understanding of the Group's internal control system as well as the related internal regulations concerning the credit process which included, in particular, the identification of the organizational and procedural safeguards implemented by the Group for monitoring credit quality, for the adequacy of the classification according to the provisions of the sector regulations and for the credit valuation in compliance with the applicable accounting standards;

- analysis and understanding of the IT systems and applications used and the test of the operating effectiveness of the relevant controls, also with the support of our IT experts;

- check of the implementation of the procedures and of the relevant controls, as well as their operating effectiveness for the purposes of the classification and valuation process;

- analysis and understanding of the criteria used by the Group for the classification in the different categories envisaged by IFRS9 (so-called “staging”) as well as for the assessment of the riskiness of the counterparties;

- analysis and understanding of the main valuation models adopted by the Group and the related updates, as well as a check on a sample basis of the reasonableness of the parameters subject to estimation, also with the support of our IT experts and credit model experts belonging to the Deloitte network;

- checks on a sample basis of the classification of “high risk” loans according to the provisions of the sector and internal regulations, as well as of the related valuation in compliance with the applicable accounting standards;

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- analysis and check of the methods of determination and related quantification of the management overlays adopted by the Group in determining collective impairment losses;
- analysis and check of performing loans collective impairment losses also through the development of independent estimates;
- comparative and trend analyses on the volumes of loans to customers and on related coverage ratios, through comparison with the data of the previous year and with sector data;
- analysis of subsequent events occurring after the reference date of the financial statements;
- check of the completeness and compliance of the disclosures provided in the consolidated financial statements in accordance with the regulatory framework and applicable accounting standards.

Classification and valuation of non-performing loans to customers measured at amortised cost classified as bad loans and unlikely to pay loans

Description of the key audit matter

As reported in paragraph *5.1 Balance sheet aggregates of the Directors' Report on Group Operations and in the quantitative information, A. Credit quality, Part E – Information on risks and related hedging policies* of the Explanatory notes, non-performing loans to customers, only with reference to loans portfolio, measured at amortised cost of BPER Banca Group as at December 31, 2025 amount to a gross exposure of Euro 2,767 million, where impairment losses are associated for Euro 1,461 million and consequently to a net exposure of Euro 1,306 million, highlighting a coverage ratio equal to 52.81%.

The Directors' Report on Group Operations also shows that the above-mentioned non-performing loans to customers, classified in accordance with IFRS 9 "Financial Instruments" as "Third Stage", include bad loans for a net value of Euro 183 million with a coverage ratio equal to 71.26% and unlikely to pay loans for a net value of Euro 1,006 million with a coverage ratio equal to 48.63%.

In the Explanatory notes *Part A.2 - Main items in the financial statements Paragraph 3 - Financial assets measured at amortised cost and Paragraph 23. Method for determining the extent of impairment*, are described:

- Group's rules for classifying non-performing loans to customers measured at amortised cost in compliance with the current instructions of the Supervisory Authorities and the applicable accounting standards;

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- the methods for determining their recoverable amounts which are based on the estimate of the present value of expected cash flows deriving from an analytical valuation of bad loans and unlikely to pay loans whose exposure is higher than the thresholds established by internal regulations, and from a lump sum valuation of the remaining non-performing loans to customers measured at amortised cost. Furthermore, the quantification of the recoverable amount of non-performing loans which are included in the Group's strategy, that envisages the recovery of those loans through disposals, reflects also the estimate of their disposal value, duly weighted on the basis of the probability of occurrence of the possible "workout" and "disposal" scenarios.

Considering the complexity of the estimation processes adopted by the Group, which implied a structured action of classification of non-performing loans to customers measured at amortised cost into homogeneous risk categories, as well as the relevance of the discretionary components linked to the estimate of the related recoverable amount (such as the estimate of expected cash flows, the time of recovery, the value of the collateral, if any, and the possible recovery strategies), we have identified the classification of non-performing loans to customers measured at amortised cost classified as bad loans and unlikely to pay loans and their valuation as a key audit matter of the consolidated financial statements of the Group as at December 31, 2025.

Audit procedures performed

The audit procedures performed included, among others, the following:

- analysis and understanding of the Group's internal control system as well as the related internal regulations concerning the credit process which included, in particular, the identification of the organizational and procedural safeguards implemented by the Group for the monitoring of credit quality and management of non-performing loans, for the adequacy of the classification according to the provisions of the sector regulations and for the related valuation in compliance with the applicable accounting standards;

- analysis and understanding of the IT systems and applications used and the test of the operating effectiveness of the relevant controls, also with the support of our IT experts;

- check the implementation of the procedures and relevant controls, as well as their operating effectiveness for the purposes of the classification and valuation process;

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- analysis and understanding of the main valuation models adopted by the Group and the related updates, as well as a check on a sample basis of the reasonableness of the parameters subject to estimation, also with the support of our IT experts and credit model experts belonging to the Deloitte network;
- analysis and understanding of the process of identification and determination of the strategy to reduce credit exposures included in the “disposal” perimeter;
- analysis and understanding of the valuation model adopted for the determination of additional impairment losses relating to non-performing loans belonging to the "disposal" perimeter valued on the basis of recovery expectations through sale and verification of the reasonableness of the expected market prices;
- checks on a sample basis for each category of non-performing loans of the classification and of the related valuation in compliance with the Group's internal regulations;
- comparative and trend analyses, for each category of non-performing loans, on the volumes and on related coverage ratios, through comparison with the data of the previous year and with sector data;
- analysis of subsequent events occurring after the reference date of the financial statements;
- check of the completeness and compliance of the disclosures provided in the consolidated financial statements in accordance with the regulatory framework and applicable accounting standards.

Recognition of the business combination of Banca Popolare di Sondrio Group	
Description of the key audit matter	As reported *in paragraph 3.2 Voluntary public tender and exchange offer for all the shares of Banca Popolare di Sondrio* of the Directors’ Report on Group Operations and in *Part G - Business combinations* of the Explanatory notes, during the second half of 2025, the Parent Company BPER Banca S.p.A. acquired control of Banca Popolare di Sondrio S.p.A. (365,843,545 shares equal to 80.691% of the relevant share capital) for a consideration paid equal to Euro 4,515 million (hereinafter the “Transaction”). Since the transaction qualifies as a business combination, the Bank’s Directors have applied the accounting treatment required by IFRS 3 and have therefore identified the acquisition date, determined the cost of the business combination and allocated that cost (“Purchase Price Allocation” or “PPA”) also with the support of external experts.

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	The allocation of the cost of the business combination, which is the difference between the consideration transferred and the fair value of the net assets acquired resulted in a goodwill recorded under item 100. Intangible assets of the 2025 consolidated financial statements for an amount equal to Euro 406 million. Considering the significance of the Transaction and the resulting accounting effects, as well as the subjectivity and complexity characterizing the "Purchase Price Allocation" process, we have identified the recognition of the abovementioned business combination as a key audit matter of the consolidated financial statements of the Group as at December 31, 2025.
Audit procedures performed	The audit procedures performed included, among others, the following: • understanding of the business combination of Banca Popolare di Sondrio Group and discussion with the Bank's Management, regarding the application of the acquisition method for the related accounting recognition; • understanding of the process and relevant controls implemented by the Bank's Management in relation to the Transaction; • checking the compliance of the accounting treatment applied to the Transaction with the IFRS; • understanding and analysis, with the support of our specialists, also through discussion with the Bank's management and its external experts, of the valuation models adopted to determine the fair value of the assets acquired and the liabilities assumed; • analysis and verification, also with the support of our specialists, of the reasonableness of the main assumptions and parameters applied to determine the fair value of the assets acquired and the liabilities assumed; • checking the accuracy of the accounting entries; • check of the completeness and compliance of the disclosures provided in the consolidated financial statements in accordance with the applicable accounting standard.

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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 and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05 and the requirements of national regulations issued pursuant to art. 43 of Italian Legislative Decree no. 136/15, and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of the Bank or the termination of the business or have no realistic alternatives to such choices.

The Board of Statutory Auditors is responsible for overseeing, within the terms established 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 these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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;

- obtain 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;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;

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- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. 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;

- evaluate 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;

- obtain 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.

We communicate 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 identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence applicable in Italy, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine 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 describe these matters in our auditor's report.

Other information communicated pursuant to art. 10 of the EU Regulation 537/2014

The Shareholders' Meeting of BPER Banca S.p.A. has appointed us on November 26, 2016 as auditors of BPER Banca S.p.A. and its subsidiaries for the years from December 31, 2017 to December 31, 2025.

We declare that we have not provided prohibited non-audit services referred to in art. 5 (1) of EU Regulation 537/2014 and that we have remained independent of the Company in conducting the 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 role of Audit Committee, referred to in art. 11 of the said Regulation.

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REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinion on the compliance with the provisions of the Delegated Regulation (EU) 2019/815

The Directors of BPER Banca S.p.A. are responsible for the application of the provisions of the European Commission Delegated Regulation (EU) 2019/815 with regard to the regulatory technical standards on the specification of the single electronic reporting format (ESEF – European Single Electronic Format) (hereinafter referred to as the "Delegated Regulation") to the consolidated financial statements as at December 31, 2025, to be included in the annual financial report.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 700B in order to express an opinion on the compliance of the consolidated financial statements with the provisions of the Delegated Regulation.

In our opinion, the consolidated financial statements as at December 31, 2025 have been prepared in XHTML format and have been marked up, in all material respects, in accordance with the provisions of the Delegated Regulation.

Due to certain technical limitations, some information contained in the explanatory notes to the consolidated financial statements, when extracted from XHTML format in an XBRL instance, may not be reproduced in the same way as the corresponding information displayed in the consolidated financial statements in XHTML format.

Opinions and statement pursuant to art. 14 paragraph 2, sub-paragraphs e), e-bis) and e-ter) of Legislative Decree 39/10 and pursuant to art. 123-bis, paragraph 4, of Legislative Decree 58/98

The Directors of BPER Banca S.p.A. are responsible for the preparation of the report on operations and the report on corporate governance and the ownership structure of BPER Banca Group as at December 31, 2025, including their consistency with the related consolidated financial statements and their compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to:

- express an opinion on the consistency of the report on operations and of some specific information contained in the report on corporate governance and the ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98 with the consolidated financial statements;

- express an opinion on compliance with the law of the report on operations, excluding the section related to the consolidated corporate sustainability reporting, and of some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98;

- make a statement about any material misstatement in the report on operations and in some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98.

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In our opinion, the report on operations and the specific information contained in the report on corporate governance and the ownership structure are consistent with the consolidated financial statements of BPER Banca Group as at December 31, 2025.

In addition, in our opinion, the report on operations, excluding the section related to the consolidated corporate sustainability reporting, and the specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98 are prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2, sub-paragraph e-ter), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

Our opinion on the compliance with the law does not extend to the section related to the consolidated corporate sustainability reporting. The conclusions on the compliance of that section with the law governing criteria of preparation and with the disclosure requirements outlined in art. 8 of the EU Regulation 2020/852 are expressed by us in the assurance report pursuant to art. 14-bis of Legislative Decree 39/10.

DELOITTE & TOUCHE S.p.A.

Signed by
Stefano Merlo
Partner

Bologna, Italy
March 31, 2026

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.

Deloitte & Touche S.p.A.
Piazza Malpighi, 4/2
40123 Bologna
Italia

Tel: +39 051 65811
Fax: +39 051 230874
www.deloitte.it

INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT ON THE CONSOLIDATED SUSTAINABILITY STATEMENT PURSUANT TO ARTICLE 14-BIS OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010

To the Shareholders of
BPER Banca S.p.A.

Conclusion

Pursuant to artt. 8 and 18, paragraph 1 of Legislative Decree no. 125 of September 6, 2024 (hereinafter also the "Decree"), we have been engaged to perform a limited assurance engagement on the consolidated sustainability statement of BPER Banca Group (hereinafter also the "Group") for the year ended on December 31, 2025, prepared pursuant to Art. 4 of the Decree, presented in the specific section of the Directors' Report on Group Operations.

Based on the work performed, nothing has come to our attention that causes us to believe that:

- the consolidated sustainability statement of BPER Banca Group for the year ended on December 31, 2025 is not prepared, in all material respects, in accordance with the reporting principles adopted by the European Commission pursuant to the Directive (EU) 2013/34/EU (European Sustainability Reporting Standards, hereinafter also "ESRS");

- the information included in the paragraph *2.1* "Disclosure pursuant to Article 8 of Regulation 2020/852 (EU Taxonomy Regulation)" of the consolidated sustainability statement is not prepared, in all material respects, in accordance with art. 8 of Regulation (EU) No. 852 of June 18, 2020 (hereinafter also the "Taxonomy Regulation").

Basis for conclusion

We conducted the limited assurance engagement in accordance with the assurance standard of the sustainability report - "Principio di Attestazione della Rendicontazione di Sostenibilità - SSAE (Italia)". The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the level of assurance that would have been obtained had we performed a reasonable assurance engagement.

Our responsibilities pursuant to that standard are further described in the paragraph *Auditor's responsibilities for the limited assurance of the consolidated sustainability statement* of this report.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

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Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560166 - R.E.A. n. MI-1720239 | Partita IVA: IT 03049560166

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We are independent in accordance with the independence and other ethical requirements applicable under Italian law to the limited assurance engagement of the consolidated sustainability statement.

Our firm applies International Standard on Quality Management (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 obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibility of the Directors and the Board of Statutory Auditors of BPER Banca S.p.A. for the consolidated sustainability statement

The Directors are responsible for developing and implementing the procedures performed to identify the information reported in the consolidated sustainability statement in accordance with the ESRS (hereinafter the "double materiality assessment process") and for disclosing these procedures in paragraph 1.1.4 "Impact, risk and opportunity management" of the consolidated sustainability statement.

The Directors are also responsible for the preparation of the consolidated sustainability statement, which includes the information identified as part of the double materiality assessment process, in accordance with the requirements of Art. 4 of the Decree, including:

- compliance with ESRS

- compliance of the information included in the paragraph *2.1* "Disclosure pursuant to Article 8 of Regulation 2020/852 (EU Taxonomy Regulation)" with art. 8 of the Taxonomy Regulation.

Such responsibility involves designing, implementing and maintaining, within the terms established by the law, such internal control that the Directors determine necessary to enable the preparation of the consolidated sustainability statement in accordance with the requirements of the art. 4 of the Decree that is free from material misstatements, whether due to fraud or error. Furthermore, the abovementioned responsibility involves the selection and application of appropriate methods in elaborating information and making assumptions and estimates about specific sustainability information that are reasonable in the circumstances.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the compliance with the provisions set out in the Decree.

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Inherent limitations in the preparation of the consolidated sustainability statement

In reporting forward looking information in accordance with ESRS, the Directors are required to prepare the forward looking information on the basis of assumptions, as described in the consolidated sustainability statement, regarding events that may occur in the future and possible future actions of the Group. Due to the inherent uncertainty regarding any future event, including whether these events will take place and their extent and timing, the variances between actual outcomes and forward looking information could be significant.

The information provided by the Group regarding Scope 3 emissions is subject to greater inherent limitations compared to those related to Scope 1 and 2 emissions. This is due to the lower availability and relative accuracy of the data used to define the information on Scope 3 emissions, both quantitative and qualitative, in relation to the value chain.

Auditor's responsibilities for the limited assurance of 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 misstatements, whether due to fraud or error, and to issue an assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, could influence the decisions of users taken on the basis of consolidated sustainability statement.

As part of the limited assurance engagement in accordance with the Principio di Attestazione della Rendicontazione di Sostenibilità - SSAE (Italia), we exercise professional judgment and maintain professional skepticism throughout the engagement.

Our responsibilities include:

- considering risks to identify and assess the disclosure where a material misstatement is likely to arise, either due to fraud or error;

- designing and performing procedures to verify disclosures in the sustainability statement where material misstatements are likely to arise. The risk of not detecting a material misstatement due to fraud is higher than the risk of not identifying a material misstatement due to error, as fraud may involve collusion, falsifications, intentional omissions, misrepresentations, or the override of internal control;

- the direction, supervision and performance of the limited assurance engagement of the consolidated sustainability statement. We remain solely responsible for the conclusion on the consolidated sustainability statement.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence as the basis for expressing our conclusion.

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The procedures performed on the consolidated sustainability statement are based on our professional judgement and included inquiries, primarily with the personnel of the Group responsible for the preparation of information included in the consolidated sustainability statement, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically, we performed the following main procedures partly in a preliminary phase before year end and then in a final phase up to the date of issuance of this report:

- understanding of the business model, the Group's strategies and the context in which it operates with reference to sustainability matters;
- understanding the processes underlying the generation, collection, and management of qualitative and quantitative information included in the consolidated sustainability statement, including an analysis of the reporting perimeter;
- understanding the process carried out by the Group for the identification and evaluation of material impacts, risks and opportunities, based on the principle of double materiality, with reference to sustainability matters;
- identification of the information where a risk of material misstatement is likely to arise, taking into considerations, among others, risk factors related to the generation and collection of the information, to the estimates and to the complexity of the relevant calculation methods, as well as qualitative and quantitative factors related to the nature of such information;
- design and performance of procedures, based on the professional judgment of the auditor of the consolidated sustainability report, to respond to identified risks of material misstatement also with the support of Deloitte network specialists, in particular with reference to specific environmental information;
- understanding of the process set up by the Group to identify eligible economic exposures and determine their aligned nature according to the requirements of the Taxonomy Regulation, and verifying the related information included in the consolidated sustainability statement;
- comparison of the information reported in the consolidated sustainability statement with the information included in the consolidated financial statements pursuant to the applicable financial reporting framework, or with the accounting data used for the preparation of the financial statements, or with the management data accounting in nature;
- verification of the structure and presentation of the information included in the consolidated sustainability statement in accordance with ESRS, including the information related to the materiality assessment process;
- obtaining the representation letter.

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DELOITTE & TOUCHE S.p.A.

Signed by
Stefano Merlo
Partner

Bologna, Italy
March 31, 2026

This independent auditor's limited assurance 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.

BPER:

2025

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1. THE BANK IN 2025

1.1 Introduction

To avoid repetition, the common disclosure along with the Directors' Report on Group operations is not being reproposed. Reference should be made to it as it is substantially valid for the Parent Company as well.

To be more specific, reference is made to the content of the following paragraphs of the consolidated report:

- The macroeconomic context;
- Significant events and strategic transactions, including, in particular, the new 2024–2027 Business Plan "B:Dynamic | Full Value 2027", the voluntary public tender and exchange offer on all the shares of Banca Popolare di Sondrio s.p.a., other significant events, and events after 31 December 2025;
- Main risks and uncertainties (though some quantitative information that is specific to BPER Banca will be presented below).

1.2 Competitive positioning

Market positioning: deposits and loans

The trend in BPER Banca's market share of direct funding and lending on a national level is shown in the following tables.

Market shares - Direct funding

Period	Total Customers	Consumer households	Corporates	Producer households
30/09/2025	4.25%	3.87%	5.47%	7.87%
31/08/2025	4.31%	3.87%	5.52%	7.89%
31/07/2025	4.34%	3.91%	5.45%	7.92%
30/06/2025	4.27%	3.89%	5.51%	7.93%
31/05/2025	4.34%	3.92%	5.51%	7.97%
30/04/2025	4.35%	3.99%	5.47%	7.98%
31/03/2025	4.25%	3.92%	5.29%	7.96%
28/02/2025	4.36%	3.97%	5.34%	8.04%
31/01/2025	4.39%	3.99%	5.39%	8.09%
31/12/2024	4.38%	4.00%	5.39%	8.03%
30/11/2024	4.47%	3.97%	5.68%	8.07%
31/10/2024	4.49%	4.00%	5.64%	8.06%
30/09/2024	4.47%	4.02%	5.58%	8.08%

Market shares - Lending

Period	Total Customers	Consumer households	Corporates	Producer households
30/09/2025	4.66%	4.99%	5.60%	7.69%
31/08/2025	4.60%	5.00%	5.51%	7.72%
31/07/2025	4.68%	5.00%	5.53%	7.71%
30/06/2025	4.71%	4.99%	5.68%	7.73%
31/05/2025	4.60%	4.98%	5.52%	7.72%
30/04/2025	4.63%	4.98%	5.56%	7.71%
31/03/2025	4.61%	4.95%	5.49%	7.66%
28/02/2025	4.62%	4.96%	5.49%	7.68%
31/01/2025	4.59%	4.94%	5.52%	7.66%
31/12/2024	4.62%	4.94%	5.57%	7.66%
30/11/2024	4.58%	4.93%	5.51%	7.64%
31/10/2024	4.58%	4.92%	5.52%	7.66%
30/09/2024	4.64%	4.91%	5.62%	7.63%

Source: Market shares - Source: Planus Corp. for supervisory reporting.

Branch network

BPER Banca's branch network has seen a reduction in size by five branches compared with December 2024, following the rationalisation of the distribution network carried out at various times throughout 2025.

At 31 December 2025 there were 1,280 branches (including 24 limited service branches).

The Bank has a widespread presence of branches in 19 of Italy's 20 regions (excluding Sardinia): Lombardy (263), Emilia-Romagna (239), Liguria (107), Marche (81), Campania (78), Piedmont (73), Lazio (72), Tuscany (67), Abruzzo (59), Apulia (51), Calabria (48), Veneto (45), Sicily (43), Basilicata (25), Umbria (17), Molise (6), Trentino-Alto Adige (3), Friuli-Venezia Giulia (2), and Valle d'Aosta (1).

1.3 Relations with customers

Commercial and service policies

Processes

BPER Banca uses a Customer Relationship Management – CRM platform to coordinate customer contact activity by the Distribution Network, the Online Branch and direct/digital channels.

Through its omni-channel CRM planning, the Bank centrally defines and plans actions designed to contact and engage customers either periodically or in real time. Regular internal meetings are scheduled at any given time with the Bank functions concerned for the purpose of CRM planning, as are monthly meetings for the planning to be improved and finetuned.

The defined and activated CRM actions have a pre-set duration and are of a commercial, relational and management nature based on the intended purpose (e.g. promoting products/services, improving the customer relationship, managing regulatory obligations, etc.). They direct corporate priorities and support the achievement of budget objectives.

CRM actions include single-channel initiatives (where customers are contacted by the distribution network and the Online Branch) and customer journeys. The latter involve multiple phases and digital communication channels aimed at capturing the customer's interest in "real time" and transferring the contact to assisted channels (Network and the On Line Branch).

The tasks and responsibilities of the principal functions within the CRCBO Area, as well as the mechanisms for interactions between the centre and the network (vertical), are defined in the commercial statement, which describes the methods, timing, tools and objectives for centre-network dialogue focused on the monitoring of performance.

The marketing plans for each Service Model are defined on the basis of a structured commercial planning process, in accordance with the rules and principles of Product Governance, fairness and transparency, in order to ensure that planned initiatives are consistent with the company's positioning and aimed at best satisfying the characteristics and needs of the different customer segments.

In compliance with the European legislation on "Product Governance", BPER Banca has implemented a structured process to govern the development and approval of new products, services, access to new markets, sign distribution agreements and evolve the sales channel. The definition of BPER Banca's commercial offer is governed by the "Group Policy for the governance of non-compliance risk on Product Governance" and by the "Group Regulation for Product Governance".

The objectives of this process are:

- ensuring the improvement and timely evolution of products and services on offer in compliance with the needs of customers and in line with the company's strategy and objectives;
- ensuring the correct mapping, assessment and management of risks deriving from new operations, in line with BPER Banca's risk appetite;
- defining the customer groups to which the company intends to distribute new products and services in relation to their complexity and any existing regulatory constraints;
- assessing the structure of the products, with reference to the extent to which they are comprehensible to customers, their characteristics and risks, particularly for complex forms of remuneration and reimbursement;
- ensuring transparency and fairness in the marketing phase
- ensuring full compliance in the development and approval of products and services on offer, by ensuring respect for the various stages envisaged and the involvement of various corporate functions;
- monitoring product sales data through regular checks, taking into account target market guidelines.

As regards the consultancy and sales relationship between branches and customers, BPER Banca has an advanced sales front-end (called "BStore"), available to all retail and corporate relationship managers in the branches, which guides the user in proposing the principal services available to customers from the Group's computerised product catalogue.

Listening to customers

Customer satisfaction is one of the main levers of the service quality planning and control system and a strategic competitive factor in the market. This is the principle that underpins the perceived quality monitoring system, which covers both Retail customers and Corporate and Private customers. For Retail customers, the metric chosen is the Net Promoter Score ("NPS"), an indicator that measures the difference between the percentage of "promoters" (customers who would recommend the Bank) and the percentage of "detractors". The main contact channel is e-mail, in order to collect feedback from the greatest number of customers possible with the least effort in terms of costs and time. The advocacy indicator strongly improved in 2025 across all service models. Growth was particularly strong in the Personal banking segment.

The "Voice of Customer" project also seeks to capture customers' reaction soon after certain specific activities have taken place. As of today, the active ones regard the subscription of six products (current accounts, payment cards, insurance policies, mortgages, loans and instalment products) and the interaction with five Bank channels (Branch, ATM, Self-Service cash desk, Smart Web and Online Branch). The metric chosen is the Net Satisfaction Score ("NSS"), an indicator measuring the gap between the percentage of customers that are satisfied (scoring 9 or 10) and customers that report being dissatisfied (scoring from 0 to 6).

Every year, specific customer satisfaction surveys are also conducted by phone among Corporate and Large Corporate customers, as well as Private Banking customers: in all these high-value-added markets, satisfaction levels remain high, thanks to the strong relationships built by dedicated account managers with customers; for Private Banking Customers, the 2025 index shows a particularly marked increase compared with 2024.

The outcomes of customer listening activities are disseminated and updated daily through a software made available to the entire network and central functions. There are also specific, vertical reports on particular topics, designed to support the decision-making process of central departments.

The contact channels

Online Branch

The online branch is the remote focal point of the bank-customer relationship. In recent years, it has changed significantly from being a facility mainly dedicated to providing customer assistance to now being a key relational and commercial hub, with the aim of increasing interactions with customers and developing new sales opportunities in synergy with physical branches and the digital channel.

Several remote contact channels are active with a view to offering customers a "digital-human" experience with tailor-made conversational techniques which the customers may choose from according to their preferences and funds available.

In addition to the telephone channel, customers can chat or book a telephone appointment or video call with an Online Consultant directly through the app.

The Online Branch has been in operation since August 2023, and over the years has expanded to include 10 Online Branches across the country, plus 2 specialist Online Branches dedicated to Retail mortgage loans and Personal Digital services. Outsourcer support continues to guarantee a service that is accessible in an extended time slot from Monday to Sunday or 24 hours a day for specific urgent needs related to the security of payment instruments.

The Digital Branch carries out commercial activities aimed at the proposition of products offered either remotely or in the physical branch. The commercial activities of the FOL are developed through:

- outbound campaigns: proactive contact initiatives with specific customer targets with the aim of encouraging customers to underwrite products offered remotely or by arranging an appointment at the customer's preferred physical branch;
- reactive inbound campaigns: the customer contacts the Digital Branch for service reasons, the consultant handles the request, collects the customer's needs by proposing the underwriting of a commercial product offered remotely or by arranging an appointment at the customer's preferred physical branch;
- contacts from the public website www.bper.it: management of contact requests made from the public website for the underwriting of *ad hoc* products and services.

The commercial activities of the Digital Branch underwent significant development in 2025: the catalogue of products on remote sale for retail customers was expanded and the corporate proposition was added Some examples are provided as follows:

- Expansion of the loan catalogue with new products that allow for the management of co-borrowers and the addition of guarantors to loan applications;
- Underwriting of securities accounts, trading and advisory contracts, capital accumulation plans (PAC) and investment plans (PIC) in mutual funds;
- Activation of the dental insurance policy 'Unisalute Sorriso', pet insurance policy '4Zampe', healthcare insurance policies 'Acuore' and 'Acuore XL', student healthcare insurance policy 'Studente', medical insurance for seniors over 70 'Argento', personal accident insurance policies 'Siprevisto' and 'Siprevisto XL', home and third-party liability insurance 'Ama&Proteggi Casa A Modo Tuo', home protection insurance 'Ama&Proteggi Casa Tua', and the buildings insurance policy 'Incendio Abitazione Civile' against the risks of fire, lightning and explosion;
- Sales of Prime, Premium and Prestige credit cards;
- Buying Unipolmove app;
- Sale of commercial debit cards to sole proprietorships and self-employed individuals;
- Signing up for POS Cash terminals;
- Sale of 'advances on invoices' facilities.

Smart digital services

In an ever-changing landscape, BPER Banca is constantly striving to listen to, analyse and anticipate its customers' needs in order to offer innovative solutions that meet their requirements.

Smart digital services are a key access to the bank for customers, which enables them to operate remotely from anywhere at any time, in addition to buying banking products and services by interacting with the Online Branch through the innovative channels described above, with an integrated omni-channel approach.

The Group Banks are pursuing a path of digital evolution, with a focus on digital services and their accessibility. In this regard, a strategy based on concrete and progressive pillars was consolidated in 2025 to ensure a distinctive positioning.

The main focuses are:

- A phased release schedule: 3 major releases and 8 minor releases, totalling around 100 new features;
- Extended application of accessibility principles to all features;
- adoption of an accessible-by-design approach applied to all new and evolving developments planned for release.

Customer satisfaction with the experience offered across the various channels is gauged both through regular customer surveys conducted directly by the bank and through spontaneous reviews left by users on the main app stores, with ratings showing a steady increase (iOS: 4.7 in 2025, up from 4.6 in 2024; Android: 4.6, trending upwards in the last quarter towards 4.7 but with the final figure remaining stable compared to 2024).

The key initiatives in the area of service innovation are listed below.

Digitalisation, experience, identity & collaboration

- Human Collaboration: combined digital and human approach keeps being strengthened through remote interaction with the Online branch advisors, to deliver an ever more efficient user experience. Distance between the bank and its customers is zeroed thanks to the new "Hey BPER" functionality available on both app and pc. Hey BPER enables customers to interact with online consultants by using their preferred contact channel (phone call, chat, telephone appointment, video call and screen sharing during remote assistance sessions). On the app, Hey BPER is accessible through the homepage and is also available throughout the "sales flow": customers can thereby benefit from real-time guidance and support from a consultant also when buying a product through the app.
- Smart Desk: the new service for the underwriting of contracts and documents with a digital signature directly via an app, enables sales and processes to be completed very quickly. The service has been conceived to provide a simple and intuitive experience: the signing of documents can be done with just few steps directly on the app, without the customer having to previously underwrite a signature certificate of a third party provider or having to acquire specific devices. The service also allows customers to digitally and remotely send all the documentation required to complete applications, all with high levels of security for both the Bank and the customer and with paperless document management;
- Data Quality: in order to streamline customer experience in their relationships with the Bank, some features are available to fulfil many obligations using digital channels comfortably from home, such as uploading IDs and social security cards, filling in the Know Your Customer form and updating investors' profile, so as to provide customers with the right products to achieve their investment objectives and meet their needs;

- Showcase & digital investment: the app is complemented with a new Product section showing all products customers can underwrite either online or with the Online Branch support. During the year, CRM-driven dynamic engagements were added up with newly developed content zones (also used on a context and behavioural basis) and CMS-based;
- Enrolment, de-enrolment device and password recovery: new "full self" processes were introduced to improve customer experience and speed up their operating autonomy;
- BPersonal initiative: in February 2025, the new Personal Digital Service Model was launched. The Personal Digital Service Model is designed for Personal customers with a greater affinity for digital services: these are customers who have been pre-selected centrally, who are supported through a remote relationship and managed by dedicated Personal advisors. The BPersonal initiative introduces new professional roles that make up the new specialist Personal Digital Online Branch. The Personal Digital Advisor is assigned a specific customer portfolio, just like any Branch Manager within the CRM framework. Customers associated with the portfolios assigned to this new Manager role follow a dedicated Service Model called 'Personal Digital'.

Instant payments: greater speed, security and control

- Since 9 October 2025, with the entry into force of Regulation (EU) 2024/886 (Instant Payments Regulation – IPR), SEPA instant transfers have become an operational option for all customers, both retail and corporate.
- Automated payee verification: for every SEPA credit transfer, whether standard or instant, the bank verifies in real time whether the payee's data match the IBAN, immediately displaying the result and suggesting how to proceed. The possible outcomes are:
  - the payment account identifier and the name of the payee match;
  - the payment account identifier and the name of the payee almost match (with correct name of the payee);
  - the payment account identifier and the name of the payee do not match;
  - verification is not possible;
- New features for business customers: verification is now also available for batch transfers, with the option to confirm individual transactions or disable the service via a dedicated dashboard. Furthermore, businesses can submit batches of instant transfers via SmartCBI (Fast transfers) or via the Smartweb Business/App;
- Customisable limits and advanced security: customers can set daily or per-transaction limits, for both standard and instant transfers. There are no limits on the number of instant transfers, only on the maximum amount. For businesses, the limit applies to both the batch and the individual transfer.
  - It is also possible to independently enable or disable certain transaction operations (transfers, top-ups), thereby increasing the level of security.

Committee assessment

- Self-service credit cards: customers can apply for Prime, Premium and Prestige cards directly via the app, through a fully digital process. The integration of the Electronic Loan File" (*Pratica Elettronica di Fido* - PEF) and a new credit assessment engine represent an evolution in the loan origination process, ensuring greater efficiency and consistency, including at branch level;
- Digital lending: the digital application process for the Smart loan has been simplified and enhanced with the integration of the optional Payment Protection Insurance (PPI) policy, which protects the customer in the event of unforeseen circumstances, promoting responsible and prudent access to credit.
  The range of products that customers can apply for with the support of Online Advisors has also been expanded:
  - Smart + Digital Loan: with the support of online advisors, customers can manage a loan application as a joint account or by adding a guarantor, with the option of combining this with a loan protection policy;
  - Safeguard and Green: loan products dedicated to protecting invested assets and financing purchases aimed at energy saving;
- Digital Mortgage with the Online Branch: launched in spring 2025, this represents a new frontier in mortgage lending, allowing customers to manage the comprehensive application and approval process entirely remotely. Thanks to multi-channel access (App and web), and remote support from a Mortgage Advisor, it is no longer necessary to visit a branch in person.
  From calculating instalments on the website or via the app, to video consultations with a Mortgage Advisor from the Online Branch, right through to the digital signature (FEQ, *firma elettronica qualificata*), everything is handled conveniently and securely. From July, thanks to the new BMe digital identity, the service has been extended to prospective customers, who can complete the entire process without visiting a branch thanks to remote identification;
- Digital Wealth: Arca SGR's digital offering is expanding: customers can now subscribe to mutual funds, including via Capital Investment Plans (*Piani di Investimento di Capitale*, PIC), through the app and website. The online catalogue now features 28 sub-funds, offering the full Arca range via self-service channels, for more accessible and transparent wealth management;
- Insurance: the section dedicated to insurance policies has been enhanced with detailed information on active and lapsed policies (start date, expiry date, status and, for car insurance policies, the associated plate number). Further details such as collateral, coverage period and annual premium are available on the policy details page, facilitating clearer, more independent and immediate management.

- Travel Policy: available exclusively online via self-service, it offers flexible and modular cover for travel in Italy and abroad, making protection accessible to all customers, without channel restrictions or bureaucratic complexity. This solution promotes inclusion and security, meeting mobility needs with a digital and immediate approach.
- As part of the gradual expansion of the digital insurance offering, two new types of coverage were introduced that can be purchased with the online Advisors:
  - UniSalute Acuore e Acuore XL: a comprehensive health plan, which can be offered as a supplement to company health insurance;
  - UniSalute Studente: a health plan for under-30s with cover for services tailored to young people;
  - Arca SìPrevisto: a policy covering unforeseen events that can change and disrupt life, such as illness, accidents, disability, hospitalisation and major surgery;
  - Arca Ama&Proteggi A modo mio: a policy protecting the home against fire and breakdowns, natural disasters such as floods and earthquakes, theft and damage, and providing legal protection against civil liability;
- UnipolMove: subscription to the motorway electronic toll payment service directly via the app, with the device delivered to the customer's home. The new Mobility section allows for post-sales management and viewing of device subscriptions;
- Lifestyle: integration of Mastercard's Priceless platform directly into the app, enhanced with benefits dedicated to BPER customers, offering a digital proposition unique in the banking sector. It offers exclusive benefits and experiences to BPER customers holding a Mastercard, with events designed to enhance their passions and leisure time (culture, travel, cooking, concerts, etc.).

Actions for the Business segment

2025 was a pivotal year in BPER's digital transformation journey, marked by rapid growth in its business-focused offering and a new, distinctive positioning aimed at retail and corporate enterprises.

At the heart of this transformation lies the business ecosystem: an integrated digital environment built around the real needs of businesses, based on an approach of listening to and co-designing with them. This model fosters a more transparent and collaborative relationship, in line with the principles of social sustainability and responsible innovation.

An online bank account for businesses

In 2025, the option to open the On Demand Business account entirely remotely was introduced. This is a modular solution designed for freelancers and sole traders, bringing together, in a single account, all the services needed to simplify the management of administrative tasks.

Evolution of digital business services

Through the expansion of the functionalities of Smart Banking Business digital services, the platform is no longer limited to transactional management but also addresses more advanced needs such as liquidity, thanks to innovative digital solutions:

- Advances on invoices: a solution designed to meet liquidity needs: businesses can request an advance on invoices submitted entirely digitally, without visiting a branch. This service meets the needs of those who must manage cash flows quickly, supporting business continuity with simple, fast and accessible solutions;
- Advances on POS banking transactions: POS Cash is the solution designed for Retail Small Market Players (*Piccoli Operatori Economici*, POE) and Small Business enterprises – such as retail outlets, cafes and restaurants – to ensure operational continuity and financial stability in sectors where the POS terminal channels a significant source of revenue;
- POS Sales: requesting a Smart POS Mini or Soft POS device is quick and straightforward, with no intermediaries involved. Businesses can independently activate advanced payment tools, promoting the adoption of cashless solutions and the modernisation of points of sale;
- Human collaboration: even in digital processes, human support remains central: business customers can receive assistance from the Online Branch during self-service operations, ensuring security and peace of mind when making key decisions. This service reduces waiting times and offers a more 'human' digital experience, without sacrificing the convenience of online banking.

This innovation journey reached a strategic milestone with the launch, at the end of October 2025, of the new Corporate platform: a multi-bank and multi-company environment designed to simplify operations thanks to an intuitive interface and an integrated ecosystem that will continue to be enriched with new features. This platform will replace Smart CBI by July 2026, offering businesses more efficient and secure management of cash flows.

Expansion of the e-money proposition for businesses

In the business e-money segment, 2025 saw a global renewal of the card proposition to provide customers with solutions meeting the highest market standards and supplemented with added-value services specific for the business segment. The enhancement of Commercial credit cards and the introduction of the Business Aziendale Premium card now make it possible to meet the needs of companies of various sizes, offering innovative solutions for managing business expenses.

A distinctive offering that includes value-added services designed for businesses: new Unipol insurance cover, SiSalute assistance services for business travellers and exclusive benefits such as Priority Pass and Fast Track.

Self Banking

The Self-Banking development plan continued in 2025, focusing on expanding the facilities available to customers and improving existing functionalities.

- New self-service installations: during 2025, 186 new Smart-Cash Desks and 250 advanced ATMs were added to the network's equipment. *In addition, 210 cash-less branches were activated with no more traditional teller services being provided;*
- New features and enhanced experience for self-service transactions: significant innovations were introduced for Smart Cash Desks during 2025. In particular, access to the Smart Cash Desks via the app was extended to corporate users, and new features were released, including the management of Euro 200 and Euro 500 banknotes, cash transfers to Banca Cesare Ponti current accounts, and instant transfers.

Since June 2025, the Cardless ATM Withdrawal function has also been made available, allowing customers to make withdrawals from all the Group's ATMs via the BPER app.

These innovations are a major evolution of branch self-service equipment to offer customers an increasingly integrated experience with Smart digital services and improve operations, making it even simpler and more effective.

Products and commercial activities

In 2025, BPER Banca pursued the objective of supporting the growth of its customer base and increasing profitability through a strategy based on three pillars: acquisition, retention and digitalisation. The guidelines provided for targeted initiatives in the Family, Personal and Personal Premium segments, with clear and measurable objectives.

To strengthen customer loyalty and foster long-term relationships, engagement initiatives and dedicated promotions were launched. A new platform, BPerTe, was launched, on which the loyalty programme for private customers will be developed.
Two strategic initiatives – "*Accredita lo stipendio* (credit your salary)" and "*Occhio alla Salute* (look after your health)" – were launched, aimed at stimulating cross-selling and expanding the range of services used by customers.
Specific promotional initiatives were also launched, offering a free-of-charge credit card for the first year.

To support new customer acquisition, a "member get member" campaign was launched, aimed at encouraging word-of-mouth referrals among existing customers.

Campaigns dedicated to the Teen current account were also launched to support the acquisition and engagement of younger customers.

In the area of home mortgages, specific credit limits were allocated during 2025 to support mortgage solutions on preferential terms, with a particular focus on Green Mortgages, for which even more advantageous terms were offered and the Green Mortgage SAL (Green Progress Construction loan) solution was also introduced.
These initiatives demonstrate the Bank's growing commitment to environmental sustainability and are designed to encourage the purchase and construction of highly energy-efficient properties, in line with ESG strategies and market trends.
With a view to digitising processes, the Online Mortgage has also been introduced, characterised by a fully digital sales process supported by the specialist online branch.
To assist customers during the property search phase, the MUTUO Voucher has been developed, a solution that allows customers to know in advance the maximum amount that can be financed based on their financial situation, even before identifying the property to be purchased.

The digital channel for loan sales has been strengthened, and remote loan sales have also been introduced, extending its operations to support physical branches as well, with a view to omnichannel integration and greater flexibility for customers.

In the area of financial advice, the "*GPS del Consulente*" project was launched, with the aim of offering integrated solutions combining the financial and insurance product proposition. The project involved three testing phases, engaging the most populous Regional Departments and Personal Premium Advisors, and utilised advanced tools such as the Next Best Product engine and the Robot4Advisor platform. Thanks to these technologies, it was possible to offer personalised solutions in the Home and Health segments, improving the quality of advice and customer satisfaction, whilst generating a significant impact in terms of commercial efficiency and cross-selling opportunities.

In the area of new deposits, several editions of the D+ Service were launched, aimed at focusing attention on attracting deposits with particularly appealing rates for customers and supporting sales via the online branch. Furthermore, throughout the year, several Certificates were issued to support the funding strategy.

In the bancassurance sector, dedicated discounts were introduced on certain products and the placement of a travel insurance policy was launched, expanding the offering and strengthening the ability to meet customers' protection needs.

Private Banking & Wealth Management

The Private Banking and Wealth Management Division of BPER Banca acts as the financial partner of reference for investors, households and entrepreneurs with needs of planning, enhancement, protection and transfer of assets.
In 2024, the Division underwent significant changes, in line with the 2022-2025 Business Plan and the strategic project to enhance Banca Cesare Ponti s.p.a. as the specialised vehicle for Private Banking and Wealth Management services.
This project was carried out in different phases and was brought to completion with the merger by absorption of Optima s.p.a. SIM into Banca Cesare Ponti s.p.a. on 13 November 2023 and the subsequent transfer in its favour by BPER Banca of the "Private Banking" business unit on 19 February 2024.

In line with the strategic plans of the BPER Banca Group, the transaction allowed to enhance:

- the focus of Banca Cesare Ponti in a key business area for the growth plans of the Group;
- Business attractiveness for both customers and private bankers, strengthening the proposition and competitiveness of the BPER Banca Group's wealth & asset management in the medium term.
- efficiency and strategic flexibility through the enhancement of Banca Cesare Ponti as a historic brand, a legal entity to become the Group's sole reference centre of the Wealth & Asset Management business.

Banca Cesare Ponti has been a player of the Private Banking Sector in Italy for over 150 years. Established in 1871 as a general partnership for currency exchange, in 1906 it evolved its service model towards solutions with higher value added, soon becoming a protagonist of Private Banking in Italy. In 2005 Banca Cesare Ponti joined the Banca Carige Group and the BPER Banca Group in 2022, always maintaining its specialisation in the Private Banking sector, with a business model focused on excellence, personalisation, and innovation.

Today, Banca Cesare Ponti operates in the market with a dual mission: to provide private banking and wealth management services to high-net-worth customers and to act as the investment centre for the entire BPER Group.

In order to achieve this objective, Banca Cesare Ponti can rely on a strong presence with 2 main offices (Milan and Genoa) and 108 Private Banking Centres throughout the country, with a network of 344 Private Bankers who assist customer with a valuable and customised advisory service on financial, investment and wealth planning needs. As concerns the need for tailor-made solutions of Ultra High Net Worth Individuals, the Bank has a team of experienced professionals who are trained to deal with customers with complex assets and their trusted professionals.

The Investment Centre further consolidates its central role in overseeing investment strategies and solutions for the BPER Group thanks to a team of over 50 experienced and continuously trained professionals, highly specialised by investment sector.
It manages and delivers (including in partnership with world-leading Product Factories) financial and investment advisory solutions for customers with diverse needs and profiles, utilising a range of technological tools.
It analyses economic scenarios and financial markets, devises investment strategies at both strategic and tactical levels, constantly monitors and manages market risks, and carefully selects the financial instruments for its product catalogue.

During 2025, the review of the product range continued with the aim of adapting the proposition to market conditions, selecting the best opportunities for customers by providing an increasingly personalised offering in both portfolio management and advanced advisory services.

For the Private Banking segment, during the year, the "GPP Plus" Customised Portfolio Management service was introduced into the product range, which, through multiple possible combinations within a single portfolio of securities, funds, SICAVs, ESG strategies and ETFs, was able to provide a bespoke service and a high degree of personalisation. The offering was further enhanced with the introduction of alternative investment solutions to meet the demands of clients with more sophisticated assets and complex needs.

Also within the Private Banking segment, alongside financial solutions, "non-financial" advisory services were promoted (including wealth protection, wealth planning and generational succession).

On sustainability issues, growing customer awareness of these matters, the desire to serve their every need and regulatory developments have contributed to the expansion of the range of sustainable investment products and services. This work was carried out in portfolio management, life insurance solutions and the funds/SICAVs sector in collaboration with key industry players, such as Arca Fondi SGR (a BPER Banca Group company) and partner asset managers.

In line with the growing digitalisation of the market and customers, 2025 also saw a steady and decisive investment in technologies and 'digital collaboration' solutions for services, aimed at enhancing an integrated experience within the BPER Group's offering, facilitating the identification of needs and providing 'on-demand' products to meet them.

The Investments section of the App and Home Banking platform was also enhanced, introducing, for example, the option to subscribe to accumulation plans for Arca SGR funds.

The Private and Wealth Management Division continues to focus on training for all its employees and bankers with mandatory training programmes, study and market analysis initiatives, product and service courses, and *ad hoc* courses to develop further technical and interpersonal skills.

With a view to continuously improving customer relations, in 2025 Banca Cesare Ponti also invested in activities focused on listening to and engaging with customers. To this end, regular surveys were conducted throughout the year, both by telephone and digitally, to gauge customer satisfaction regarding the main areas of interaction with the Bank, with the aim of identifying opportunities for improvement and launching projects aimed at further enhancing service quality.

At the same time, during the year the Bank organised various local events to share updates with customers and potential customers on financial markets, investment opportunities and key economic trends, with the contribution of in-house specialists and industry experts. These events provided a valuable opportunity for discussion and in-depth analysis, highlighting the Bank's role in providing information and advice. Furthermore, alongside initiatives of a strictly economic and financial nature, exclusive events dedicated to areas such as art, culture and sport were also held in 2025, with the aim of creating opportunities for interaction that align with the passions, values and interests shared with our customers.

Communication activities were further strengthened through interviews given by management to leading economic and financial publications (both national and local) and the launch, towards the end of the year, of a Banca Cesare Ponti LinkedIn channel as an additional communication channel for current and potential customers, opinion leaders and the wider community.

Corporates

For the business segment, the Bank has developed a commercial product and service proposition, which has expanded the range of services available with innovative products, enabling it to retain existing business customers and attract new ones.

New innovative credit facilities have been introduced, including 'POS Cash', the new Anticipo Transato POS solution for advances on POS banking transactions that enables multi-channel operations.

The bancassurance offering for the corporate segment has been enhanced and expanded with the addition of policies covering accidents and the protection of assets against catastrophic events. The Bank has also continued to develop a dedicated range of products and services (e.g. the Sustainability Linked Loan platform for assessing a counterparty's sustainability level and identifying actions to improve it) to support its customers' ecological transition, with a particular focus on ESG issues, including in collaboration with highly reputable technical partners.
In particular, in 2025, in line with the EU and national regulatory framework, multiple financial support initiatives were put in place for Businesses thanks to the proposal of short-, medium- and long-term financial support solutions.

The main tools used to support businesses are presented below.

Loans with MCC guarantee

A form of financing used extensively in 2025, as in the previous years, was both short and medium/long-term loans, secured by a Guarantee from the Central Guarantee Fund of MCC (Banca del Mezzogiorno-MedioCredito Centrale).

The availability of this guarantee and the agreements with the Guarantor also benefitted the Bank, in terms of lower capital absorption.

Fin PMI

- Fin PMI - An unsecured loan backed by a direct guarantee from the Central Guarantee Fund for small and medium-sized enterprises, aimed at facilitating access to financial sources and accompanying them in their development and investments for business growth.
- Fin PMI Imprenditoria Femminile (Female Entrepreneurship) - An unsecured loan backed by direct guarantee from the Guarantee Fund for small and medium-sized enterprises, to facilitate access to financial resources by SMEs with a predominantly female component.
- Fin PMI Start UP – Start Up Innovative - An unsecured loan backed by direct guarantee from the Guarantee Fund for small and medium-sized enterprises, to facilitate access to financial resources by traditional and innovative start-ups.
- Short-term credit lines with MCC guarantee - Short-term credit lines with the direct guarantee of the Central Guarantee Fund, which allows the Bank to have less capital absorption, fewer provisions and greater economic benefits.

In addition to the loans backed by the Central Guarantee Fund, as part of the Capital Light financing, the customer offering includes:

Loans with SACE guarantee

During 2025, collaboration with Italy's Export credit agency, SACE, continued, enabling the bank to grant medium/long-term unsecured or mortgage loans backed by the SACE guarantee,dedicated to companies established as limited companies, including cooperatives, of any size.

The banking products covered by the SACE guarantee include:

- Sace Garanzia Futuro: a loan granted to encourage investment in Italy or abroad, or to support working capital requirements for both future and past expenditure;
- Sace Green Loan: a loan intended to finance green investments, for both future and past expenditure.

Loans backed by EIF guarantee

As a result of the agreement between BPER Banca and the European Investment Fund ("EIF"), in 2025, new loans were made available to Corporate Customers, namely: FIN CULTURAL (intended to support companies operating in the cultural and creative sectors), NEW INNOVFIN (intended to support technological innovation and the process of digitalisation of companies), FIN SUSTAINABILITY (intended to support "Sustainable Companies" or companies applying for loans for "Green Investments").

The loans are guaranteed by the EIF in percentages ranging from 30% to 80%.

Loans backed by EIB guarantee

Unsecured or mortgage financing with an EIB guarantee, the purpose of which is to support the implementation of projects by companies of MID-CAP size (min. 250 - max. 3,000 employees). To be eligible for the guarantee, the projects must contribute to at least one of the five EU objectives set by the EIB, two of which are directly related to supporting the transition through green investments:

- financial support to MID-CAPs;
- innovation;
- digitalisation and Human Capital (including health and education);
- urban and regional sustainability (environmental protection, sustainable communities, and transports);
- energy sustainability and natural resources.

Loans backed by direct ISMEA guarantee

Loan products backed by a direct guarantee from Ismea, designed to facilitate access to credit for agricultural and fisheries SMEs through the provision of a public guarantee, for direct investments and liquidity requirements.
Loans may range from a minimum of Euro 40,000 to a maximum of Euro 6,250,000, whilst for micro and small fisheries the maximum amount is Euro 3,000,000.

In addition to loans backed by Capital Light guarantees, the Bank's offering also includes:

Loans with BEI funding

The BPER Banca Group entered into an agreement with the EIB (European Investment Bank) called BPER SUSTAINABLE LOAN FOR SMEs AND MIDCAPS for an overall amount of Euro 500 million. The EIB credit line is intended for medium/long-term unsecured or mortgage loans to SMEs and MidCaps (companies with up to 3,000 employees) operating throughout the country.

Confidi

In 2025, of particular importance was the disbursement of loans to small market players and SMEs with the assistance of the guarantees provided by the Credit Guarantee Consortia (Confidi), with which the Bank has agreements in the areas in which it is present with its own network of branches.

"FRI Green New Deal": facilitating the circular and ecological transition of Italian companies

BPER Banca is the "financing bank" of the Green New Deal Company Revolving Fund "FRI Green New Deal", the incentive which includes granting contributions aimed at achieving environmental sustainability and energy efficiency in Italian companies. With a budget of Euro 750 million, the measure was activated by the Ministry of Enterprises and Made in Italy and is aimed at transposing European legislation to address climate and environmental problems. The "FRI Green New Deal" specifically supports industrial research, experimental development and, for SMEs, the industrialisation of research and development results.

Sustainable financing associated with the green NRRP calls: supporting the energy transition of Italian companies

Thanks to the opportunities arising from the National Recovery and Resilience Plan "NRRP", BPER Banca has taken steps to support companies wishing to embark on an energy transition path through the provision of sustainable and customised financing solutions associated with the NRRP's "Green" calls. With total funding of Euro 235.1 billion, the NRRP forms part of the European Union programme known as Next Generation EU and was approved by Italy in 2021 to kick-start the economy following the Covid-19 pandemic with a view, *inter alia*, to achieving the country's environmental sustainability. The "Green" calls that BPER Banca has focused on concern investments that contribute in a substantial way to the mitigation of climate change and are selected based on the sector, as is the case for tourism, where the measures related to "Incentivi Finanziari Imprese Turistiche" (Financial subsidies for Tourism related companies) (IFIT) were selected with the aim of upgrading tourist facilities in various ways while also improving sustainability. The product "FIN Turismo 100%" is associated with these subsidies while the product "FRI Turismo" is affiliated with the "Fondo Rotativo Imprese sezione Turismo" (Rotating Corporate Fund Tourism section). In the agri-food sector, the "FRI Agrifiliera" and "FIN Agrivoltaico" products were prepared, associated respectively to the NRRP calls for tenders "Contratti di Filiera e di Distretto" and "Parco Agrisolare", initiatives targeted at the sector's energy efficiency and energy development. FIN Agrivoltaico is a product for small and medium-sized companies. Installations of photovoltaic systems to be built on the roofs of buildings used in the agricultural, livestock and agro-industrial business, with a peak power of no less than 6 kWp and no more than 500 kWp, are eligible for financing through the incentive provided under NRRP Agrisolar Park Measure M2C1I2.2 (Ministry of Agriculture, Food Sovereignty and Forestry), as are ground-mounted solar power systems under NRRP Measure 2C2I1.1. Furthermore, as part of the Transition 5.0 Plan, a key measure of the NRRP and an essential tool for improving both the sustainability and digitisation of Italian companies, BPER launched the "Transizione 5.0" (Transition 5.0) service. Through this service, the Bank offered its corporate customers adequate financial support through financing and leasing products, as well as specialist advisory service provided thanks to specific agreements with market leaders.

As part of its ongoing support for investments aimed at mitigating climate change, BPER also focused particularly on the following support schemes during the year: "*Sostegno autoproduzione energia da fonti rinnovabili* (Support for self-generation of energy from renewable sources)" and "*Fondo per il sostegno alla transizione industriale* (Fund for supporting industrial transition)", through which businesses were able to secure grants to improve the efficiency of their production systems with a view to reducing energy supply costs.

Financing for the circular economy: support for productive conversion for a better use of resources

BPER Banca is a "Circular Economy lending bank", part of the incentive that promotes the conversion of production activities towards an economy model that maintains the value of products, materials and resources for as long as possible and minimises the production of waste. With a budget of Euro 217 million, the measure was activated by the Ministry of Economic Development and is managed by Invitalia. The Fund supports industrial research and experimental development aimed at the creation or improvement of products, processes or services. "Circular Economy" is dedicated to all companies of any size that carry out industrial and agro-industrial services, provide services to industry and research centres, to public and private research Organizations as co-proponents in joint projects; about half is earmarked for projects carried out in the South. In support of the transition to the circular economy, BPER Banca has also adhered to Italian Decree Law No. 76 of 16/7/2020 "Urgent measures for simplification and digital innovation" (a.k.a. Simplifications Decree), converted into Law No.120 of 11 September 2020, which introduced the possibility for SACE to issue guarantees to support financing related to "Green New Deal" projects, specifically aimed at:

- facilitating the transition to a clean and circular economy and integrating production cycles with low-emission technologies for the production of sustainable goods and services;
- accelerating the transition to sustainable and intelligent mobility, with particular reference to projects to promote the advent of automated multimodal mobility, capable of reducing pollution and pollutant emissions, including through the development of intelligent traffic management systems made possible by digitisation.

Loans to the Third Sector

BPER Banca acts as one of the "lending banks" for "Italia Economia Sociale", a support scheme comprising a subsidised loan and a non-repayable grant designed to support investment in the social economy and non-profit sector, as well as in businesses within the cultural and creative sectors. In this context, following its signing of a specific agreement, BPER grants loans on a risk-sharing basis with the Italian national promotional institution, Cassa Depositi e Presiti (CDP).

Loans to agricultural businesses

As part of the agri-food system, agriculture is a strategic sector of the economy and beyond; in addition to being essential for food production and food quality, it has the delicate task of helping to preserve soil and biodiversity. Reaffirming its commitment as a bank rooted in the local community with a strong focus on environmental protection, in 2025 the range of agricultural products and financing was further expanded to support the sector's development. The commitment that the agricultural sector demanded from the banking world was significant also in consideration of the emergence of natural calamities and plant diseases, that have seriously compromised the business results of many agricultural companies. From this perspective, in 2025,

the Bank maintained a specific "Calamità Naturali Agri" (Natural Agricultural Calamity) ceiling to help companies operating in the agricultural, livestock and fishing sectors manage moments of difficulty resulting from natural disasters or other adversities that may occur in certain areas or affect specific sectors. BPER therefore supports the ecological transition of the primary sector with green financing in the form of loans, also with public guarantees and non-repayable grants for energy efficiency works, for the installation of photovoltaic systems, and for the purchase of machinery, equipment, digital technology and software. The NRRP for agriculture includes measures concerning the circular economy and sustainable agriculture, supply chain and district contracts, and land and water protection. It will therefore be possible to benefit from incentives, for example, for the development of logistics, farm digitalisation and the innovation of agricultural machinery (agriculture 4.0), the installation of photovoltaic panels, the efficiency of irrigation systems and, in general, the improvement of the agri-food supply chain. BPER has a range of products and services designed for the agricultural and agri-food entrepreneur to fund both ordinary and extraordinary activities such as, for example: agrarian management loan, agrarian advance loan on annual PAC (Common Agricultural Policy) contributions, agrarian mortgage for investments and DOP-certified wine and cheese advances with a revolving pledge.

Leasing for agriculture is also proposed for purchasing capital goods, real estate and vehicles for operations. In 2025, a specific product was launched for businesses with organic certification, offering favourable terms to support those adopting environmental and sustainability standards in line with ESG policies.

Disaster loans

BPER strengthened its position in the territory also through cooperation with local, national and EU bodies and institutions during 2024. The Group has updated and supplemented its offer of dedicated disaster loans, i.e., loans to support the financial needs of customers (both individuals and companies) who have suffered direct (material) damage as a result of a natural disaster. There is no specific monitoring system for this area; however, some initiatives will produce positive impacts starting from 2025: these include the Bank's resolution to endorse the ABI-CDP (Italian Banking Association - Cassa Depositi e Prestiti) Protocol "Romagna 2023 Floods Ceiling". These loans will not reasonably be disbursed before early 2025 and will be made with CDP funds, according to the tax credit mechanism. Like the Romagna 2023 flood initiative, in past years the Bank joined the ABI-CDP protocols relating to the "Emilia Earthquake 2012", "Central Italy Earthquake 2016", and "Morandi Bridge 2018". In particular, with regard to updating the offer of disaster loans, BPER has planned the following initiatives:

- Ceiling of Euro 25 million for flooding in Valle D'Aosta in June 2024;
- Ceiling of Euro 200 million for bad weather in Campania in August 2024;
- Ceiling of Euro 50 million for bad weather in Ancona in September 2024;
- Ceiling of Euro 100 million for bad weather in Emilia-Romagna in September 2024;
- Ceiling of Euro 20 million for bad weather in Bergamo in September 2024;
- Ceiling of Euro 250 million for bad weather in Emilia-Romagna in October 2024;
- Ceiling of Euro 100 million for bad weather in Tuscany in October 2024;
- Ceiling of Euro 100 million for bad weather in Calabria in October 2024;
- Ceiling of Euro 100 million for bad weather in Liguria in October 2024.
- Ceiling of Euro 200 million for bad weather in Tuscany in March 2025;
- Ceiling of Euro 50 million for bad weather in Brianza in October 2025.

In addition, BPER has activated a special ceiling for loans to support companies that have suffered damage in the Bank's areas of operation. The purpose of these loans is to partially support financial requirements pending the possible definition of structured operations as well as possible public benefits for the repair, restoration, and repurchase of assets damaged by the calamitous event.

CYBER SECURITY Service

The Group has signed an agreement with Start 4.0 to support companies interested in designing and implementing cybersecurity solutions such as: assessment of the level of digital maturity, pre-investment testing, training on the use of innovative technologies and solutions, advice and assistance on intellectual property protection and process or product innovation. The involvement of UnipolSai is intended to promote an important action to develop the sustainability of Italian companies. Through this collaboration, UNIPOL, Start 4.0 and the BPER Group aim to foster the development of cybersecurity in SMEs classified as vulnerable, making them safe, resilient and insurable against cyber risks.
The BPER Group is also expanding its range of cyber security services through partnerships with other leading consultancy firms, with the aim of strengthening IT security support for businesses, particularly in light of the NIS2 regulations.

Global Transaction Banking - International Banking

The Global Transaction Banking – International Banking service is a central element of the Bank's business model in supporting the development and competitiveness of businesses in international markets, contributing directly to the creation of economic, relational and reputational value in the medium to long term.

In a global context characterised by increasing geopolitical complexity, market volatility and greater focus on risk management, the Service has directed its activities towards strengthening trade finance solutions, international bond markets and structured export-related financing, with a particular focus on discounting solutions aimed at supporting companies' working capital and operational continuity.

During the financial year, Global Transaction Banking - International Banking contributed to the growth in the Bank's volumes and profitability through the development of international trade transactions, short- and medium-term financing and risk mitigation instruments. Transactions carried out with the support of SACE played a significant role, enabling greater access to credit for exporting companies, facilitating the implementation of internationalisation projects and improving the overall risk profile of transactions.

The integration of SACE guarantees into the proposed solutions has strengthened the Bank's ability to support corporate customers in complex environments, fostering growth in foreign markets and contributing to the financial stability of Italian supply chains.

The Service has further consolidated its network, both nationally and internationally. The management of foreign bond markets and relationships with correspondent banks has enabled the strengthening of international relations, improving operational efficiency in cross-border transactions and ensuring high standards of reliability, transparency and risk management.

At the same time, the support provided by the International Banking Specialists and the International Banking Centres, which are widely distributed across the country, has been a key factor in disseminating specialist expertise and offering a qualified advisory service. This model has enabled us to respond promptly to the needs of businesses, fostering long-term relationships based on trust, proximity and knowledge of the international context.

The development of trade finance, international bonds and discounting has required continuous investment in training, through the strengthening of specialist skills dedicated to structuring complex transactions, assessing country and counterparty risks, and managing advanced financial instruments.

The monitoring of international regulations, operational standards and compliance requirements is a distinctive feature of the Service's activities and contributes to the sustainability and robustness of the operational model over time.

The BPER Estero international banking portal has further established itself as a key tool for disseminating information and advisory content on international trade. During the year, regional initiatives and dedicated meetings were organised, involving businesses and institutions, fostering the sharing of knowledge and development opportunities, and facilitating business matching with a view to enhancing the value proposition for the target customer base.

In line with the objectives of operational efficiency and service quality, the Global Transaction Banking – International Banking service continued its drive to digitise processes and develop Corporate Banking solutions, with initiatives aimed at optimising operational procedures and improving the customer experience in international transactions.

1.4 Human resources

Key data

In 2025, 322 new employees were hired, including No. 69 apprentices.
Agreements for contract staff (to meet temporary needs) were in place for 226 persons as at the end of 2025 (with an average of approximately 211 during the year).
In 2025, BPER Banca offered internships for 59 undergraduates and graduates from three-year bachelor's degree courses and master's degree courses.
During the course of 2025, 1,002 people terminated their employment with the Bank.
The number of employees in service as at the end of 2025 was 15,867 (excluding 26 who were on leave).
Overall, 140 Bank employees have been seconded to other companies within the Group (with an additional 27 being seconded outside the Group); conversely, 153 people from other Group companies are on secondment with the Bank.

Industrial relations

In 2025, the methods of discussion and negotiation with the Trade Union Organisations, in continuity with previous years, confirmed a correct system of trade union relations, based on constructive dialogue.
Agreements were reached with the Group's trade unions aimed at protecting workers and managing the processes arising from the various initiatives of the 2024–2027 Business Plan "B:Dynamic | Full Value 2027", as well as ensuring maximum transparency in industrial relations.

Of the main agreements reached at Group level, the following are worthy of mention:

- an agreement concerning the transfer of the business unit of Bibanca s.p.a. to BPER Banca s.p.a. and the evolution of the Group's organisational structure;
- an agreement concerning the evolution of the organisational structure of the CRCBO Area – Bancassurance segment;
- an agreement concerning specific regulations relating to Online Branches;
- an agreement on career paths, aimed at defining the professional development system within the BPER Banca Group in a comprehensive and unified manner, with the aim of enhancing the value of resources;
- an early retirement incentive scheme for staff approaching retirement, including through the sectoral solidarity fund, aimed at optimising the workforce and facilitating the resulting generational and professional renewal.

At Parent Company level, rules were also defined to govern the variable portion of employee remuneration (not least the corporate bonus aimed at incorporating important regulatory opportunities into the companies' welfare system and special welfare bonus) and access to FBA (Fondo Banche Assicurazioni) contributions to finance Bank's training activities.

Protected categories pursuant to Law 68/1999

As regards the obligations under Law 68/1999, for the years from 2024 to 2026 BPER Banca obtained a suspension of employment obligations linked to the staff reduction plan. An agreement is also in place between the Company and the Province of Modena for the insertion of personnel belonging to the category of art. 1 of Law 68/1999, which guarantees compliance also in the event of uncovered positions.
As at 31 December 2025 the Bank has 1,093 employees with disabilities or who are in other protected categories.

Welfare Plan

In 2025, the welfare scheme was further strengthened, with over Euro 30 million paid out to Group employees, of which Euro 20 million was spent on goods and services during the year.
During the year, for the purpose of providing employees with increasingly innovative and advanced services, the welfare portal continued to be developed to allow the increase of use of the welfare credit for Group employees, including with services that enhance the value of local welfare and also make it possible to take advantage of the tax benefits from the Budget Law which, among other regulations, provided that the value of goods sold and services provided to employees with dependent children, as well as the amounts disbursed or refunded to them by employers for the payment of domestic utilities for the integrated water service, electricity and natural gas, do not contribute to forming income within the overall limit of Euro 1,000. This limit was raised to Euro 2,000 for employees with dependent children.

This is in addition to the benefits already established in recent years:

- benefits paid for by the Company, for which the company bears the costs. The main benefits include the supplementary pension fund, established according to the defined contribution scheme to which the employee also contributes, health and dental policy, Long-Term Care, coverage for risks of injury, coverage for death or permanent and total invalidity, meal vouchers, gift vouchers and personnel conditions. The regulatory framework concerning the health and insurance plan, including a package of preventive health services (check-ups), for the three-year period (2025-2027) for the employees of BPER Banca, Banco di Sardegna, Bibanca, Banca Cesare Ponti, Sardaleasing and BPER Factor, continued to be applied in 2025;
- benefits provided by the company that the employee can purchase for themselves or their family using the so-called Welfare Credit (consisting of the company bonus allocated by the employee to welfare and other welfare payments) such as reimbursement of family education and assistance expenses, purchase of supplementary health backpacks, payments to the pension fund for themselves or their dependents (if included in their own fund), reimbursement of public transport passes, purchase of shopping vouchers and petrol, vouchers for recreational, sports, cultural activities, etc.

Agreements with restaurants and canteens for discount meals during lunch breaks have been also been confirmed for 2025.
With a view to promoting employee wellbeing, work-life balance and gender equality, the "Active Welfare" project, launched in 2023, progressed throughout 2025, with the aim of continuing to identify services that could be made available to employees, with a particular focus on parenting.

BPER Infant Centre

In 2025 the Infant Centre continued its activities, namely as a nursery, which opened in 2008, and as a kindergarten, which was inaugurated in 2009. The two structures work together to maximise the well- being of their little guests.
The educational project and proposal are defined in close collaboration with families.
The structure consists of spacious and bright rooms, with play areas and "soft" furnishings designed specifically for children's safety in the nursery, whereas the kindergarten has separate environments equipped for independence, exploration and research.
The Centre is surrounded by a large garden where the children can play, explore and be involved in outdoor physical activities.

1.5 Environment

In 2025, BPER Banca confirms its attention for the environment.
For further information, please refer to Part 2 - Consolidated Sustainability Statement of the Directors' Report on Group Operations.

2. RESULTS OF BANKING ACTIVITIES

2.1 Introduction

This paragraph provides a summary, in thousands of Euro, of the main economic and financial results of the Bank as at 31 December 2025, compared with the figures at 31 December 2024.

The Bank closed 2025 with a profit before tax of Euro 2,012.2 million; income taxes totalled Euro 547.5 million, leading to a profit for the year of Euro 1,464.7 million (Euro 1,249.5 million at 31 December 2024).

Operating income came to Euro 4,768.2 million, up by 2.92% compared with 31 December 2024 (Euro 4,632.8 million).

Operating costs, amounting to Euro 2,255.0 million, were 11.31% lower than as at 31 December 2024 (Euro 2,542.7 million).

"Net impairment losses for credit risk" amounted to Euro 265.4 million (Euro 249.0 million at 31 December 2024). The cost of credit at 31 December 2025, calculated only on loans to customers, was 34 bps (30 bps at 31 December 2024).

In balance sheet terms, the results at 31 December 2025 can be summarised as follows:

- net loans to customers, just for the portion measured at amortised cost, total Euro 79,649.5 million (+1.68% compared with 31 December 2024);
- direct deposits from customers of Euro 107,129.4 million have increased by 3.30% since 31 December 2024;
- indirect deposits from customers of Euro 126,820 million have increased by 7.48% since 31 December 2024;
- shareholders' equity, including profit for the year, stands at Euro 15,748.3 million, representing an increase of 48.54% compared with 31 December 2024, mainly due to the capital increase to support the acquisition of a controlling stake in Banca Popolare di Sondrio.

2.2 Performance ratios[1]

Financial *ratios*	31.12.2025	31.12.2024
Structural ratios		
Net loans to customers/total assets	56.46%	59.49%
Net loans to customers/direct deposits from customers	74.35%	75.53%
Financial assets/total assets	21.16%	20.30%
Gross non-performing loans/gross loans to customers	2.31%	2.26%
Net non-performing loans/net loans to customers	1.00%	1.07%
Texas Ratio	11.53%	16.33%
Profitability ratios		
ROE	13.41%	14.73%
ROTE	15.51%	15.80%
ROA	1.12%	0.94%
Cost to income Ratio	47.29%	54.88%
Cost of credit	0.34%	0.30%

Prudential supervisory *ratios*	31.12.2025	31.12.2024
Own Funds (in thousands of Euro)		
Common Equity Tier 1 (CET1)	11,817,936	7,771,133
Total Own Funds	14,765,152	10,433,423
Risk-weighted assets (RWA)	50,254,799	46,149,615
Capital and liquidity ratios		
Common Equity Tier 1 *Ratio* (CET1 Ratio)	23.52%	16.84%
Tier 1 *Ratio* (T1 Ratio)	27.10%	19.26%
Total Capital *Ratio* (TC Ratio)	29.38%	22.61%
Leverage *Ratio*	9.9%	7.1%

The Texas Ratio is calculated as total gross non-performing loans to customers on net tangible equity plus impairment provisions for non-performing loans to customers.

ROE has been calculated as net profit for the year considering only the adjusted component (Euro 1,585.3 million at 31 December 2025) on average shareholders' equity not including net profit.

ROTE is calculated as the ratio between net profit for the year considering only the adjusted component (Euro 1,585.3 million at 31 December 2025) and the average shareholders' equity i) including net profit for the year considering only the adjusted component (Euro 1,585.3 million at 31 December 2025) stripped of the portion allocated to dividends and ii) minus intangible assets and equity instruments.

ROA has been calculated as the ratio of net profit for the year considering only the adjusted component (Euro 1,585.3 million as at 31 December 2025) to total assets.

The Cost/income Ratio is calculated on the basis of the reclassified Income Statement as the ratio between operating costs and operating income. When calculated on the basis of the accounting schedules envisaged by the 8th update of Bank of Italy Circular No. 262, the cost/income ratio amounts to 49.99% (it was 57.01% as at 31 December 2024).

The Cost of credit is calculated as the ratio between the items in the reclassified statement "Net impairment losses to financial assets at amortised cost – loans to customers" and "Loans, b) loans to customers". The cost of credit as at 31 December 2025 is 34 bps, up from 30 bps in 2024.

The capital *ratios* as at 31 December 2025 are to be considered phased-in with respect to the new prudential supervisory framework in force as of 1 January 2025 (Basel IV).

The Leverage Ratio is consistent with the provisions of Regulation (EU) No. 575/2013 (CRR), as amended by Commission Delegated Regulation (EU) No. 62/2015.

1 The information provided is consistent with the ESMA document of 5 October 2015 entitled "Guidelines on Alternative Performance Measures", which aims to promote the usefulness and transparency of Alternative Performance Measures included in prospectuses or regulated information. In constructing the ratios, reference was made to the balance sheet and income statement items in the reclassified statements prepared for management purposes, as commented in sections "2.3 Balance sheet aggregates" and "2.4 Income statement aggregates" of this Report.

2.3 Balance sheet aggregates

The most important balance sheet aggregates and items at 31 December 2025 are presented below on a comparative basis with 31 December 2024, in thousands of Euro, indicating the changes between periods in absolute and percentage terms.

For greater clarity in the presentation of the results, the accounting schedules envisaged by the 8th update of Bank of Italy Circular No. 262/2005 are presented below on a reclassified basis; in particular:

- debt securities measured at amortised cost (under item 40 "*Financial assets measured at amortised cost*") were reclassified to the item "*Financial assets*";
- loans mandatorily measured at fair value (included in item 20 c) "*Financial assets measured at fair value through profit or loss - other financial assets mandatorily measured at fair value*") have been reclassified to the item "Loans";
- "Other assets" includes items 100 "*Tax assets*", 110 "*Non-current assets and disposal groups classified as held for sale*" and 120 "*Other assets*";
- "Other liabilities" includes items 60 "*Tax liabilities*", 70 "*Liabilities associated with assets classified as held for sale*", 80 "*Other liabilities*", 90 "*Employee termination indemnities*" and 100 "*Provisions for risks and charges*".

Assets reclassified as at 31 December 2025

(in thousands)

Assets	31.12.2025	31.12.2024	Changes	% Change
Cash and cash equivalents	8,337,603	7,904,464	433,139	5.48
Financial assets	29,855,254	26,732,907	3,122,347	11.68
a) Financial assets held for trading	835,329	692,600	142,729	20.61
c) Other financial assets mandatorily measured at fair value	502,965	436,725	66,240	15.17
d) Financial assets measured at fair value through other comprehensive income	4,666,126	5,482,634	(816,508)	-14.89
e) Debt securities measured at amortised cost	23,850,834	20,120,948	3,729,886	18.54
- banks	4,896,270	6,126,184	(1,229,914)	-20.08
- customers	18,954,564	13,994,764	4,959,800	35.44
Loans	87,041,029	84,695,264	2,345,765	2.77
a) Loans to banks	7,223,723	6,235,228	988,495	15.85
b) Loans to customers	79,649,469	78,334,245	1,315,224	1.68
c) Loans mandatorily measured at fair value	167,837	125,791	42,046	33.43
Hedging activities	695,113	649,351	45,762	7.05
a) Hedging derivatives	779,557	649,351	130,206	20.05
b) Change in value of macro-hedged financial assets (+/-)	(84,444)	-	(84,444)	n.s.
Equity investments	6,729,841	2,321,574	4,408,267	189.88
Property, plant and equipment	1,825,206	1,837,383	(12,177)	-0.66
Intangible assets	548,980	528,594	20,386	3.86
Other assets	6,048,966	7,014,549	(965,583)	-13.77
Total assets	**141,081,992**	**131,684,086**	**9,397,906**	**7.14**

Loans to customers

Net loans to customers are made up solely of the loans allocated to item 40 b) "Financial assets measured at amortised cost – loans to customers" in the assets section of the balance sheet.

(in thousands)

Items	31.12.2025	31.12.2024	Changes	% Change
Current accounts	6,450,494	6,396,060	54,434	0.85
Mortgage loans	58,169,270	57,777,617	391,653	0.68
Repurchase agreements	776,161	-	776,161	n.s.
Leases and factoring	11	4,348	(4,337)	-99.75
Other transactions	14,253,533	14,156,220	97,313	0.69
Net loans to customers	**79,649,469**	**78,334,245**	**1,315,224**	**1.68**

Loans to customers, net of impairment provisions, totalled Euro 79,649.5 million (Euro 78,334.2 million at 31 December 2024), up by Euro 1,315.2 million. Among the different types of products, the following have increased: Other Transactions by Euro 97.3 million (+0.69%), driven by new bullet loans to corporate customers, mortgage loans by Euro 391.7million (+0.68%), current accounts by Euro 54.4 million (+0.85%) and new repos by Euro 776.2 million. The reduction in the balance of leases was Euro 4.3 million (-99.75%).

(in thousands)

Items	31.12.2025	31.12.2024	Changes	% Change
Gross non-performing exposures	**1,877,459**	**1,803,060**	**74,399**	**4.13**
Bad loans	468,543	379,935	88,608	23.32
Unlikely-To-Pay loans	1,371,058	1,374,028	(2,970)	-0.22
Past due loans	37,858	49,097	(11,239)	-22.89
Gross performing exposures	**79,285,247**	**77,993,102**	**1,292,145**	**1.66**
Total gross exposure	**81,162,706**	**79,796,162**	**1,366,544**	**1.71**
Impairment losses on non-performing exposures	**1,079,362**	**965,612**	**113,750**	**11.78**
Bad loans	338,156	280,899	57,257	20.38
Unlikely-To-Pay loans	722,169	667,688	54,481	8.16
Past due loans	19,037	17,025	2,012	11.82
Impairment losses on performing exposures	**433,875**	**496,305**	**(62,430)**	**-12.58**
Total impairment losses	**1,513,237**	**1,461,917**	**51,320**	**3.51**
Net non-performing exposures	**798,097**	**837,448**	**(39,351)**	**-4.70**
Bad loans	130,387	99,036	31,351	31.66
Unlikely-To-Pay loans	648,889	706,340	(57,451)	-8.13
Past due loans	18,821	32,072	(13,251)	-41.32
Net performing exposures	**78,851,372**	**77,496,797**	**1,354,575**	**1.75**
Total net exposure	**79,649,469**	**78,334,245**	**1,315,224**	**1.68**

More specifically, the provisions relating to non-performing loans amounted to Euro 1,079.4 million (Euro 965.6 million as at 31 December 2024; +11.78%), for a coverage ratio of 57.49% (53.55% as at 31 December 2024), while the provisions for performing loans amounted to Euro 433.9 million (Euro 496.3 million as at 31 December 2024; -12.58%), for a coverage ratio of 0.55% (0.64% as at 31 December 2024).
The total coverage ratio is therefore 1.86%, up compared with 1.83% as at 31 December 2024.

Net non-performing loans amount to Euro 798.1 million, equal to 1.00% of total net loans to customers (1.07% at 31 December 2024), whereas on a gross basis, the ratio between non-performing loans and loans to customers is 2.31% (2.26% at 31 December 2024).

Net bad loans amount to Euro 130.4 million (+31.66% compared with 31 December 2024), accounting for 0.16% of total net loans to customers (0.13% at 31 December 2024), whereas, on a gross basis, the bad loans on total loans to customers ratio comes to 0.58% (0.48% at 31 December 2024). The coverage of bad loans is 72.17% (73.93% at 31 December 2024).

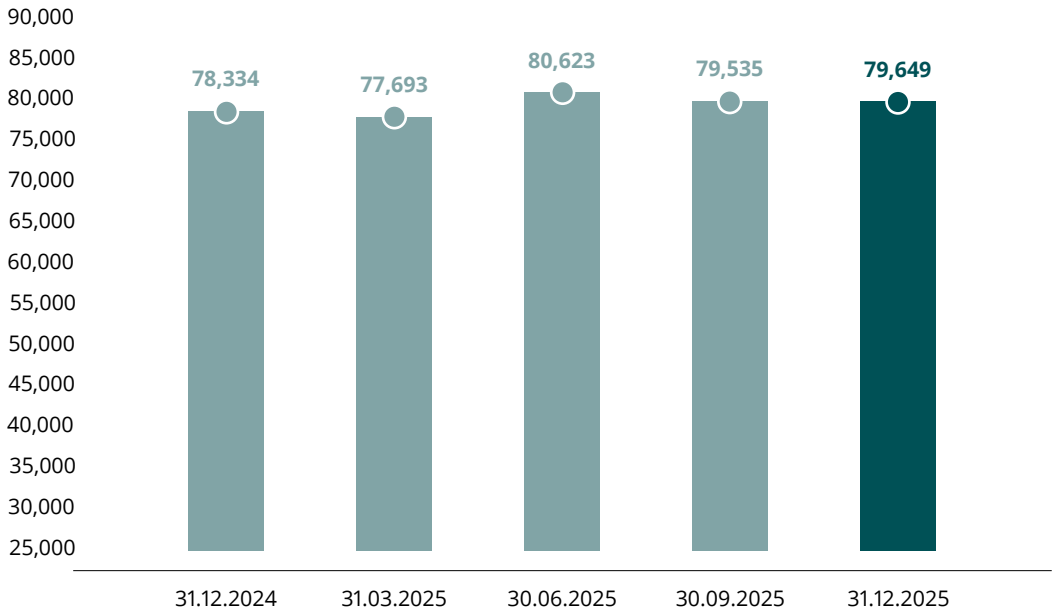
Net unlikely-to-pay loans total Euro 648.9 million (-8.13% compared with 31 December 2024), representing 0.81% of total net loans to customers (0.90% at 31 December 2024), while on a gross basis the ratio is 1.69% (1.72% at 31 December 2024). The coverage of unlikely-to-pay is 52.67%, up from 48.59% at 31 December 2024.

The net amount of past due loans of Euro 18.8 million (-41.32% compared with 31 December 2024) represents 0.02% of total net loans to customers (0.04% as at 31 December 2024), whereas on a gross basis the ratio of past due loans to total loans to customers is 0.05% (0.06% as at 31 December 2024). The coverage of past due loans is 50.29% (34.68% at 31 December 2024).

Net performing loans amount to Euro 78,851.4 million (+1.75% vs. 31 December 2024), accounting for 99.00% of total net loans to customers (98.93% at 31 December 2024), whereas on a gross basis, the ratio between performing loans and loans to customers is 97.69% (97.74% at 31 December 2024).

The chart shows the dynamics of loans in the last five quarters:

NET LOANS TO CUSTOMERS *(amounts in milions)*



The table below shows the amount of loan disbursements to non-financial companies at the year-end, broken down by the debtors' industry sector according to the Bank of Italy's ATECO classification.

(in thousands)

Breakdown of loans to non-financial corporates	31.12.2025	%
A. Agriculture, forestry and fishing	871,729	1.09
B. Mining and quarrying	56,861	0.07
C. Manufacturing	10,202,543	12.81
D. Provision of electricity, gas, steam and air-conditioning	1,419,866	1.78
E. Provision of water, sewerage, waste management and rehabilitation	667,420	0.84
F. Construction	2,049,391	2.57
G. Wholesaling and retailing, car and motorcycle repairs	5,290,503	6.64
H. Transport and storage	1,301,702	1.63
I. Hotel and restaurants	1,063,072	1.33
J. Information and communication	905,928	1.14
K. Financial and insurance activities	33,284	0.04
L. Real estate	2,245,920	2.82
M. Professional, scientific and technical activities	3,173,258	3.98
N. Rentals, travel agencies, business support services	936,692	1.18
O. Public administration and defence, compulsory social security	9,763	0.01
P. Education	32,807	0.04
Q. Health and welfare	330,508	0.41
R. Arts, sport and entertainment	144,022	0.19
S. Other services	466,331	0.60
Total loans to non-financial corporates	**31,201,600**	**39.17**
Individuals and other not included above	34,840,177	43.74
Financial companies	10,529,528	13.22
Governments and other public entities	2,911,887	3.66
Insurance	166,277	0.21
Total loans	**79,649,469**	**100.00**

Financial assets and equity investments

Among financial assets, debt securities measured at amortised cost solely consist of bonds allocated to items 40 a) and b) "Financial assets measured at amortised cost – loans to banks and loans to customers" in the assets section of the balance sheet.

(in thousands)

Items	31.12.2025	31.12.2024	Changes	% Change
Financial assets measured at fair value through profit or loss	1,338,294	1,129,325	208,969	18.50
- of which derivatives	*743,297*	*592,657*	*150,640*	*25.42*
Financial assets measured at fair value through other comprehensive income	4,666,126	5,482,634	(816,508)	-14.89
Debt securities measured at amortised cost	23,850,834	20,120,948	3,729,886	18.54
a) banks	4,896,270	6,126,184	(1,229,914)	-20.08
b) customers	18,954,564	13,994,764	4,959,800	35.44
Total financial assets	**29,855,254**	**26,732,907**	**3,122,347**	**11.68**

Financial assets totalled Euro 29,855.3 million (+11.68% compared with 31 December 2024), of which Euro 27,952.7 million (93.63% of the total) are represented by debt securities: compared to the latter, Euro 19,727.7 million refer to Sovereign States (up by 35.39% compared with 31 December 2024) and Euro 5,879.7 million to Banks (-21.53% compared with 31 December 2024).

Equity instruments come to Euro 691.0 million (2.31% of total), inclusive of Euro 666.7 million of stable equity investments classified in the FVOCI portfolio, Euro 10.2 million in securities held for trading (FVTPL) and Euro 14.1 million in other equity instruments mandatorily measured at fair value (FVTPL).

"Financial assets measured at fair value through profit or loss" include derivatives for an amount of Euro 743.3 million (+25.4% compared with 31 December 2024) and consist of interest rate, currency, equity, commodity derivatives traded with customers, derivatives relating to securitisation transactions, derivative instruments relating to the operational hedging of Certificates, and forward currency trading (with customers and/or used in the management of the foreign exchange position).

(in thousands)

Items	31.12.2025	31.12.2024	Changes	% Change
Equity investments	6,729,841	2,321,574	4,408,267	189.88

The increases recorded relate primarily to the acquisition of 365,843,545 ordinary shares in Banca Popolare di Sondrio s.p.a., for a total consideration of Euro 4,514.76 million, following the all inclusive voluntary public tender and exchange offer launched for the issuer's shares.

Decreases are mainly attributable to the cancellation of share capital carried out by the subsidiary Bibanca (Euro 84.4 million) following disposal of the e-money business to BPER Banca.

Intangible assets

(in thousands)

Items	31.12.2025	31.12.2024	Changes	% Change
Intangible assets	548,980	528,594	20,386	3.86

The net increase registered by this item is essentially traceable to application software measured at cost and amortised on a straight-line basis over a variable period, not exceeding five years, that depends on the degree of obsolescence involved.

Interbank and liquidity position

The values of loans to banks only include the component of "Loans" allocated to item 40 a) "Financial assets measured at amortised cost – loans to banks" and "Current accounts and demand deposits" allocated to item 10 "Cash and cash equivalents" in the assets section of the balance sheet.

(in thousands)

Net interbank position	31.12.2025	31.12.2024	Changes	% Change
A. Loans to banks	**14,848,074**	**13,430,395**	**1,417,679**	**10.56**
- Loans	**7,223,723**	**6,235,228**	**988,495**	**15.85**
1. Current accounts and deposits	4,029,360	3,343,298	686,062	20.52
2. Repurchase agreements	1,564,581	1,658,368	(93,787)	-5.66
3. Compulsory reserve	1,053,584	1,011,476	42,108	4.16
4. Other	576,198	222,086	354,112	159.45
- Current accounts and demand deposits	**7,624,351**	**7,195,167**	**429,184**	**5.96**
1. with Central Banks	7,199,085	6,654,183	544,902	8.19
2. with Banks	425,266	540,984	(115,718)	-21.39
B. Due to banks	**13,311,956**	**12,536,802**	**775,154**	**6.18**
Total (A-B)	**1,536,118**	**893,593**	**642,525**	**71.90**

The net interbank position as at 31 December 2025 was up by Euro 642.5 million compared with 31 December 2024. The increase is mainly due to investments in overnight deposits with Central Banks, which amounted to Euro 7,199.1 million (+8.19% compared to 31 December 2024), and to current accounts and deposits, which recorded an increase of Euro 686.1 million compared to 31 December 2024.

Operations with the ECB

As at 31 December 2025, BPER Banca had no operations in place.

Liabilities reclassified as at 31 December 2025

(in thousands)

Liabilities and shareholders' equity	31.12.2025	31.12.2024	Changes	% Change
Due to banks	13,311,956	12,536,802	775,154	6.18
Direct deposits	107,129,444	103,707,279	3,422,165	3.30
a) Due to customers	94,702,457	89,948,469	4,753,988	5.29
b) Debt securities issued	9,041,114	11,143,199	(2,102,085)	-18.86
c) Financial liabilities designated at fair value	3,385,873	2,615,611	770,262	29.45
Financial liabilities held for trading	321,474	252,346	69,128	27.39
Hedging activities	43,980	128,504	(84,524)	-65.78
a) Hedging derivatives	87,684	210,347	(122,663)	-58.31
b) Change in value of macro-hedged financial liabilities (+/-)	(43,704)	(81,843)	38,139	-46.60
Other liabilities	4,526,830	4,456,855	69,975	1.57
Shareholders' equity	15,748,308	10,602,300	5,146,008	48.54
a) Valuation reserves	132,070	12,451	119,619	960.72
b) Reserves	5,026,233	4,890,520	135,713	2.78
c) Equity instruments	1,800,005	1,115,596	684,409	61.35
d) Advanced dividends	(196,357)	-	(196,357)	n.s.
e) Share premium reserve	4,589,105	1,244,576	3,344,529	268.73
f) Share capital	2,953,572	2,121,637	831,935	39.21
g) Treasury shares	(21,065)	(32,029)	10,964	-34.23
h) Profit (Loss) for the year	1,464,745	1,249,549	215,196	17.22
Total liabilities and shareholders' equity	**141,081,992**	**131,684,086**	**9,397,906**	**7.14**

Deposits

(in thousands)

Items	31.12.2025	31.12.2024	Changes	% Change
Current accounts and demand deposits	80,630,601	80,402,700	227,901	0.28
Time deposits	1,595,514	1,768,726	(173,212)	-9.79
Repurchase agreements	6,001,532	1,825,110	4,176,422	228.83
Lease liabilities	399,979	378,296	21,683	5.73
Other liabilities	6,074,831	5,573,637	501,194	8.99
Bonds	8,785,284	9,989,016	(1,203,732)	-12.05
- subscribed for by institutional customers	8,048,191	9,350,143	(1,301,952)	-13.92
- subscribed for by ordinary customers	737,093	638,873	98,220	15.37
Certificates	3,385,873	2,615,611	770,262	29.45
Certificates of deposit	255,830	1,154,183	(898,353)	-77.83
Direct deposits from customers	**107,129,444**	**103,707,279**	**3,422,165**	**3.30**
Indirect deposits (off-balance sheet figure)	**126,820,049**	**117,993,437**	**8,826,612**	**7.48**
- of which under management	38,565,732	35,903,070	2,662,662	7.42
- of which under custody	88,254,317	82,090,367	6,163,950	7.51
Life Bancassurance	**14,299,368**	**13,974,705**	**324,663**	**2.32**
Funds under custody and management	**248,248,861**	**235,675,421**	**12,573,440**	**5.34**

The comparative figure as at 31 December 2024 was restated to bring it into line with the presentation format as at 31 December 2025.

Direct deposits from customers, amounting to Euro 107,129.4 million, have increased by 3.30% since 31 December 2024.

Among the various technical forms, the following items recorded a positive change: repurchase agreements with institutional counterparties by Euro 4,176.4 million (+228.83%), certificates by Euro 770.3 million (+29.45%), due to new issuances during the year and Other Liabilities by Euro 501.2 million (+8.99%) relating primarily to forms of short-term funding (Cold Money).

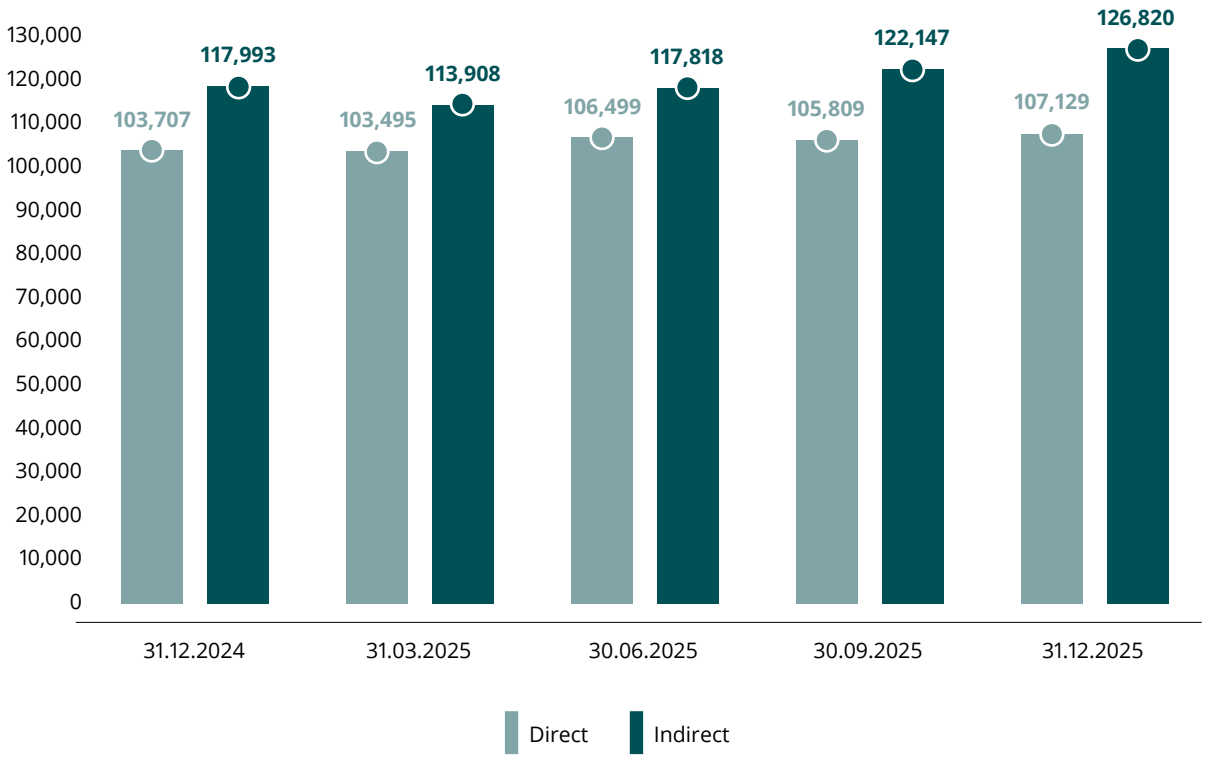
By contrast, certificates of deposit recorded a decrease of Euro 898.4 million (-77.83%), time deposits fell by Euro 173.2 million (-9.79%) and bonds decreased by Euro 1,203.7 million (-12.05%), mainly due to the maturity of certain transactions with institutional counterparties and the early repayment of a subordinated loan.

Indirect customer deposits, marked to market, amounted to Euro 126,820.0 million, up by Euro 8,826.6 million (+7.48%) compared to 31 December 2024, given, *inter alia*, the positive market trend recorded during the year.

Total funds under custody and management by the Group, including life insurance premiums (Euro 14,299.4 million) amounted to Euro 248,248.9 million.

The chart shows the dynamics of direct and indirect deposits in the last five quarters:

DEPOSITS *(amounts in milions)*



Direct deposits also include subordinated liabilities:

(in thousands)

Items	31.12.2025	31.12.2024	Changes	% Change
Non-convertible subordinated liabilities	1,063,713	1,476,697	(412,984)	-27.97
Total Subordinated liabilities	**1,063,713**	**1,476,697**	**(412,984)**	**-27.97**

Subordinated loans outstanding, with a book value of Euro 1,063.7 million, have decreased by 27.97% compared with 31 December 2024. The bond loan BPER 3.625%/TF, for a nominal value of Euro 400 million, was repaid before maturity.

As was the case in December 2024, there are no convertible subordinated liabilities at 31 December 2025.

2.4 Income statement aggregates

Summary data from the consolidated income statement at 31 December 2025 is presented below in thousands of Euro, appropriately compared with the amounts at 31 December 2024 and highlighting the changes in absolute and percentage terms.

The accounting schedules envisaged by the 8th update of Bank of Italy Circular No. 262/2005 are presented below on a reclassified[2] basis. The principal reclassifications relate to the following items:

- "Net commission income" includes in placement fees for Certificates, allocated to item 110 *"Net income on other financial assets and liabilities measured at fair value through profit or loss"* of the accounting statement (Euro 25.6 million as at 31 December 2025 and Euro 18.3 million as at 31 December 2024);
- "*Net income from financial activities*" includes items 80, 90, 100 and 110 in the accounting statement, net of the Certificates placement fees under the item above;
- indirect tax recoveries, allocated for accounting purposes to item 200 *"Other operating expense/income",* have been reclassified as a reduction in the related costs under *"Other administrative expenses"* (Euro 223.3 million at 31 December 2025 and Euro 217.8 million at 31 December 2024);
- recoveries of costs of appraisals for new loans, allocated for accounting purposes to item 200 "*Other operating expense/ income*", have been reclassified as a reduction in the related costs under "*Other administrative expenses*" (Euro 14.9 million at 31 December 2025 and Euro 14.4 million at 31 December 2024);
- "Innovation" tax credits, allocated for accounting purposes to item 200 "*Other operating expense/income*", were reclassified under "*Staff Costs*" (Euro 1.6 million as at 31 December 2025) and "*Other administrative expenses*" (Euro 0.3 million as at 31 December 2025);
- the item "*Staff costs*" includes costs relating to staff training and refund of expenses against receipts, allocated to item 160 b) "*Other administrative expenses*" in the accounting statement (Euro 11.5 million at 31 December 2025 and Euro 13.5 million at 31 December 2024);
- "Net impairment losses/write-backs on property, plant, equipment and intangible assets" include items 180 and 190 in the standard reporting format;
- gross effects from the use of provisions for risks and charges set aside in prior periods (former "*Other operating expenses/ Reversal of provisions for risks and charges"*) were directly offset within the same item (not present as at 31 December 2025 and Euro 17 million as at 31 December 2024);
- "Gains (Losses) on investments" include items 220, 230, 240 and 250 of the accounting schedule;
- "*Contributions to systemic funds*" have been shown separately from the specific accounting technical forms to give a better and clearer representation, as well as to leave the item "*Other administrative expenses*" as a better reflection of the trend in the Group's operating costs. In particular, as at 31 December 2025, this item represents the component allocated for accounting purposes to "Other administrative expenses" in relation to:
  - the 2025 contribution to the DGS (Deposit Guarantee Scheme) for Euro 6.8 million.
  - estimated annual contribution to the Guarantee Fund for life insurance for an amount of Euro 1.4 million.
- the item "Integration costs" includes costs directly related to the business combination with Banca Popolare di Sondrio, separately from the specific accounting items (*"Staff costs", "Other administrative expenses", "Net adjustments to property, plant, equipment and intangible assets*") to provide a better picture of the result of current operations.

2 For further details on the methods of presentation of the reclassified statements, please refer to the attachment entitled "Reconciliation between the financial statements and the Reclassified financial statements".

Reclassified Income Statement as at 31 December 2025

(in thousands)

Items	31.12.2025	31.12.2024	Changes	% Change
Net interest income	2,634,367	2,758,377	(124,010)	-4.50
Net commission income	1,623,702	1,501,755	121,947	8.12
Dividends	268,811	208,778	60,033	28.75
Net income from financial activities	56,907	11,644	45,263	388.72
Other operating expense/income	184,428	152,285	32,143	21.11
Operating income	**4,768,215**	**4,632,839**	**135,376**	**2.92**
Staff costs	(1,350,846)	(1,599,558)	248,712	-15.55
Other administrative expenses	(607,699)	(638,448)	30,749	-4.82
Net adjustments to property, plant and equipment and intangible assets	(296,439)	(304,678)	8,239	-2.70
Operating costs	**(2,254,984)**	**(2,542,684)**	**287,700**	**-11.31**
Net operating income	**2,513,231**	**2,090,155**	**423,076**	**20.24**
Net impairment losses to financial assets at amortised cost	(265,060)	(247,547)	(17,513)	7.07
- loans to customers	*(267,257)*	*(238,159)*	*(29,098)*	*12.22*
- other financial assets	*2,197*	*(9,388)*	*11,585*	*-123.40*
Net impairment losses to financial assets at fair value	281	(209)	490	-234.45
Gains (Losses) from contractual modifications without derecognition	(572)	(1,287)	715	-55.56
Net impairment losses for credit risk	**(265,351)**	**(249,043)**	**(16,308)**	**6.55**
Net provisions for risks and charges	(32,819)	(65,723)	32,904	-50.06
Gains (Losses) on investments	(14,729)	10,138	(24,867)	-245.29
Profit (loss) from current operations	**2,200,332**	**1,785,527**	**414,805**	**23.23**
Contributions to systemic funds	(8,240)	(98,230)	89,990	-91.61
Integration Costs	(179,895)	-	(179,895)	n.s.
Profit (Loss) from current operations before tax	**2,012,197**	**1,687,297**	**324,900**	**19.26**
Income taxes on current operations for the year	(547,452)	(437,748)	(109,704)	25.06
Profit (Loss) for the year	**1,464,745**	**1,249,549**	**215,196**	**17.22**

Reclassified income statement by quarter as at 31 December 2025

(in thousands)

Items	1st quarter 2025	2nd quarter 2025	3rd quarter 2025	4th quarter 2025	1st quarter 2024	2nd quarter 2024	3rd quarter 2024	4th quarter 2024
Net interest income	652,047	659,726	648,100	674,494	693,713	687,526	684,764	692,374
Net commission income	408,997	394,434	395,144	425,127	387,466	354,402	347,140	412,747
Dividends	2,477	251,064	9,842	5,428	3,932	199,387	4,050	1,409
Net income from financial activities	20,377	10,387	(9,556)	35,699	11,747	(4,821)	(9,596)	14,314
Other operating expense/income	64,505	31,334	35,622	52,967	(3,320)	44,150	56,286	55,169
Operating income	**1,148,403**	**1,346,945**	**1,079,152**	**1,193,715**	**1,093,538**	**1,280,644**	**1,082,644**	**1,176,013**
Staff costs	(337,195)	(342,773)	(326,950)	(343,928)	(372,743)	(516,491)	(327,258)	(383,066)
Other administrative expenses	(147,868)	(144,080)	(140,052)	(175,699)	(163,139)	(144,412)	(144,831)	(186,066)
Net adjustments to property, plant and equipment and intangible assets	(68,111)	(71,448)	(72,680)	(84,200)	(56,747)	(62,475)	(67,785)	(117,671)
Operating costs	**(553,174)**	**(558,301)**	**(539,682)**	**(603,827)**	**(592,629)**	**(723,378)**	**(539,874)**	**(686,803)**
Net operating income	**595,229**	**788,644**	**539,470**	**589,888**	**500,909**	**557,266**	**542,770**	**489,210**
Net impairment losses to financial assets at amortised cost	(53,945)	(58,635)	(89,641)	(62,839)	(67,481)	(64,976)	(56,257)	(58,833)
- loans to customers	*(56,159)*	*(58,451)*	*(89,717)*	*(62,930)*	*(70,009)*	*(68,582)*	*(56,486)*	*(43,082)*
- other financial assets	*2,214*	*(184)*	*76*	*91*	*2,528*	*3,606*	*229*	*(15,751)*
Net impairment losses to financial assets at fair value	(178)	563	10	(114)	(1,051)	1,000	(325)	167
Gains (Losses) from contractual modifications without derecognition	(2,652)	162	191	1,727	(168)	(467)	(386)	(266)
Net impairment losses for credit risk	(56,775)	(57,910)	(89,440)	(61,226)	(68,700)	(64,443)	(56,968)	(58,932)
Net provisions for risks and charges	(16,297)	4,370	(4,250)	(16,642)	13,300	(19,773)	(18,156)	(41,094)
Gains (Losses) on investments	158	1,298	(840)	(15,345)	150,834	1,414	1,133	(143,243)
Profit (loss) from current operations	**522,315**	**736,402**	**444,940**	**496,675**	**596,343**	**474,464**	**468,779**	**245,941**
Contributions to systemic funds	-	-	-	(8,240)	(98,347)	2,217	-	(2,100)
Integration Costs	-	-	-	(179,895)	-	-	-	-
Profit (Loss) from current operations before tax	**522,315**	**736,402**	**444,940**	**308,540**	**497,996**	**476,681**	**468,779**	**243,841**
Income taxes on current operations for the year	(164,176)	(178,221)	(121,526)	(83,529)	(120,285)	(101,592)	(140,899)	(74,972)
Profit (Loss) for the year	**358,139**	**558,181**	**323,414**	**225,011**	**377,711**	**375,089**	**327,880**	**168,869**

It should be noted that the Reclassified Income Statement by quarter as at 31 March 2024 differs from the figures published on the same date due to the reclassification adopted with effect from 30 June 2024 which relates to the following components: i. charges for payment services provided that were reclassified from "Other administrative expenses" to "Net commission income" (Euro 4.9 million as at 31 March 2024); ii. the recoveries of costs for services ancillary to lending that were reclassified from "Other operating expense/income" to "Other administrative expenses" (Euro 3.3 million as at 31 March 2024).

Net interest income

Net interest income amounted to Euro 2,634.4 million, on a downturn as compared to 31 December 2024 (Euro 2,758.4 million). The negative change was mostly impacted by falling market interest rates which led both to a decrease in the commercial spread on customer operations (loans and direct deposits) and to a contraction in the average yield of the portfolio of owned securities.

In addition to recalling the dynamics of loans and interest-bearing deposits, already highlighted in paragraph 2.3 "Balance sheet aggregates", an indication of the trend in average lending/funding rates is given below for a better understanding of the trend in net interest income:

- the average interest rate for the period, based on the Bank's lending rates to customers was 3.68%, an decrease of about 0.68% compared with the average rate of the prior period;
- the average yield on the securities portfolio is 2.41%, down by 25 bps compared to the previous year;
- the average cost of direct deposits from customers was 0.75%, down by about 44 bps compared to 2024 (1.19%);
- total interest-bearing liabilities involved a cost of 1.00% (1.48% as at 31 December 2024);
- the spread between lending and deposit rates of the Bank's relationships with customers came to 2.94% (3.18% as at 31 December 2024);
- the overall spread between the average annual rate of return on interest-bearing assets and the average annual cost of interest-bearing liabilities amounts to 2.21% (2.39% as at 31 December 2024).

Net commission income

Net commission income, amounting to Euro 1,623.7 million, was +8.12% higher than at 31 December 2024 (Euro 1,501.8 million). The positive trend was impacted by the transfer, on 27 January 2025, of the Bibanca e-money business to BPER Banca. An additional contributor was the strong return from the placement of asset management and bancassurance products.

Net income from financial activities

"Net income from financial activities" (including dividends) amounted to a positive Euro 325.7 million, on the rise compared to the previous year (Euro 220.4 million), broken down as follows:

- dividends for Euro 268.8 million;
- positive net result from trading activities for Euro 79.6 million, influenced by the result of derivatives entered into to acquire a synthetic exposure representing 9.99% of its share capital;
- negative net result from hedging activities amounting to Euro 3.6 million;
- net profit from the disposal of financial assets measured at amortised cost and at fair value through other comprehensive income for Euro 43.3 million, of which Euro 22.2 million on securities, Euro 20.1 million on loans and Euro 1 million on repurchase of financial liabilities;
- negative net result on financial assets and liabilities measured at fair value through profit or loss (trading, FVO, FVTPLM) of Euro 12.7 million;
- negative net result from certificates for an amount of Euro 75.1 million.

Other operating expense/income

The item "Other operating expense/income", amounting to Euro 184.4 million (Euro 152.3 million as at 31 December 2024) includes, among the main components:

- the fair value measurement of tax receivables in the portfolio (for an extent limited to the portion that is expected to be recovered through sale to third parties) resulted in a negative change of Euro 11.8 million;
- positive net result from loss data collection activities for Euro 47.3 million, mainly due to collections deriving from favourable rulings in legal disputes;
- contingent assets connected to the acquisition of Banca Carige, amounting to Euro 34 million;
- revenues from services provided to Group Companies for Euro 74.1 million.

As a result of the dynamics illustrated above, Operating income amounted to Euro 4,768.2 million (+2.92% compared to the previous year).

Operating costs

"Operating costs", net of integration costs of Euro 179.9 million, amounted to Euro 2,255.0 million, down 11.31% compared with 31 December 2024.
The main components of operating costs are reported below.

"Staff Costs" amounted to Euro 1,350.8 million, down compared to the same period of the previous year (-15.55%), where "non-recurring" costs were recorded in relation to the expansion of the workforce optimisation manoeuvre.

Other administrative expenses" amounted to Euro 607.7 million, down compared to 31 December 2024 (Euro 638.4 million, -4.82%).

"Net adjustments to property, plant, equipment and intangible assets" totalled Euro 296.4 million (Euro 304.7 million at 31 December 2024).
Amortisation of assets owned amounted to Euro 217.0 million (Euro 191.5 million as at 31 December 2024); net write-downs of Euro 5.8 million were registered on assets owned (Euro 33.9 million as at 31 December 2024), mainly referred to impairment of software whose useful life has been revised.
The depreciation of rights of use related to leased assets amounted to Euro 74.2 million (Euro 77.8 million at 31 December 2024), while net write-backs due to early termination of contracts totalled Euro 0.6 million (as against Euro 1.5 million worth of net adjustments as at 31 December 2024).
Net operating income therefore amounts to Euro 2,513.2 million (Euro 2,090.2 million at 31 December 2024).

Net impairment losses for credit risk

"Net impairment losses for credit risk" amounted to Euro 265.4 million (Euro 249.0 million as at 31 December 2024), relating primarily to net impairment losses on loans measured at amortised cost, equal to Euro 267.3 million (Euro 238.2 million as at 31 December 2024).

The overall cost of credit at 31 December 2025, calculated only on loans to customers, was 34 bps (30 bps at 31 December 2024).

Most of the various components of the cost of credit as at 31 December 2025 are attributable to the non-performing portfolio (Euro 333.5 million as at 31 December 2025) mainly as a result of an increase in the expected loss from the workout scenario. Expected losses on the performing portfolio, following the improvement in the quality of the performing loan portfolio (including the reduction of the Stage 2 portfolio) led to a release of provisions for approximately Euro 66.2 million.

Net provisions for risks and charges

Net provisions for risks and charges totalled Euro 32.8 million (Euro 65.7 million as at 31 December 2024) and are broken down as follows:

- net write-backs on guarantees and commitments amounting to Euro 3.0 million (net impairment adjustments for Euro 2.5 million as at 31 December 2024);
- other provisions for risks and charges amount to Euro 29.8 million (Euro 68.2 million at 31 December 2024).

Gains (Losses) on investments

This item shows a negative net balance of Euro 14.3 million (it was a positive Euro 10.1 million as at 31 December 2024), mainly deriving from impairment losses following disposal of equity investments (Euro 12.4 million) and write-downs on the equity portfolio (Euro 3.1 million).

In the previous financial year, the result was primarily impacted by the capital gain of Euro 150.1 million arising from the sale of control of Bridge Servicing to the counterparty Gardant, as well as by write-downs on the real estate portfolio measured at fair value (Euro 22.2 million) and on equity investments for an amount of Euro 119.5 million.

Contributions to systemic funds

The total amount of contributions to systemic funds was Euro 8.2 million (Euro 98.2 million at 31 December 2024).
This amount comprises the regular contribution paid to the DGS (Deposit Guarantee Scheme), equal to Euro 6.8 million (Euro 96.1 million as at 31 December 2024), and the estimated contribution to the Guarantee Fund for Life Insurance of Euro 1.4 million (Euro 2.1 million as at 31 December 2024).

Integration Costs

The costs relating to the integration of Banca Popolare di Sondrio with BPER Banca, totalling Euro 179,9 million, can be itemised as follows:

- Staff costs (Euro 115.4 million): cost estimated for the implementation of a new workforce optimisation effort;
- Other administrative expenses (Euro 44.6 million): non-recurring costs referring primarily to organising IT migration in preparation for the merger of Banca Popolare di Sondrio into BPER Banca;
- Net adjustments to property, plant, equipment and intangible assets (Euro 19.8 million): impairment of software whose useful life was revised after the business combination.

Net profit

Profit from current operations before tax amounted to Euro 2,012.2 million (Euro 1,687.3 million as at 31 December 2024).
Income taxes for the period amounted to Euro 547.5 million and were determined by applying the regulations in force as at 31 December 2025.
The item was positively impacted for an amount of Euro 25.1 million by the recognition of deferred tax assets on regional production tax (IRAP) temporary differences which will be absorbed over the three-year period 2026-2028, when the IRAP surcharge introduced by Law No. 199/2025 comes into effect, and for an amount of approximately Euro 3.6 million from IRAP credit arising from the conversion of surplus ACE (Allowance for Corporate Equity) of Banca Carige s.p.a. and Banca del Monte di Lucca s.p.a. prior to the merger into BPER (2022), which became deductible in the 2025 tax year.
The profit for the year after tax amounted to Euro 1,464.7 million (Euro 1,249.5 million at 31 December 2024).

2.5 Shareholders' equity and capital *ratios*

2.5.1 Shareholders' equity

At the end of the previous year the Bank's shareholders' equity, excluding the profit (loss) for the year, amounted to Euro 9,352.8 million. It increased by Euro 4,930.8 million during the year, due to the following changes:

- Euro +396.6 million following the allocation of 2024 profit;
- Euro +4,108.5 million following the completion of the paid-in capital increase in connection with the voluntary public tender and exchange offer launched by BPER on all the ordinary shares of Banca Popolare di Sondrio;
- Euro +742.4 million following the issuance of Additional Tier 1 bonds;
- Euro -196.4 million following the distribution of an interim dividend;
- Euro -79.9 million in interest on Additional Tier 1 notes;
- Euro -79.6 million for the extraordinary contribution pursuant to art. 1, paragraph 69 of the 2026 Budget Law;
- Euro +81.6 million for the net changes in the valuation reserve, net of the tax effect, created in connection with financial assets measured at fair value through other comprehensive income;
- Euro +13.5 million for the net changes in the valuation reserve, net of the tax effect, created in connection with property, plant and equipment measured at fair value;
- Euro -55.9 million, for the recognition of other changes.

Shareholders' equity therefore comes to Euro 14,283.6 million, up by 52.72% on 31 December 2024. Taking into account the profit for the year 2025 (Euro 1,464.7 million), shareholders' equity comes to Euro 15,748.3 million (48.54% on the figure at 31 December 2024).
At 31 December 2025, the share capital amounted to Euro 2,953,571,914.57 corresponding to 1,964,386,302 shares; of these, 2,387,716 are allocated to the Bank's own portfolio, changed from December 2024 at the end of ordinary treasury shares buyback programme and as treasury shares were granted free of charge to employees, in line with the provisions of the Remuneration Policies (e.g. for short-term and long-term incentive and/or severance schemes).

As regards the profits from unrealised capital gains (net of tax) as per art. 6 of Legislative Decree 38/2005, which in 2024 amounted to Euro 14.0 million, they were assigned to the "Non-distributable reserve pursuant to art. 6, paragraph 1, letter a) of Legislative Decree 38/2005". This non-distributable reserve at 31 December 2025 comes to Euro 28.8 million.

2.5.2 Own funds and capital *ratios*

The harmonised rules for banks and investment companies contained in Regulation (EU) 575/2013 (CRR) and in the 2013/36/EU Directive (CRD IV) approved on 26 June 2013 and published in the Official Journal of the European Union the next day, entered into force on 1 January 2014.

These rules were later amended by Regulation (EU) 2019/876 of the European Parliament and of the Council ("CRR2") and Directive 2019/878/EU of the European Parliament and of the Council (CRDV) of 20 May 2019, published in the Official Journal of the European Union on 7 June 2019.

On 19 June 2024, Regulation (EU) 2024/1623 (CRR3) of the European Parliament and of the Council of 31 May 2024 amending Regulation (EU) No. 575/2013 was published in the Official Journal of the European Union as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor; Directive (EU) 2024/1619 (CRD VI) of the European Parliament and of the Council of 31 May 2024 amending Directive 2023/36/EU was also published in the Official Journal of the European Union as regards supervisory powers, sanctions, third-country branches, and environmental, social and governance risks.
Subject to certain exceptions, the CRR3 Regulation has applied since 1 January 2025.

This regulatory framework, which is the only set of rules that seeks to harmonise prudential regulations of the Member States of the European Community, was made applicable in Italy by the Bank of Italy's Circular 285, published on 17 December 2013 and subsequent updates.

On 10 October 2025, after completing the annual Supervisory Review and Evaluation Process (SREP), BPER Banca received notification from the European Central Bank of the latest prudential requirements to be met on a consolidated basis pursuant to art. 16 of Regulation (EU) 1024/2013.

Based on the outcome of the SREP assessment conducted in 2025 which considers the acquisition of the Banca Popolare di Sondrio Group by BPER Banca, the ECB has established the minimum capital requirements that, with effect from 31 December 2025, BPER shall maintain on a consolidated basis. The notification also sets out the minimum capital requirements that Banca Popolare di Sondrio must meet.

The following table shows the BPER Banca Group's capital *ratios* and the minimum capital adequacy requirements for regulatory purposes as at 31 December 2025.

(in thousands)

	31.12.2025	31.12.2024	Changes	% Change
Common Equity Tier 1 capital - CET1	**11,817,936**	**7,771,133**	**4,046,803**	**52.07**
Additional Tier 1 capital (AT1)	1,799,804	1,115,396	684,408	61.36
Tier 1 capital (Tier 1)	**13,617,740**	**8,886,529**	**4,731,211**	**53.24**
Tier 2 capital (Tier 2 - T2)	1,147,412	1,546,894	(399,482)	-25.82
Total Own Funds	**14,765,152**	**10,433,423**	**4,331,729**	**41.52**
Total Risk-weighted assets (RWA)	**50,254,799**	**46,149,615**	**4,105,184**	**8.90**
CET1 Ratio (CET1/RWA)	**23.52%**	**16.84%**	**668 bps**	
Tier 1 Ratio (Tier 1/RWA)	**27.10%**	**19.26%**	**784 bps**	
Total Capital Ratio (Total Own Funds/RWA)	**29.38%**	**22.61%**	**677 bps**	
RWA/Total assets	**35.62%**	**35.05%**	**57 bps**	

3. MAIN RISKS AND UNCERTAINTIES

3.1 Identification of risks, underlying uncertainties and the approach to manage them

Please refer to the Consolidated Financial Report for information on risk management and related uncertainties, because, being an activity that is coordinated at Group level, the same considerations made in the relevant section of the Directors' report on Group operations are also valid for the Bank.

3.2 Disclosure of exposures to sovereign debt held by listed companies

As required by CONSOB Communication DEM/11070007 of 5 August 2011 (and in the letter sent to listed Banking Issuers dated 31 October 2018), details are provided below about the holdings of bonds issued by Central and Local Governments and by Government entities, as well as about the loans granted to them.

Debt securities

(in thousands)

Issuer	Rating	Cat.	Nominal value	Book Value	Fair Value	OCI Reserves	%
Governments (*):			**19,744,718**	**19,415,546**	**19,354,297**	**40,761**	**98.42%**
Italy	**BBB+**		**13,632,560**	**13,663,053**	**13,785,606**	**48,121**	**69.26%**
		FVTPLT	36,303	36,619	36,619	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	1,626,500	1,690,594	1,690,594	48,121	
		AC	11,969,757	11,935,840	12,058,393	#	
Spain	**A**		**1,077,900**	**1,070,237**	**1,037,565**	**(410)**	**5.43%**
		FVTPLT	-	-	-	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	61,000	57,757	57,757	(410)	
		AC	1,016,900	1,012,480	979,808	#	
U.S.A.	**AA+**		**890,000**	**750,199**	**664,673**	**-**	**3.80%**
		FVTPLT	-	-	-	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	-	-	-	-	
		AC	890,000	750,199	664,673	#	
European Union	**AAA**		**1,183,000**	**1,121,772**	**1,126,715**	**137**	**5.69%**
		FVTPLT	200	184	184	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	45,100	44,667	44,667	137	
		AC	1,137,700	1,076,921	1,081,864	#	
Germany	**AAA**		**985,501**	**925,995**	**866,687**	**(3,007)**	**4.69%**
		FVTPLT	1	2	2	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	130,000	129,934	129,934	(3,007)	
		AC	855,500	796,059	736,751	#	

(cont.)

Issuer	Rating	Cat.	Nominal value	Book Value	Fair Value	OCI Reserves	%
European Stability Fund	**A+**		**276,000**	**255,435**	**252,750**	**(939)**	**1.29%**
		FVTPLT	-	-	-	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	95,000	84,680	84,680	(939)	
		AC	181,000	170,755	168,070	#	
France	**A+**		**1,100,000**	**1,090,986**	**1,092,766**	**(1,482)**	**5.53%**
		FVTPLT	-	-	-	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	50,000	48,501	48,501	(1,482)	
		AC	1,050,000	1,042,485	1,044,265	#	
Belgium	**A+**		**231,400**	**211,547**	**207,236**	**-**	**1.07%**
		FVTPLT	-	-	-	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	-	-	-	-	
		AC	231,400	211,547	207,236	#	
Ireland	**AA**		**150,000**	**129,863**	**129,053**	**-**	**0.66%**
		FVTPLT	-	-	-	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	-	-	-	-	
		AC	150,000	129,863	129,053	#	
Other	_		**218,357**	**196,459**	**191,246**	**(1,659)**	**1.00%**
		FVTPLT	1,357	398	398	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	19,000	16,731	16,731	(1,659)	
		AC	198,000	179,330	174,117	#	
Other public entities:			**340,400**	**312,152**	**301,634**	**(1,656)**	**1.58%**
Italy	**-**		**14,000**	**13,592**	**13,751**	**-**	**0.07%**
		FVTPLT	-	-	-	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	-	-	-	-	
		AC	14,000	13,592	13,751	#	
France	_		**306,400**	**278,828**	**268,151**	**(1,655)**	**1.41%**
		FVTPLT	-	-	-	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	52,000	45,638	45,638	(1,655)	
		AC	254,400	233,190	222,513	#	
Other	**-**		**20,000**	**19,732**	**19,732**	**(1)**	**0.10%**
		FVTPLT	-	-	-	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	20,000	19,732	19,732	(1)	
		AC		-	-	#	
Total debt securities			**20,085,118**	**19,727,698**	**19,655,931**	**39,105**	**100.00%**

(*) The individual percentages, calculated on book value, shown in the above table may not agree with the total because of roundings.

Figures are expressed in thousands of Euro. The ratings indicated are those of Fitch Ratings at 31 December 2025.

Loans

(in thousands)

Issuer	Rating	Cat.	Nominal value	Book Value	Fair Value	OCI Reserves	%
Governments (*):			**2,446,112**	**2,446,112**	**2,509,369**	**-**	**84.00%**
Italy	**BBB+**		**2,446,112**	**2,446,112**	**2,509,369**	**-**	**84.00%**
		FVTPLT	-	-	-	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	-	-	-	#	
		AC	2,446,112	2,446,112	2,509,369	#	
Other public entities:			**465,775**	**465,775**	**478,452**	**-**	**16.00%**
Italy	**-**		**465,775**	**465,775**	**478,452**	**-**	**16.00%**
		FVTPLT	-	-	-	#	
		FVO	-	-	-	#	
		FVTPLM	-	-	-	#	
		FVOCI	-	-	-	#	
		AC	465,775	465,775	478,452	#	
Total loans			**2,911,887**	**2,911,887**	**2,987,821**	**-**	**100.00%**

(*) The individual percentages, calculated on book value, shown in the above table may not agree with the total because of roundings.

Figures are expressed in thousands of Euro. The ratings indicated are those of Fitch Ratings as at 31 December 2025.

Based on their book value, repayment of these exposures is broken down as follows:

(in thousands)

	on demand	up to 1 year	1 to 5 years	> 5 years	Total
Debt securities	-	192,102	5,324,561	14,211,035	19,727,698
Loans	314,407	1,646	128,157	2,467,677	2,911,887
Total	**314,407**	**193,748**	**5,452,718**	**16,678,712**	**22,639,585**

Control over the risks inherent in the portfolio is maintained by the directors who monitor the effects on profitability, liquidity and the Bank's capital base, also through sensitivity analyses. No critical elements have been identified on the basis of these analyses.

4. OTHER INFORMATION

4.1 Corporate events

Shareholders' Meeting of 18 April 2025

At its meeting on 6 February 2025, BPER Banca s.p.a.'s Board of Directors, with a notice published on the same date, called the Extraordinary Shareholders' Meeting of BPER Banca s.p.a. for 18 April 2025.

Later, on 12 March 2025, the Board of Directors of the Bank also resolved upon calling the Ordinary Shareholders' Meeting for 18 April 2025 to discuss and resolve on the following agenda:

EXTRAORDINARY SESSION

- Proposal for vesting the Board of Directors, pursuant to art. 2443 of the Italian Civil Code, with the power, to be exercised by 31 December 2025, to increase the share capital in one or more tranches, in divisible form, with the exclusion of the pre-emption right pursuant to art. 2441, paragraph 4, first indent, of the Italian Civil Code, and with the issuance of a maximum number of 657,409,377 ordinary shares, with no par value, with regular dividend entitlement and the same characteristics as the shares outstanding, whose issuance price will be determined by the Board of Directors in line with the provisions of the law, to be paid by contribution in kind to service a voluntary public exchange offer over all the shares of Banca Popolare di Sondrio s.p.a., with subsequent amendments to art. 5 of the Articles of Association; related and ensuing resolutions[3].

ORDINARY SESSION

- 2024 Financial Report:
  a) Approval of the Separate Financial Report as at 31 December 2024; presentation of the Reports of the Board of Directors, the Board of Statutory Auditors and the Independent Auditors, as well as of the Consolidated Financial Report as at 31 December 2024, containing the 2024 Consolidated Sustainability Statement;
  b) Allocation of profit for financial year 2024 and dividend payout
- Remuneration:
  a) Report on Remuneration Policy and Compensation Paid, comprising:
     a1) remuneration policies of the BPER Banca Group for 2025 (binding resolution);
     a2) compensation paid in 2024 (non-binding resolution).
  b) 2025 MBO Incentive Plan based on financial instruments pursuant to art. 114-*bis* of Legislative Decree No. 58 of 24 February 1998;
  c) 2025-2027 Long-Term Incentive (LTI) Plan based on financial instruments pursuant to art. 114-*bis* of Legislative Decree No. 58 of 24 February 1998;
  d) Purchase and disposal of treasury shares authorised to service current and future remuneration systems based on financial instruments, in compliance with the Remuneration policies.

In relation to the manner in which the above-mentioned Meeting is held, the Company has decided to make use of the option to establish that the parties entitled to attend the Shareholders' Meeting and vote may participate exclusively via the Designated Representative (Computershare s.p.a.) pursuant to art. 135-*undecies* of Legislative Decree No. 58/1998.

Exclusively through the Designated Representative, a total of 1,490 Shareholders with voting rights attended the Shareholders' Meeting representing a total of 883,778,998 ordinary shares, equal to 62.166846% of the share capital. The dividend will be paid as of 21 May 2025 (payment date), with date of detachment of coupon (ex-date) on Monday, 19 May 2025 and date of entitlement to payment under art. 83-terdecies of the Consolidated Law on Finance (record date) on Tuesday, 20 May 2025.

The ordinary and extraordinary shareholders' meeting, in one call, chaired by Fabio Cerchiai, resolved upon:

- approving the 2024 Separate Financial Report, along with the proposal for the allocation of profit and the proposed distribution of a cash dividend of Euro 0.60 per share for each of the 1,421,624,324 ordinary shares representing the share capital, for a maximum total amount of Euro 852,974,594.40 (net of those which will be held in the portfolio on the ex-date, on which no dividend will be paid);
- approving Section I and II of the 2025 Report on Remuneration Policy and compensation paid, respectively with a binding and non-binding resolution;

3 On 14 April 2025, at CONSOB's request, additional information required by art. 114, para. 5 of Legislative Decree No. 58 of 24 February 1998 (Consolidated Law on Finance) was made available to the public at the registered office .

- approving the 2025 MBO Incentive Plan based on financial instruments, pursuant to art. 114-*bis* of the Consolidated Law on Finance, as described in the relevant Information Document;
- approving the 2025-2027 Long-Term Incentive (LTI) Plan based on financial instruments, pursuant to art. 114-*bis* of the Consolidated Law on Finance, as described in the relevant Information Document;
- authorising the purchase and disposal of up to 3,000,000 BPER Banca s.p.a. ordinary shares (for a total value not exceeding approximately Euro 18 million), with no par value, to service the 2025 MBO Incentive scheme and any prior shares in existing short- and long-term incentive plans, as well as any other compensation to be paid through financial instruments in implementation of the remuneration policies in force at any given time, on the terms and conditions specified in the Explanatory Report of the Board of Directors to the Shareholders' Meeting;
- granting the Board of Directors with the power, pursuant to art. 2443 of the Italian Civil Code, to be exercised by 31 December 2025, to increase the Share capital in one or more tranches, in divisible form, with the exclusion of the pre-emption right pursuant to art. 2441, paragraph 4, first indent, of the Italian Civil Code for a total maximum amount of Euro 981,120,051.74, in addition to a share premium, by issuing a maximum of 657,409,377 ordinary shares of the Company, with no par value, with regular dividend entitlement and the same characteristics as the ordinary shares outstanding at the issue date, whose issuance price will be determined by the Board of Directors in line with the provisions of the law, to be paid by contribution in kind to service the voluntary Public Exchange Offer over all the shares of Banca Popolare di Sondrio s.p.a., with subsequent amendments to art. 5 of the Articles of Association, in line with the proposal contained in the Explanatory Report of the Board of Directors to the Shareholders' Meeting. The effectiveness of this resolution is subject to obtaining the assessment measure on the aforementioned amendment to the Articles of Association from the relevant Supervisory Authorities, pursuant to art. 56 of the Consolidated Law on Banking, measure issued on 22 May 2025.

For further details on the corporate events relating to the Public Tender and Exchange Offer that affected the Parent Company, please refer to the chapter "*The BPER Banca Group's results of operations*" in the Consolidated Financial Report.

4.2 Information on intercompany and related-party transactions

Relations between the various companies included within the scope of consolidation and with associates and related parties were all of a routine nature and were conducted properly.

For details, as required by art. 2497 *bis* of the Italian Civil Code and by CONSOB Communication DEM 6064293 of 28 July 2006, reference should be made to Part H of the Explanatory Notes.
In accordance with the Regulation on transactions with related parties adopted by CONSOB with resolution n. 17221/2010 (and subsequent amendments), the BPER Banca Group has adopted specific internal rules to ensure transparency and substantive and procedural correctness of transactions with related parties.

In this context, the Parent Company BPER Banca adopted the "Policy for the governance of non-compliance risk concerning conflicts of interest with Relevant Persons and risk activities with Associated Persons", which was also implemented by the banks and other companies of the Group. This Policy also complies with the Bank of Italy's requirements in terms of "Risk activities and conflict of interest with associated persons" as contained in Circular 285 dated 17 December 2013 - 34th update dated 22 September 2020.
The document is published on BPER Banca's website (https://group.bper.it, in the Governance / Documents section) and on the websites of the other Group Banks.

Without prejudice to the disclosure requirements of IAS 24 (see Part H of the Explanatory Notes in relation to the scope of application of the international accounting standard), the following is a summary of BPER Banca's transactions with related parties, for which information is provided under Regulation 17221/2010.

a) Most significant individual transactions concluded during the reporting period:

No.	Company that initiated the transaction	Name of the counterparty	Nature of the relationship with the counterparty	Object of the transaction	Consideration for each transaction completed (Euro/000)	Other information
1	BPER Banca s.p.a.	Unipol Assicurazioni s.p.a. (*)	Significant shareholder	BPER Banca s.p.a.'s share capital increase with the exclusion of the pre-emption right pursuant to art. 2441, paragraph 4, of the Italian Civil Code to service a voluntary public exchange offer launched by BPER Banca s.p.a. over all the shares of Banca Popolare di Sondrio s.p.a.	4,319,179	Information Document pursuant to art. 5 of Reg. CONSOB 17221/2010
2	BPER Banca s.p.a.	Bibanca s.p.a.	Direct subsidiary	Credit line	3,700,000	Transaction exempt from market disclosure pursuant to art. 14 para. 2 of Regulation 17221
3	BPER Banca s.p.a.	Finitalia s.p.a.	Direct subsidiary	Credit line	619,800	Transaction exempt from market disclosure pursuant to art. 14 para. 2 of Regulation 17221
4	BPER Banca s.p.a.	BPER Factor s.p.a.	Direct subsidiary	Credit line	2,250,000	Transaction exempt from market disclosure pursuant to art. 14 para. 2 of Regulation 17221
5	BPER Banca s.p.a.	Alba Leasing s.p.a.	Direct associate	Credit line	645,000	Transaction exempt from market disclosure pursuant to art. 14 para. 2 of Regulation 17221
6	BPER Banca s.p.a.	BPER Bank Luxembourg s.a.	Direct subsidiary	Credit line	600,000	Transaction exempt from market disclosure pursuant to art. 14 para. 2 of Regulation 17221
7	BPER Banca s.p.a.	Unipol Assicurazioni s.p.a. (**)	Significant shareholder	Increase of the consideration of the voluntary public exchange offer launched by BPER Banca s.p.a. over all the shares of Banca Banca Popolare di Sondrio s.p.a.	451,836	Information Document pursuant to art. 5 of Reg. CONSOB 17221/2010
8	BPER Banca s.p.a.	Banca Popolare di Sondrio s.p.a.	Direct subsidiary	Merger by absorption	-	Information Document pursuant to art. 5 of Reg. CONSOB 17221/2010

(*) Considering that the Capital Increase to Service the Public Exchange Offer was reserved for subscription, under the same conditions, to all the shareholders of Banca Popolare di Sondrio who have tendered in the Offer, Unipol Assicurazioni s.p.a. had no power to negotiate or otherwise unilaterally influence the economic terms of the Offer. However, being at the same time a shareholder of BPER and Banca Popolare di Sondrio, Unipol Assicurazioni had the possibility of accepting the Offer, compensating for the dilutive effect deriving from the Capital Increase to service the Offer. For this reason, BPER Banca's management has chosen - as a prudential measure and in agreement with the Related Parties Committee - to voluntarily proceed with the adoption of the safeguards required by the Regulation on Transactions with Related Parties and the Policy.

(**) Given that the increase in the Consideration for the Offer was extended, on the same terms, to all shareholders of Banca Popolare di Sondrio who accepted the Offer, the observations set out in the previous note remain valid with regard to (i) the position of Unipol Assicurazioni s.p.a. in the context of the Offer, taking into account its status as a shareholder of BPER and of Banca Popolare di Sondrio and (ii) the decision of BPER Banca to apply, on a voluntary and conservative basis, the safeguards required by internal and external regulations governing related-party transactions in relation to the proposed Increase in the Consideration for the Offer.

The capital increase to service the voluntary public tender and exchange offer launched by BPER Banca s.p.a. on all ordinary shares of Banca Popolare di Sondrio s.p.a. has been classified by BPER Banca, on a voluntary and precautionary basis, in agreement with the Related Parties Committee, as a most significant related party transaction, due to the investment held by Unipol Assicurazioni s.p.a., in the share capital of both BPER Banca and Banca Popolare di Sondrio.

As further detailed in the Information Document drafted in accordance with the aforementioned CONSOB Regulation No. 17221/2010 and published on the Bank's website on 13 February 2025, the transaction was approved by BPER Banca's Board of Directors on 6 February 2025 subject to the prior favourable opinion of the Related Parties Committee on the existence of the company's interest in concluding said transaction and the convenience and substantive fairness of the relevant terms and conditions.
With regard to the Transaction value, it should be noted that it was calculated assuming full acceptance of the Offer, as consisting in the "monetary" valuation of its consideration based on the official price of BPER shares recorded at the close of trading on 5 February 2025, at Euro 6.570. Since the exchange ratio was set at 1.45 newly issued shares of BPER, assuming a full acceptance of the Offer, the Bank would have a share capital increase of Euro 4,319,179 thousand.

It should also be noted that, on 3 July 2025, BPER Banca's Board of Directors subject to the prior favourable opinion of the Related Parties Committee on the existence of the company's interest in concluding said transaction and the convenience and substantive fairness of the relevant terms and conditions, resolved upon increasing the consideration of the public exchange offer through a cash component of Euro 1.00 in addition to the previously-approved share component.
Also in this instance and for the same reasons, BPER Banca has chosen -as a prudential and voluntary measure and in agreement with the Related Parties Committee - to proceed with the adoption of the safeguards required by the RPT internal and external regulations.
This is further detailed in the updated Information Document drafted in accordance with the aforementioned CONSOB Regulation No. 17221/2010 and published on the Bank's website on 10 July 2025.

On 5 November 2025, the Boards of Directors of BPER and Banca Popolare di Sondrio approved the plan for the merger by absorption of Banca Popolare di Sondrio s.p.a. into BPER Banca s.p.a., subject to the prior favourable opinion of their respective Related-Party Transactions Committees.
Considering the transaction as a whole, BPER has voluntarily decided not to make use of the exemption for transactions with subsidiaries pursuant to Article 14, paragraph 2, of CONSOB Regulation 17221/2010, in line with the approach adopted in the context of the Offer, taking into account that the merger constitutes the final part of the overall transaction initiated with the Offer.
This is further detailed in the updated Information Document drafted in accordance with the aforementioned CONSOB Regulation No. 17221/2010 and published on the Bank's website on 12 November 2025.

Further information is presented in the "Significant events and strategic transactions" section of the Directors' report on Group operations.

b) other individual transactions with related parties, entered into in the reporting period, that have materially impacted the financial position and results of the company

As required by CONSOB Regulation 17221/2010 with regard to other transactions with related parties, it is confirmed that no transactions have had a significant effect on the balance sheet or results of the Bank.

c) changes or developments in related-party transactions disclosed in the last Annual report that have had a material effect on the financial position or results of the companies during the period

In 2025, there were no changes or developments in the related-party transactions described in the last annual Report that have had a material effect on the financial position or results of the Company and additional to the content that has already been commented on in this Director's Report on Operation or in the Explanatory Notes.

4.3 Information on atypical, unusual or non-recurring transactions

In the course of 2025 there were no atypical or unusual transactions, as defined by CONSOB Communication DEM 6064293 dated 28 July 2006.

It should also be noted that there were no transactions defined as non-recurring during the period.

4.4 Information on the ownership structure (art. 123-*bis* of Legislative Decree No. 58/1998)

The information required by article 123-*bis* of the Consolidated Law on Finance is detailed in a specific report issued by the Board of Directors ("Report on corporate governance and ownership structure"). This Report, pursuant to the aforementioned art.123-bis, paragraph 3, together with the Report on Group Operations, is made available to the public on the Bank's website https://group.bper.it in the Governance - Documents section, as well as on the website of the authorised eMarket Storage system (www.emarketstorage.it).

4.5 Treasury shares

On 17 January 2025, an application was submitted to the ECB requesting authorisation to purchase and dispose of treasury shares, in order to guarantee payment of instalments due in 2026 in relation to both the 2025 short-term incentive plan ("2025 MBO") and previous instalments of existing short- and long-term incentive plans, as well as other remuneration components payable via financial instruments (e.g. severance, retention bonuses). This authorisation was obtained on 11 April 2025.

In light of the above, the ordinary treasury share buyback programme for the free-of-charge allocation of ordinary shares to the employees launched on 7 November 2025 was concluded on the same date.
In particular, on 7 November 2025 BPER purchased a total of 1,650,000 treasury shares on Euronext Milan at an average purchase price per share of Euro 10.4512, for a total consideration of Euro 17,244,480.
The purchase transactions, under the authorisation granted by BPER Shareholders' Meeting of 18 April 2025, were carried out by the intermediary Equita SIM s.p.a., acting independently in accordance with article 4(2)(b) of Commission Delegated Regulation (EU) 2016/1052

On 18 December 2025, a new application was submitted to the ECB requesting authorisation to purchase and dispose of treasury shares, in order to guarantee payment of instalments due in 2027 in relation to both the 2026 short-term incentive plan ("2026 MBO") and previous instalments of existing short- and long-term incentive plans, as well as other remuneration components payable via financial instruments.
Furthermore, the shares may be used to fund all incentive schemes established prior to 2026 and intended for specific categories of staff currently employed by Banca Popolare di Sondrio s.p.a., whose merger by absorption into BPER Banca was approved by the respective Boards of Directors on 5 November 2025.

During the reporting period, treasury shares were also granted free of charge to employees, in line with the provisions of the Remuneration Policies (e.g. for short-term and long-term incentive and/or severance schemes).

No quotas or shares in Group companies are held through trust companies or other third parties.

(in thousands)

Shares of BPER Banca s.p.a.	Number of shares	Book value
Total as at 31.12.2025	**2,387,716**	**21,064,986**
Total as at 31.12.2024	**6,112,499**	**32,029,433**

4.6 Application of MiFID

No regulations impacting MiFID II were issued in the first half of the year. It should be noted, however, that on 18 December 2025, the Council and the European Parliament reached a political agreement on the "Retail Investment Strategy" (RIS), namely the package of reforms designed to strengthen the protection of retail investors, improve the quality of financial products placed on the market and make the entire distribution chain more transparent. Technical work will now continue, entering the final stage of the legislative process in early 2026. The RIS will entail an update to Directive 2014/65/EU on markets in financial instruments (MiFID II) and the Regulation on packaged retail and insurance-based investment products (PRIIPs), as well as other European legislative instruments. The areas covered by the new RIS provisions include: transparency and comparability of the costs of financial products ("Value for Money"), improvements to standardised product information (e.g. the "Key Information Document" or KID), suitability assessments, the management of inducements (in order to prevent conflicts of interest), financial literacy, and oversight of activities carried out by financial influencers ("finfluencers"), as well as the classification and safeguards of customers classified as "professional".

With regard to the monitoring of regulations concerning the provision of investment services, it is noted that during the year:

- CONSOB published CONSOB Warning Notice No. 1 on 11 February 2025 regarding managers' compliance with sustainable finance obligations, in which CONSOB identified certain key elements of the relevant regulations, as well as a number of "good" and "poor practices" with regard to pre-contractual and periodic product level disclosures and the incorporation of ESG factors into the decision-making process. Analyses are currently underway to guide improvement actions, primarily concerning the content of ex-ante disclosure documents (Annex II) and *ex-post* reports (Annex IV) of the ESG portfolio management lines under art. 8 of the SFDR;
- CONSOB issued Warning Notice No. 2 on 6 June 2025 on potential risks arising from the activities of financial influencers online (finfluencers), i.e., people who are popular or have a great popularity on the web and offer advice on investments, as well as on the rules governing the dissemination of financial content online. This Notice has been taken into account in the update of the relevant corporate policy;
- CONSOB Communication No. 0076896 of 1 August 2025 was published, whereby the Authority replied to a question submitted by the Association of Investment Advisory Companies, Assoreti, in which the Association asked whether the prohibition imposed on the Financial Advisor authorised to offer off-premises services (hereinafter also referred to as the "Advisor") to 'accept or contribute to the generation to his own advantage of present or future monetary or non-monetary benefits, however they may be handed out by the client or potential client' (Article 159, paragraph 6, of the Regulation on Intermediaries), also included the acceptance of bequests that may be made in his favour by clients assisted by the Advisor. CONSOB decided to accept the 'substantive' interpretation provided by the Association, according to which the prohibition does not extend to inheritance and bequests that may be devolved by the client to the Advisor, on the grounds that secondary legislation (the Regulation on Intermediaries) cannot be construed and applied in a manner that is contrary to mandatory primary legislation, such as the provisions contained in Book II of the Italian Civil Code;
- CONSOB has published on its website, the CONSOB Notice of 7 August 2025, issued by the Authority on its official website, concerning the implementation of a structured system for the acquisition of documentation relating to any form of advertising carried out in Italy in connection with a public offering (DePub) pursuant to art. 101, paragraph 1 of the Consolidated Law on Finance (TUF);
- ESMA has updated the "Consolidated questions and answers (Q&A) on the SFDR (Regulation (EU) 2019/2088) and the SFDR Delegated Regulation (Commission Delegated Regulation (EU) 2022/1288)";
- the European Supervisory Authorities (ESAs: EBA, EIOPA and ESMA) published, on 9 September 2025, the Joint Committee annual monitoring report on Principal Adverse Impact (PAI) disclosures published by intermediaries under Regulation (EU) 2019/2088 (the Sustainable Finance Regulation, SFDR);
- on 25 November, the European Supervisory Authorities (ESAs: ESMA, EBA and EIOPA) published an updated table summarising, for each EU Member State, the requirements to be met regarding (i) the language in which the Key Information Document (KID) for packaged retail and insurance-based investment products (PRIIPs) must be drafted and (ii) the procedures for its ex-ante filing with the supervisory authority. More specifically, with regard to the first requirement, art. 7 of the PRIIPs Regulation assigns to the national authorities of the country in which the KID is distributed, a role in assessing the language in which it is written, whilst with regard to the second requirement, art. 5 of the PRIIPs Regulation provides that any member state may require the ex ante notification of the KID by the PRIIP manufacturer or the person selling a PRIIP to the National Authorities. With regard to Italy, CONSOB specifies that the official language of the KID for the distribution of PRIIPs in Italy is Italian, and that the ex ante notification of the KID is mandatory;
- also in relation to the PRIIPs framework, on 5 December 2025 the three ESAs published an update to the main questions & answers (Q&A) relating to the drafting and content of the KID, introducing new clarifications aimed at providing interpretations regarding the different treatment of PRIIPs based on their categories, appropriate benchmarks or proxies for the purpose of estimating performance scenarios, the methodology for the explanation of risks, and calculation of VAR and scenario performance measures for active equity UCITS.

The aforementioned supervisory measures were the subject of a regulatory alert by the Compliance Function. With regard to the main regulatory alerts issued in 2024, it should be noted that the following activities were completed during 2025:

- with reference to the reports published by ESMA in 2024 on marketing communications and greenwashing, the Regulation governing the advertising practice and the operating instructions related thereto have been updated;
- with regard to the Instructions of the Bank of Italy, COVIP (Pension Funds Supervisory Authority), IVASS (Institute for Insurance Supervision) and the MEF (Ministry of Economy and Finance) "for the exercise of enhanced controls on the authorised intermediaries to counter the financing of companies producing anti-personnel mines and cluster munitions and sub-munitions", in February the Group adopted controls to implement these instructions (e.g. public lists, procedure blocks on issuers included in the list), updated its Policy on armaments and issued a Process Regulation;
- with regard to CONSOB's Warning Notice No. 1/2024 on the adjustment to obligations concerning "sustainable finance" in the provision of investment services, the Bank has made adjustments to the documents on sustainability transparency pursuant to the SFDR Regulation as well as an update to the information on sustainability preferences which is provided upon customer profiling. The functioning of the 'ESG check' within the suitability test in cases of joint accounts has been revised, thereby fulfilling the commitments made to CONSOB in response to a specific request for data and information.

On 20 January 2025, CONSOB launched a new inspection on the Parent Company to assess the efficiency of the new procedural arrangements implemented by BPER following the corrective actions on product governance and adequacy assessment, required by the Authorities following the inspection carried out between 2020 and 2021. The inspection focus was mainly on 2024 and was completed on 7 October 2025. The inspection report is expected to be received by the end of the first quarter of 2026.

4.7 Inspections and audits

Note that the disclosure provided below is for information purposes only with regards to the checks carried out as part of the ordinary supervisory activity to which BPER Banca is subject, as it operates in a highly regulated sector. As indicated in the Explanatory Notes to this Financial Report, the Directors are of the opinion that the observations that emerged in the various inspection areas do not entail significant impacts in terms of income, assets and cash flows of BPER Banca. In any case, the Bank always prepares suitable action plans to implement the Supervisory Authority's recommendations as quickly as possible.

Information is provided below on the main inspections performed on BPER Banca by the Supervisory Authorities for which an event occurred in the course of 2025. For matters not otherwise specified herein, please refer to the BPER's Separate Financial Report as at 31 December 2024.

European Central bank – ECB

Inspections (2024)

From 17 June 2024 to 13 September 2024, BPER was subject to an on-site inspection on IT risk, aimed at assessing IT governance, IT operational management and data quality management. On 20 November 2025, a Follow-up Letter was received summarising the findings and relevant recommendations and deadlines set by the Supervisory Authority. In response to the recommendations made, on 19 December 2025, BPER Banca submitted an Action Plan containing the remedial actions currently being implemented.

From 4 November 2024 to 3 April 2025, BPER Banca was subject to an on-site inspection on credit and counterparty risk with the aim of assessing compliance with and the implementation of the IFRS 9 accounting standard, as well as carrying out a Credit Quality Review on selected portfolios and assessing the credit risk processes. On 21 July 2025, the Final Report was received.

From 21 October 2024 to 17 January 2025, BPER Banca was subject to an on-site Internal Model Investigation (IMI) with the objective of evaluating internal credit risk models on the Corporate segment. On 1 October 2025 a Final Decision was received containing the recommendations made by the Supervisory Authority in response to the findings that had emerged during the inspection. In response to the findings, BPER Banca submitted an Action Plan on 29 October 2025 containing the remedial actions currently being implemented.

These inspections are part of the 2024 Supervisory Examination Programme (SEP) set by the ECB for the BPER Banca Group.

Inspections (2025)

From 12 May 2025 to 26 September 2025, BPER Banca was subject to an on-site Internal Model Investigation (IMI) with the objective of evaluating internal credit risk models on the Retail segment. The Bank is waiting to learn the decisions of the Supervisory Authority.

From 20 October 2025 to 16 January 2026, BPER Banca was subject to an on-site inspection with the objective of evaluating interest rate, liquidity and funding risk. The Bank is waiting to learn the decisions of the Supervisory Authority.

These inspections are part of the 2025 Supervisory Examination Programme (SEP) set by the ECB for the BPER Banca Group.

Bank of Italy

Inspection (2024)

From 17 to 19 September 2024, BPER Banca was subject to on-site inspections by the Bank of Italy to verify fulfilment of ECAF requirements on all debtors potentially eligible for monetary policy refinancing purposes (static pool) assessed using an internal ratings-based (IRB) system. On 6 May 2025, the Bank of Italy communicated the outcomes of its inspection. On 22 October 2025, BPER Banca communicated the completion of the corrective actions implemented to address the findings identified by the Supervisory Authority.

CONSOB - the Italian Securities and Exchange Commission

Inspection (2025)

From 20 January to 7 October 2025, BPER Banca was subject to an inspection on investment services and product governance as a follow-up to the inspection carried out in 2020 on the same areas of analysis. The Bank is waiting to learn the decisions of the Supervisory Authority.

Single Resolution Board – SRB

Inspection (2025)

From 10 March to 28 March 2025, BPER Banca was the subject of an on-site inspection on the Minimum Requirement for own funds and Eligible Liabilities (MREL), Liability Data Reporting (LDR) and bail-in operations. The Bank is waiting to learn the decisions of the Supervisory Authority. On 6 January 2026, the bank received the Final Report summarising the findings identified by the Supervisory Authority.

5. REMUNERATION OF THE BOARD OF DIRECTORS

We bring to your attention the topic of the determination of the amount of Directors' emoluments, as provided for by art. 11 of the Articles of Association.

The Shareholders' Meeting held on 19 April 2024 established that the amount of fees payable to Directors, in accordance with art. 11 of the Articles of Association, for the financial years 2024-2026 was a total of Euro 1,925 thousand and that this amount was for the payment of emoluments of the members of the Board of Directors as well as additional emoluments payable to the other internal Committees. The shareholders' meeting also established attendance fees of Euro 500 for the Directors, based on their participation in the meetings of the Board of Directors. Excluded, however, were additional emoluments payable to Directors appointed to particular positions in compliance with the Articles of Association (specifically Chair, Deputy Chair and Chief Executive Officer): pursuant to art. 11 of the Articles of Association, this remuneration is established, in fact, by the Board of Directors, on the proposal of the Remuneration Committee and after hearing the opinion of the Board of Statutory Auditors.

The total amount of fees, determined as indicated and charged to the income statement of the year on an accrual basis, in compliance with IAS 19 under "Staff costs – Directors and Statutory Auditors", was Euro 1,890 thousand (Euro 1,771.9 thousand at 31 December 2024), below the set limit of Euro 1,925 thousand. In detail, this amount includes the fees due to members of the Board of Directors of Euro 1,350 thousand (1,267.4 thousand at 31 December 2024), the fees for participation in various Internal Committees set up to meet the obligations of Corporate Governance of Euro 540 thousand (Euro 504.5 thousand at 31 December 2024).

In addition to these amounts, there were also attendance fees for Directors taking part in meetings of the Board of Directors of Euro 140.5 thousand (Euro 135.5 thousand at 31 December 2024), additional emoluments payable to the Chair and Deputy Chair of Euro 520 thousand (Euro 474.8 thousand as at 31 December 2024) and to the Chief Executive Officer of Euro 1,500 thousand (Euro 1,411.7 thousand as compared to 31 December 2024).

The total amount is therefore Euro 4,050.5 thousand, compared with Euro 3,793.9 thousand for 2024.

6. PROPOSAL FOR THE ALLOCATION OF PROFIT FOR THE YEAR

Having completed our presentation of the results of operations and the various events that took place in the year just ended, we now submit to you the proposed allocation of profit, Euro 1,464,744,643.29, which follows the criteria of prudence and attention to the strengthening of capital, in line with the guidance provided by the Supervisory Authorities. The proposed allocation of profits provides for an allocation to the non-distributable reserve pursuant to Legislative Decree No. 38/2005 (art. 6, paragraph 1, letter a), against unrealised profits, net of the related tax effects, in the amount of Euro 16,455,824.78, and an amount of Euro 72,414,440.93 to the legal reserve from the 2025 profit share necessary to meet the requirements of art. 2430 of the Italian Civil Code.

Given the capital adequacy of the Parent Company and the Group, in accordance with the parameters established by prudential supervisory regulations, on 25 November 2025, following a resolution of the Board of Directors on 5 November 2025, an interim dividend of Euro 0.10 was paid for the 1,964,323,646 shares representing the share capital outstanding as at the ex-date, totalling Euro 196,432,364.60.

We propose the payment of a cash dividend of Euro 0.56 per share for the 2,091,322,638 shares representing the share capital expected to be outstanding on the ex-date, totalling Euro 1,171,140,677.28, excluding from this allocation the shares held in the portfolio on the ex-date (as at 31 December 2025, these numbered 2,387,716).

The total amount allocated for dividends therefore comes to Euro 1,367,573,041.88, corresponding to 75.2% of consolidated net profit.

The residual amount of profits, equal to Euro 8,301,335.70, is allocated to the extraordinary reserve.
On the basis of the foregoing, the share of profit for the year to be allocated to equity, net of the portion to be distributed to the Shareholders, amounts to Euro 97,171,601.41.

Trusting that you will grant your consent, we therefore present in accordance with the Articles of Association the following proposed allocation of the profit for the year:

(in Euro)

Profit for the year	**Euro**	**1,464,744,643.29**
- allocation to the legal reserve	Euro	72,414,440.93
- allocation to the restricted reserve - art. 6, para. 1, letter A of Legislative Decree 38/05	Euro	16,455,824.78
- allocation to the extraordinary reserve	Euro	8,301,335.70
- interim dividend, approved by the Board of Directors on 5 November 2025, amounting to Euro 0.10 per share for the 1,964,323,646 shares representing the share capital	Euro	196,432,364.60
- allocation to the Shareholders as a dividend of Euro 0.56 for the 2,091,322,638 shares making up the share capital	Euro	1,171,140,677.28

According to Borsa Italiana s.p.a.'s calendar, the dividend will be paid as of 20 May 2026 (payment date), with date of detachment of coupon (ex-date) on Monday, 18 May 2026 and date of entitlement to payment under art. 83-terdecies of the Consolidated Law on Finance (record date) on Tuesday, 19 May 2026.

It is important to note that the dividend is subject to withholding tax or forms part of taxable income to a varying extent depending on the status of the recipients.

7. OUTLOOK FOR OPERATIONS

With regard to the international macroeconomic context, the US economy continued to grow significantly in the third quarter of 2025, particularly through consumption, which remained solid even in the last part of the year. Furthermore, investments in AI-related technologies have played a significant role, at the same time boosting international trade. In China, domestic demand remains weak, affected as it has been by the prolonged property crisis and, more recently, by the contraction in investment, the first since 1996. According to the OECD Economic Outlook of December 2025[4], global GDP rose by 3.2% in 2025 (slowing slightly from 3.3% in 2024) and is projected to grow by 2.9% in 2026.

With regard to the euro area, GDP grew at a moderate pace in the third quarter, with very mixed trends among the major countries. In the fourth quarter, activity continued to moderately grow, driven especially by the positive contribution of services, laying the foundations for further expansion of the economic activity in 2026.

According to the ECB Eurosystem staff macroeconomic projections[5] published in December, after a 1.4% growth in 2025, GDP growth is projected to be 1.2% in 2026, 1.4% in 2027 and 1.4% in 2028. Compared with the September 2025 projections, GDP growth has been revised up over the whole projection horizon, reflecting better than expected data, reduced trade policy uncertainty, stronger foreign demand and lower energy commodity prices. In its October and December meetings, the ECB Governing Council decided to keep the key interest rates unchanged. Decisions were based on assessments that remained broadly unrevised compared to previous meetings, as against inflation projections in line with the medium-term target and overall balanced risks. The context remains highly uncertain, especially due to geopolitical tensions and global trade dynamics.

Italy's GDP increased slightly in the third quarter, owing to the sharp rise in exports and to the expansion in investment, which benefitted from the tax incentives and from other measures under the NRRP. Household consumption grew modestly, reflecting still unfavourable expectations for the international economic outlook. The fourth quarter saw an improvement in the PMI (Purchasing Managers' Index) leading indicators and the business confidence index, pointing to a recovery in GDP, which is expected to continue in 2026. Growth is projected to be driven by expanding domestic demand, with consumption and investment increasing as a result of favourable financial conditions. However, concerns about the economic outlook persist, reflecting a greater propensity to save, which remains higher than before the pandemic. According to the Bank of Italy's projections[6], Italy's GDP grew by 0.6% in 2025, and will grow at the same pace in 2026 and then strengthen slightly in the two years 2027-28.

Modena, 11 March 2026

The Board of Directors
The Chair
Fabio Cerchiai

4 OECD Economic Outlook, December 2025.

5 ECB – ECB Eurosystem staff macroeconomic projections for the euro area countries, December 2025.

6 Bank of Italy – Economic Bulletin, January 2026.

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Balance Sheet

(in Euro)

Assets		31.12.2025	31.12.2024
10.	Cash and cash equivalents	8,337,603,425	7,904,463,540
20.	Financial assets measured at fair value through profit or loss	1,506,131,269	1,255,116,193
	a) financial assets held for trading	835,329,363	692,599,809
	c) other financial assets mandatorily measured at fair value	670,801,906	562,516,384
30.	Financial assets measured at fair value through other comprehensive income	4,666,125,793	5,482,633,502
40.	Financial assets measured at amortised cost	110,724,025,968	104,690,420,797
	a) loans to banks	12,119,993,405	12,361,412,012
	b) loans to customers	98,604,032,563	92,329,008,785
50.	Hedging derivatives	779,556,838	649,351,060
60.	Change in value of macro-hedged financial assets (+/-)	(84,444,271)	-
70.	Equity investments	6,729,840,622	2,321,574,347
80.	Property, plant and equipment	1,825,206,271	1,837,382,985
90.	Intangible assets	548,980,392	528,593,525
100.	Tax assets	1,200,514,171	1,570,508,287
	a) current	226,053,894	379,120,288
	b) deferred	974,460,277	1,191,387,999
110.	Non-current assets and disposal groups classified as held for sale	297,732,825	26,104,388
120.	Other assets	4,550,718,721	5,417,937,117
	Total assets	**141,081,992,024**	**131,684,085,741**

(in Euro)

Liabilities and shareholders' equity		31.12.2025	31.12.2024
10.	Financial liabilities measured at amortised cost	117,055,526,703	113,628,469,903
	a) due to banks	13,311,956,077	12,536,802,246
	b) due to customers	94,702,456,935	89,948,468,877
	c) debt securities issued	9,041,113,691	11,143,198,780
20.	Financial liabilities held for trading	321,473,996	252,345,658
30.	Financial liabilities designated at fair value	3,385,872,640	2,615,611,402
40.	Hedging derivatives	87,683,942	210,346,847
50.	Change in value of macro-hedged financial liabilities (+/-)	(43,704,286)	(81,842,602)
60.	Tax liabilities	235,378,698	37,222,782
	a) current	176,792,492	-
	b) deferred	58,586,206	37,222,782
70.	Liabilities associated with assets classified as held for sale	320,753,002	-
80.	Other liabilities	2,799,335,041	3,060,057,461
90.	Employee termination indemnities	87,570,981	108,627,150
100.	Provisions for risks and charges	1,083,794,663	1,250,948,057
	a) commitments and guarantees granted	95,651,628	92,268,360
	b) pension and similar obligations	103,282,636	115,297,293
	c) other provisions for risks and charges	884,860,399	1,043,382,404
110.	Valuation reserves	132,069,525	12,450,580
130.	Equity instruments	1,800,004,769	1,115,596,130
140.	Reserves	5,026,233,070	4,890,520,255
145.	Advanced dividends (-)	(196,357,334)	-
150.	Share premium reserve	4,589,105,042	1,244,575,939
160.	Share capital	2,953,571,915	2,121,637,109
170.	Treasury shares (-)	(21,064,986)	(32,029,433)
180.	Profit (Loss) for the year (+/-)	1,464,744,643	1,249,548,503
	Total liabilities and shareholders' equity	**141,081,992,024**	**131,684,085,741**

Income Statement

(in Euro)

Items		31.12.2025	31.12.2024
10.	Interest and similar income	3,811,285,127	4,468,505,870
	of which: interest income calculated using the effective interest method	3,542,177,687	4,188,859,200
20.	Interest and similar expense	(1,176,917,705)	(1,710,129,194)
30.	**Net interest income**	**2,634,367,422**	**2,758,376,676**
40.	Commission income	1,783,642,029	1,646,308,803
50.	Commission expense	(185,506,349)	(162,818,049)
60.	**Net commission income**	**1,598,135,680**	**1,483,490,754**
70.	Dividends and similar income	268,811,493	208,777,975
80.	Net income from trading activities	222,690,981	91,290,023
90.	Net income from hedging activities	(3,594,286)	1,856,777
100.	Gains (Losses) on disposal or repurchase of:	43,252,478	67,975,604
	a) financial assets measured at amortised cost	34,007,111	62,528,356
	b) financial assets measured at fair value through other comprehensive income	8,268,926	5,430,549
	c) financial liabilities	976,441	16,699
110.	Net income on other financial assets and liabilities measured at fair value through profit or loss	(179,876,122)	(131,214,250)
	a) financial assets and liabilities designated at fair value	(192,569,194)	(129,759,652)
	b) other financial assets mandatorily measured at fair value	12,693,072	(1,454,598)
120.	**Net interest and other banking income**	**4,583,787,646**	**4,480,553,559**
130.	Net impairment losses/write-backs for credit risk relating to:	(264,778,371)	(247,756,919)
	a) financial assets measured at amortised cost	(265,059,609)	(247,547,461)
	b) financial assets measured at fair value through other comprehensive income	281,238	(209,458)
140.	Gains (losses) from contractual modifications without derecognition	(571,530)	(1,286,941)
150.	**Net income from financial activities**	**4,318,437,745**	**4,231,509,699**
160.	Administrative expenses:	(2,366,908,424)	(2,568,428,668)
	a) staff costs	(1,456,444,736)	(1,586,052,602)
	b) other administrative expenses	(910,463,688)	(982,376,066)
170.	Net provisions for risks and charges	(32,818,881)	(48,723,384)
	a) commitments and guarantees granted	(3,005,301)	19,495,992
	b) other net provisions	(29,813,580)	(68,219,376)
180.	Net adjustments/write-backs on property, plant and equipment	(147,427,130)	(148,786,402)
190.	Net adjustments/write-backs on intangible assets	(168,812,787)	(155,891,868)
200.	Other operating expense/income	424,455,810	367,478,786
210.	**Operating costs**	**(2,291,511,412)**	**(2,554,351,536)**
220.	Gains (Losses) of equity investments	(15,570,666)	31,452,573
230.	Valuation differences on property, plant and equipment and intangible assets measured at fair value	1,236,846	(22,226,588)
250.	Gains (Losses) on disposal of investments	(395,488)	911,906
260.	**Profit (Loss) from current operations before tax**	**2,012,197,025**	**1,687,296,054**
270.	Income taxes on current operations for the year	(547,452,382)	(437,747,551)
280.	**Profit (Loss) from current operations after tax**	**1,464,744,643**	**1,249,548,503**
300.	**Profit (Loss) for the year**	**1,464,744,643**	**1,249,548,503**

	Earnings per share (Euro) 31.12.2025	Earnings per share (Euro) 31.12.2024
Basic EPS	0.890	0.883
Diluted EPS	0.877	0.862

Statement of Other Comprehensive Income

(in Euro)

Statement of other comprehensive income		31.12.2025	31.12.2024
10.	**Profit (loss) for the year**	**1,464,744,643**	**1,249,548,503**
	Other comprehensive income, after tax, that will not be reclassified to profit or loss	**39,100,139**	**14,195,318**
20.	Equity instruments measured at fair value through other comprehensive income	13,963,295	44,506,917
30.	Financial liabilities designated at fair value through profit or loss (changes in own creditworthiness)	6,473,071	(37,798,363)
40.	Hedge of equity instruments measured at fair value through other comprehensive income	(275,573)	(5,055,249)
50.	Property, plant and equipment	13,467,984	12,901,061
70.	Defined benefit plans	5,471,362	(359,048)
	Other comprehensive income, after tax, that may be reclassified to profit or loss	**66,496,445**	**47,610,513**
120.	Cash flow hedges	(1,168,552)	1,118,286
140.	Financial assets (no equity instruments) measured at fair value through other comprehensive income	67,664,997	46,492,227
170.	**Total other comprehensive income after tax**	**105,596,584**	**61,805,831**
180.	**Other comprehensive income (Items 10+170)**	**1,570,341,227**	**1,311,354,334**

Statement of Changes in Shareholders' Equity as at 31 December 2025

(in Euro)

	Balance as at 31.12.2024	Changes in opening balances	Balance as at 1.1.2025	Allocation of prior year results		Changes during the year									Shareholders' equity as at 31.12.2025
				Reserves	Dividends and other allocations	Changes in reserves	Transactions on shareholders' equity							Other comprehensive income as at 31.12.2025	
							Issue of new shares	Purchase of treasury shares	Advanced dividends	Extraordinary distribution of dividends	Changes in equity instruments	Derivatives on treasury shares	Stock options		
Share capital:	**2,121,637,109**	**-**	**2,121,637,109**	**-**	**-**	**-**	**831,934,806**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,953,571,915**
a) ordinary shares	2,121,637,109	-	2,121,637,109	-	-	-	831,934,806	-	-	-	-	-	-	-	2,953,571,915
b) other shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share premium reserve	**1,244,575,939**	**-**	**1,244,575,939**	**-**	**-**	**-**	**3,344,529,103**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,589,105,042**
Reserves:	**4,890,520,255**	**-**	**4,890,520,255**	**396,573,908**	**-**	**(260,861,093)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**5,026,233,070**
a) from profits	4,395,618,805	-	4,395,618,805	396,573,908	-	(181,218,031)	-	-	-	-	-	-	-	-	4,610,974,682
b) other	494,901,450	-	494,901,450	-	-	(79,643,062)	-	-	-	-	-	-	-	-	415,258,388
Valuation reserves	**12,450,580**	**-**	**12,450,580**	**-**	**-**	**14,022,361**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**105,596,584**	**132,069,526**
Equity instruments	**1,115,596,131**	**-**	**1,115,596,131**	**-**	**-**	**-**	**(58,000,000)**	**-**	**-**	**-**	**742,408,638**	**-**	**-**	**-**	**1,800,004,769**
Advanced dividends	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(196,357,334)**	**-**	**-**	**-**	**-**	**-**	**(196,357,334)**
Treasury shares	**(32,029,433)**	**-**	**(32,029,433)**	**-**	**-**	**1**	**28,163,809**	**(17,199,363)**	**-**	**-**	**-**	**-**	**-**	**-**	**(21,064,986)**
Profit (Loss) for the year	**1,249,548,503**	**-**	**1,249,548,503**	**(396,573,908)**	**(852,974,594)**	**(1)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,464,744,643**	**1,464,744,643**
Shareholders' equity	**10,602,299,084**	**-**	**10,602,299,084**	**-**	**(852,974,594)**	**(246,838,732)**	**4,146,627,718**	**(17,199,363)**	**(196,357,334)**	**-**	**742,408,638**	**-**	**-**	**1,570,341,227**	**15,748,306,645**

Statement of Changes in Shareholders' Equity as at 31 December 2024

(in Euro)

	Balance as at 31.12.2023	Changes in opening balances	Balance as at 1.1.2024	Allocation of prior year results		Changes during the year									Shareholders' equity as at 31.12.2024
				Reserves	Dividends and other allocations	Changes in reserves	Transactions on shareholders' equity							Other comprehensive income as at 31.12.2024	
							Issue of new shares	Purchase of treasury shares	Extraordinary distribution of dividends	Changes in equity instruments	Derivatives on treasury shares	Stock options			
Share capital:	**2,104,315,691**	**-**	**2,104,315,691**	**-**	**-**	**-**	**17,321,418**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,121,637,109**
a) ordinary shares	2,104,315,691	-	2,104,315,691	-	-	-	17,321,418	-	-	-	-	-	-	-	2,121,637,109
b) other shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share premium reserve	**1,236,525,140**	**-**	**1,236,525,140**	**-**	**-**	**-**	**8,050,799**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,244,575,939**
Reserves:	**3,975,545,595**	**-**	**3,975,545,595**	**937,562,995**	**-**	**(22,588,335)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,890,520,255**
a) from profits	3,480,644,145	-	3,480,644,145	937,562,995	-	(22,588,335)	-	-	-	-	-	-	-	-	4,395,618,805
b) other	494,901,450	-	494,901,450	-	-	-	-	-	-	-	-	-	-	-	494,901,450
Valuation reserves	**(49,355,251)**	**-**	**(49,355,251)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**61,805,831**	**12,450,580**
Equity instruments	**150,000,000**	**-**	**150,000,000**	**-**	**-**	**-**	**(24,249,999)**	**-**	**-**	**989,846,130**	**-**	**-**	**-**	**-**	**1,115,596,131**
Treasury shares	**(2,243,974)**	**-**	**(2,243,974)**	**-**	**-**	**-**	**3,973,536**	**(33,758,995)**	**-**	**-**	**-**	**-**	**-**	**-**	**(32,029,433)**
Profit (Loss) for the year	**1,361,391,527**	**-**	**1,361,391,527**	**(937,562,995)**	**(423,828,532)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,249,548,503**	**1,249,548,503**
Shareholders' equity	**8,776,178,728**	**-**	**8,776,178,728**	**-**	**(423,828,532)**	**(22,588,335)**	**5,095,754**	**(33,758,995)**	**-**	**989,846,130**	**-**	**-**	**-**	**1,311,354,334**	**10,602,299,084**

Statement of Cash Flows

Indirect method

(in Euro)

A. OPERATING ACTIVITIES	31.12.2025	31.12.2024
1. Operations	**2,361,211,159**	**2,621,631,013**
- profit (loss) for the year (+/-)	1,464,744,643	1,249,548,503
- gains/losses from financial assets held for trading and financial assets/liabilities measured at fair value through profit and loss (-/+)	(168,893,307)	(89,683,050)
- gains (losses) from hedging activities (-/+)	3,594,286	(1,856,777)
- net impairment losses/write-backs for credit risk (+/-)	348,167,404	294,074,678
- net impairment losses/write-backs on property, plant and equipment and intangible assets (+/-)	315,003,071	326,904,858
- net provisions for risks and charges and other expense/income (+/-)	186,364,080	324,147,349
- unsettled taxes (+/-)	194,032,695	382,735,484
- other adjustments (+/-)	18,198,287	135,759,968
2. Cash generated/absorbed by financial assets	**(4,354,490,752)**	**(1,018,179,540)**
- financial assets held for trading	91,577,413	130,130,760
- financial assets designated at fair value	-	1,991,000
- other financial assets mandatorily measured at fair value	(115,958,174)	(57,001,622)
- financial assets at fair value through other comprehensive income	965,211,019	1,268,803,702
- financial assets measured at amortised cost	(6,627,112,212)	(3,574,470,410)
- other assets	1,331,791,202	1,212,367,030
3. Cash generated/absorbed by financial liabilities	**3,395,236,244**	**(4,100,669,032)**
- financial liabilities measured at amortised cost	3,221,408,802	(3,808,190,746)
- financial liabilities held for trading	69,128,338	(79,252,084)
- financial liabilities designated at fair value	713,010,476	679,154,916
- other liabilities	(608,311,372)	(892,381,118)
Net cash generated/absorbed by operating activities	**1,401,956,651**	**(2,497,217,559)**

B. INVESTMENT ACTIVITIES	31.12.2025	31.12.2024
1. Cash generated by:	**239,819,350**	**34,744,368**
- disposal of equity investments	20,285,747	106,242,352
- dividends collected on equity investments	212,840,664	168,729,571
- disposal of property, plant and equipment	6,677,888	13,369,997
- disposal of intangible assets	15,051	-
- purchase of subsidiaries and business lines	-	(253,597,552)
2. Cash absorbed by:	**(880,181,597)**	**(538,027,030)**
- purchase of equity investments	(364,711,916)	(205,583,930)
- purchase of property, plant and equipment	(62,250,244)	(113,252,999)
- purchase of intangible assets	(187,854,353)	(219,190,101)
- purchase of subsidiaries and business lines	(265,365,084)	-
Net cash generated/absorbed by investment activities	**(640,362,247)**	**(503,282,662)**

C. FUNDING ACTIVITIES	31.12.2025	31.12.2024
- issue/purchase of treasury shares	(21,040,983)	(28,663,241)
- issue/purchase of equity instruments	742,408,638	989,846,130
- distribution of dividends and other scopes	(1,049,331,928)	(423,828,532)
Net cash generated/absorbed by funding activities	**(327,964,273)**	**537,354,357**
Net cash generated/absorbed during the year	**433,630,131**	**(2,463,145,864)**

Key: (+) generated (-) absorbed

Reconciliation

Items	31.12.2025	31.12.2024
Cash and cash equivalents at the beginning of the year	7,904,463,540	10,367,851,338
Total net cash generated/absorbed in the year	433,630,131	(2,463,145,864)
Cash and cash equivalents: effect of change in exchange rates	(490,246)	(241,934)
Cash and cash equivalents at the end of the year	**8,337,603,425**	**7,904,463,540**

EXPLANATORY NOTES SEPARATE FINANCIAL REPORT

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Key to abbreviations in tables:
FV: Fair value
FV* = fair value calculated excluding value adjustments due to changes in the credit rating of the issuer since date of issuance.
NV: Nominal or notional value
BV: Book value
L1: Fair value hierarchy – Level 1
L2: Fair value hierarchy – Level 2
L3: Fair value hierarchy – Level 3
X: not applicable

PART A
Accounting policies

A.1 – GENERAL INFORMATION

Section 1 – Declaration of compliance with international accounting standards

The Separate Financial Report as at 31 December 2025 has been prepared in accordance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), endorsed by the European Commission, as provided by EU Regulation No. 1606 dated 19 July 2002, and currently in force, including the related interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC).
Reference is also made, where necessary, to the "Conceptual Framework for Financial Reporting" and to the documents prepared by the Italian Accounting Body (OIC) and the Italian Banking Association (ABI).
In the absence of a standard or interpretation specifically applicable to a particular transaction, the Parent Company makes use of the professional opinion of its own staff, in particular the Financial Reporting and Reports Department, to develop a rule for accounting recognition that makes it possible to provide reliable financial information and to ensure that the Financial Report gives a true and fair view of the financial position, result of operations and cash flows of the Bank, reflecting the economic substance of the transaction and its key aspects.
In formulating these accounting rules, reference is made as far as possible to International Accounting Standards and interpretations dealing with similar or comparable matters.
As part of its guidance and coordination activity, the Bank requires the other Group Banks and Companies to apply the Group's own accounting recognition rules, in the right circumstances.

As required by IAS 8, the following table shows the new international accounting standards or amendments to standards already in force, with the related Approval Regulations, whose application is mandatory from 2025 and whose adoption had no effect on the balance sheet and income statement.

EC Approval Regulation	Title	In force from years beginning
2024/2862	Commission Regulation (EU) No. 2862/2024 of 12 November 2024 adopting IAS 21 The effects of changes in foreign exchange rates was published in the Official Journal of the European Union L Series on 13 November 2024. Amendments to IAS 21 specify when a currency is exchangeable into another and, when it is not, how a company determines the exchange rate to apply, and the disclosures a company is to provide when a currency is not exchangeable.	1 January 2025

The following table shows the new international accounting standards or amendments to standards already in force, that have not been adopted in advance by BPER Banca, whose application is mandatory from 1 January 2026 or later date.

EC Approval Regulation	Title	In force from years beginning
2025/1047	Commission Regulation (EU) 2025/1047 of 27 May 2025 amending Regulation (EU) 2023/1803 as regards International Financial Reporting Standard 9 (Financial Instruments) and International Financial Reporting Standard 7 (Financial Instruments: Disclosures) published by the IASB on 30 May 2024, was published in the Official Journal of the European Union L Series on 28 May 2025. In particular, the amendments aim at: - clarifying the classification of financial assets with variable returns associated with environmental, social and governance (ESG) objectives and the criteria to be used for the assessment of the SPPI test; - determining that the date of settlement of a liability using an electronic payment system is the same as the date in which the liability is extinguished. However, an entity is permitted to adopt an accounting policy to make it possible to derecognise, before the settlement date, a financial liability that will be settled with cash when specified criteria are met. With these amendments, IASB also introduced further disclosure requirements about investments in capital instruments designated as FVOCI.	1 January 2026
2025/1266	Commission Regulation (EU) 2025/1266 of 30 June 2025 amending Regulation (EU) 2023/1803 as regards International Financial Reporting Standard 9 (Financial Instruments) and International Financial Reporting Standard 7 (Financial Instruments: Disclosures) on "nature-dependent electricity contracts" published by the IASB on 18 December 2024, was published in the Official Journal of the European Union L Series on 1 July 2025. The amendments were issued with the aim to help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements. in particular, they: - clarify the application of the "own-use requirement"; - allow for the use of these contracts as hedging instruments under hedge accounting; - introduce new disclosure requirements for such instruments.	1 January 2026
2025/1331	Commission Regulation (EU) 2025/1331 of 9 July 2025 adopting the "Annual Improvements to IFRS Accounting Standards – Volume 11" was published in the Official Journal of the European Union L Series on 10 July 2025. Narrow-scope amendments have been made to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statement of Cash Flows Companies will apply the amendments at the latest as of the financial reports starting from 1 January 2026 or at a later date.	1 January 2026

The Bank has not exercised the option of earlier application of the aforementioned Regulations; in preparation for their implementation from 1 January 2026, it has instructed its relevant administrative units to carry out the necessary analyses to identify and address any requirements for their application. More specifically:

- with regard to Regulation (EU) 2025/1047, the Directors do not consider that the amendments introduced will have a significant impact on the Group's balance sheet and income statement;
- with regard to Regulation (EU) 2025/1266, the Directors do not consider that the banking business, as conducted by the BPER Banca Group, will be directly affected;
- with regard to Regulation (EU) 2025/1331, the Directors do not expect any significant impact on the Group's balance sheet and income statement.

Additionally, on 28 November 2025, the IASB published the document "Disclosures about Uncertainties in the Financial Statements - Illustrative examples and the Basis for Conclusions". The illustrative examples were developed to improve the application of the accounting standards when reporting the effects of uncertainties in financial statements. The examples demonstrate how companies can apply existing disclosure requirements in the face of uncertainty, (particularly climate-related uncertainty, but not limited to this). As accompanying materials to IFRS Accounting Standards, these illustrative examples do not have an effective date.

The 2004/109/EC Directive (the "Transparency" Directive) and Delegated Regulation (EU) 2019/815 (Regulation ESEF) introduced the obligation for issuers of securities listed on regulated markets of the European union to prepare their annual financial reports in XHTML language, based on the ESEF (European Single Electronic Format), approved by ESMA.

The documents for which, at the date of this Consolidated Financial Report, the competent bodies of the European Union have not yet completed the endorsement process necessary for the adoption of said amendments, are reported below.

- On 13 November 2025, the IAS published a document entitled "Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21)". The purpose of the amendments is to specify the translation procedures for an entity whose presentation currency is that of a hyperinflationary economy. The amendments will reduce diversity in practice and provide an adequate basis for determining the accounting in the currency of a hyperinflationary economy. The amendments to IAS 21 will apply from 1 January 2027, but early application is permitted. The directors do not expect the adoption of this amendment to have an impact on the Group's Consolidated Financial Report.
- On 9 May 2024, the IASB published a document entitled "IFRS 19 - Subsidiaries without public accountability: Disclosures". The new principle introduces reduced disclosure requirements with respect to other IAS/IFRS standards. An entity is only permitted to apply IFRS 19 when:
  - it is a subsidiary;
  - it did not issue any debt or equity instruments for trading in a public market and it is not in the process of issuing such instruments;
  - its parent company produces a Consolidated Financial Report that complies with IFRS Accounting Standards.

The new standard will be effective from 1 January 2027. Earlier application is permitted. The directors do not expect the adoption of this amendment to have a significant impact on the Financial Report of BPER Banca. This principle will only apply to the financial statements of subsidiaries of parent companies that prepare their consolidated financial statements in accordance with the IFRS.

- On 21 August 2025, the IAS published amendments to the document entitled "IFRS 19 - Subsidiaries without public accountability: Disclosures", thereby incorporating the amendments to the IFRS standards that will come into force by 1 January 2027, the date on which IFRS 19 comes into force. In the future, IFRS 19 will be amended in conjunction with the IASB's issuance or revision of other IFRS standards. This principle will not be applied by BPER in its capacity as the parent company, but only by its subsidiaries.
- On 9 April 2024, the IASB published a document entitled "IFRS 18 - Presentation and Disclosure in Financial Statements", which will replace IAS 1 - Presentation of Financial Statements. The new standard will be effective from 1 January 2027. Earlier application is permitted. On 16 February 2026, Commission Regulation (EU) 2026/338 of 13 February 2026, amending Regulation (EU) 2023/1803 as regards International Financial Reporting Standard 18, was published in the Official Journal of the European Union. The principle further requires an entity to present comparative information in respect of the preceding period. Italian banking operators will still need to await regulatory updates from the Bank of Italy regarding Circular 262/2005 in order to ensure compliance with the correct disclosure requirements. In general, the principle requires an entity to classify income and expenses in one of five categories
  - Operating activities,
  - investment activities,
  - the financing category (as redefined under IFRS 18)
  - income taxes,
  - the discontinued operations category (with no changes made to past assumptions).

Due to the specific nature of the banking industry, income and expenses that would normally fall under the categories of investing or financing are instead included in operating profit, as investment or lending to customers constitute the sector's core business activities.

IFRS 18 also requires that, for management-defined performance measures (MPMs) used by an entity in public communications to communicate to users of financial statements management's view of a specific aspect of the financial performance of the entity as a whole, specific disclosures must be provided in a dedicated section of the Notes to the financial statements, setting out information necessary for proper interpretation.

This principle sets out updated guidance on how information should be aggregated or broken down, both in the main financial statements and in the notes, which are regarded as complementary to one another.

An entity shall classify expenses in the operating category:

- by nature;
- by function,
- or using a combination of both approaches.

In this latter case, information about some specific operating expenses shall be presented by nature in the notes.

BPER Banca has initiated a preliminary phase aimed at understanding the impact of the standard on the Bank's financial reporting, and is consequently launching a dedicated project to adjust its internal processes and procedures to the new requirements resulting from the application of IFRS 18.

Section 2 – Basis of preparation

In terms of the schedules presented and its technical form, this Separate Financial Report has been prepared on the basis of the Bank of Italy's Circular No. 262/2005, as amended (most recently by the 8th amendment dated 17 November 2022, effective for annual reporting periods beginning on or after 31 December 2023) – issued in implementation of art. 9 of Legislative Decree 38/2005 – and the additional instructions provided in separate communications[7].
During preparation, account has been taken of the interpretative and support documents for the application of the accounting standards, issued by the Italian and European regulatory and supervisory bodies and by the standard setters, to the extent applicable[8]. In particular, the most recent ones provided guidelines for better management of "Uncertainties in the use of accounting estimates", better highlighted in the next paragraph dedicated to the topic.
Where not already included in the documents mentioned above, Italian laws on the financial statements of companies[9] and the Italian Civil Code have been taken into consideration.
The Separate Financial Report consists of the Balance Sheet, the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Shareholders' Equity, the Statement of Cash Flow and the Explanatory Notes. It is accompanied by the Directors' Report on Operations.
The currency used in the Financial Report is the Euro. Figures are expressed in thousands of Euro[10].

The general criteria underlying the preparation of the Separate Financial Report are presented below:

- Going Concern[11]: assets, liabilities and off-balance sheet transactions are measured in the context of continuity over time.
- Accrual Basis of Accounting: costs and revenues are recognised on the accrual basis, regardless of when they are settled.
- Materiality and Aggregation: each material class of similar items is presented separately in the Financial Report. Items that are dissimilar in terms of their nature or use are only aggregated if they are individually immaterial.
- Offsetting: assets and liabilities, income and expenses are not offset unless required or permitted by a standard or an interpretation, or by the Bank of Italy's regulations for the preparation of the Financial Statements.
- Frequency of disclosures: information must be prepared annually or more frequently; if an entity changes its accounting reference date, the reason must be indicated together with the fact that the information provided is not comparable.
- Comparative Information: comparative information is disclosed in respect of the previous period for all amounts reported in the Financial Statements, unless required otherwise by a standard or an interpretation.
- Consistency of Presentation: the presentation and classification of items is maintained over time to ensure that information is comparable, unless specified otherwise in new accounting standards or their interpretations, or unless a change is required to improve the meaningfulness and reliability of the amounts reported. The nature of changes in account presentation or classification is described, together with the related reasons; where possible, the new criterion is applied on a retroactive basis.

Uncertainties in the use of estimates

The preparation of the Financial Report requires recourse to estimates and assumptions that may affect the amounts recorded in the balance sheet and the income statement, as well as the information about contingent assets and liabilities. The development of such estimates involves the use of available information and the adoption of subjective assessments, partly based on historical experience, in order to make reasonable assumptions for the recognition of operating events. By their nature, the estimates and assumptions used may change from period to period and, accordingly, it may be that the actual amounts recorded in the Financial Report in subsequent periods are significantly different as a consequence of changes in the subjective assessments made.

7 These include the indications contained in communication of 14/03/2023 (repealing previous communications of 15 December 2020 and 21 December 2021) with provisions concerning the impacts of Covid-19 and the measures to support the economy and amendments to IAS/IFRS.

8 Reference is made, inter alia, to: ESMA's public statements of 14 October 2025, 24 October 2024, 25 October 2023, 28 October 2022 and 29 October 2021 concerning the "European Common Enforcement Priorities for Annual Financial Reports", ESMA's public statement of 13 May 2022 "Implications of Russia's invasion of Ukraine on half-yearly Financial Reports".

9 In particular, Legislative Decree 136 of 18 August 2015 - Implementation of Directive 2013/34/EU relating to Separate Financial Reports, Consolidated Financial reports and related documents of certain types of companies, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Directives 78/660/EEC and 83/349/EEC, for the part relating to the annual accounts and consolidated accounts of banks and other financial institutions, as well as the publication of the accounting documents of branches, established in a Member State, of credit institutions and financial institutions with registered offices outside that Member State, which repeals and replaces Legislative Decree 87 of 27 January 1992.

10 As regards roundings, reference has been made to the instructions given in Bank of Italy's Circular 262/2005 and subsequent updates, entering the amount due to rounding in "Other assets/other liabilities" in the balance sheet and "Other operating expense/income" in the income statement.

11 Please refer to the paragraph below, dedicated to the going concern principle, for more information on the assessment generally conducted.

The principal situations in which management is required to make subjective assessments include:
- quantification of the losses arising from the impairment of loans and, in general, other financial assets;
- determination of the fair value of financial instruments, in particular, the use of measurement models to determine the fair value of financial instruments that are not listed in active markets and those that are not routinely measured at fair value;
- determination of the fair value of owned properties;
- quantification of the provisions for employee benefits and the provisions for risks and charges;
- estimates and assumptions about the recoverability of deferred tax assets;
- measurement of other intangible assets.

Also with reference to the IASB document dated 27 March 2020[12], the usual measurement models adopted by the Bank (in particular, the models used to estimate the ECL and determine the Significant Increase in Credit Risk – (SICR), within the framework of IFRS 9 impairment) can be supplemented, also on a recurring basis, for example through the application of "post-model adjustments" in relation to the ECL estimate, or through "collective assessments"[13] supplementing the analytical staging rules, if the information needed for their implementation is not characterised by the "reasonableness and sustainability" requirements needed to fully incorporate the effects of some relevant events for quantifying credit risk, but still not managed by the econometric models used to determine the risk parameters.
Given that this situation continued also in 2025, as a result of the events mentioned later in paragraph "*Method for determining the extent of impairment - Risks and uncertainties inherent in the current macroeconomic environment - Management Overlays applied in the assessment of credit risk*" as causes of uncertainty, the valuations as at 31 December 2025 were also carried out by applying Management Overlays, it being understood that these were also consistent with the indications of the IAS/IFRS standards.

Going Concern[14]

In preparing the Separate Financial Report for the year ended 31 December 2025, the Directors considered the going-concern assumption to be appropriate because they did not find any uncertainties related to events or circumstances that, individually or collectively, could give rise to doubts about the going concern. This assessment took account of the capitalisation of the Bank, which has significant buffer capital with respect to the minimum requirement established by the European Central Bank, as well as the liquidity position and related buffer with respect to the regulatory threshold, and the likely outlook for operations despite the uncertainties linked to the current macroeconomic context.

Inspections and audits

Directors believe that the observations arising from the various inspection areas to which the Bank is subject will not have a significant impact on the income, balance sheet and cash flows of the Bank. Nevertheless, in all cases, suitable action plans are prepared by the Bank in order to ensure a timely response to the recommendations made by the Supervisory Authorities[15].

Section 3 – Events after the reporting period

This Separate Financial Report was approved on 11 March 2026 by BPER Banca's Board of Directors, which authorised its publication.

Information about the events that took place after the reporting date of this Separate Financial Report is presented and described in the section of the Directors' Report on Group operations entitled "Significant events and strategic transactions", to which reference should be made for more details.

Exposures to the Middle East

In relation to the Israeli-Palestinian conflict, the Bank's exposure to the countries directly involved is minimal.
The on-balance sheet credit exposure to counterparties in Israel and the Palestinian territories is nil.
The portfolio has no exposure to Israel government bonds and/or to equities and fund units relating to Israeli counterparties.
There are also off-balance sheet risks arising from guarantees issued for Euro 2.6 million, relating to Israeli counterparties.

12 IASB 27 March 2020: "IFRS 9 and Covid-19 – Accounting for expected credit losses applying IFRS 9 Financial Instruments in the light of the current uncertainty resulting from the Covid-19 pandemic".

13 Reference is made to IFRS 9 §§ B.5.5.4-B5.5.9 and the "EBA Guidelines on credit institutions' credit risk management practices and accounting for expected credit losses" (EBA/GL/2017/06) of 20 September 2017.

14 As required by document No. 2 issued with joint signature by the Bank of Italy, CONSOB and ISVAP (now IVASS) on 6 February 2009.

15 For the update of events occurred in 2025 in relation to the inspection areas in which the BPER Banca Group has been involved, please refer to paragraph "Inspections and audits" of the Directors' Report on Operations.

Taking a more conservative approach, the analysis extended to neighbouring countries potentially affected by geopolitical tensions (Egypt, Lebanon, Iran and Qatar) indicates that the overall risk remains limited. The on-balance sheet exposure to counterparties in the aforementioned countries amounts to Euro 7.6 million, whilst off-balance sheet risks arising from guarantees issued amount to Euro 22.0 million.

Section 4 – Other aspects

Risks and uncertainties inherent in the current macroeconomic environment - Management Overlays applied in the assessment of credit risk

The persistent uncertainty in the general and sectoral macroeconomic scenario, mainly due to geopolitical tensions (the armed conflicts in Russia-Ukraine and in the Middle East) and U.S. policies on global trade and international relations, accompanied by measures to combat climate risk with unpredictable effects on the economic and production system, have led the Bank to maintain constant control and continuous monitoring in particular of credit risk and its assessment for treatment in the financial statements.
In this regard, even in 2025 the Bank carried out dedicated analyses, aimed at identifying the best methods of intervention on the credit risk measurement and forecasting systems, later aligning them with the prevailing context and trying to avoid being excessively pro-cyclical in the definition of collective provisions, as indicated by the Regulators (among others especially ESMA and the ECB).

The following is a summary of the changes made to the assessment of the Expected Credit Loss of the Loan portfolio in relation to the Management Overlays applied as at 31 December 2025 and their impact on the year then ended.

(in Euro millions)

Top-down adjustments	Add-on 31.12.2025	Add-on 31.12.2024	P&L impact 31.12.2025
Multi-scenario ECL "expert" correction - macroeconomic scenario weights	(63.5)	(71.4)	7.9
High-risk economic sectors (particularly energy-intensive and exposed to Russia risk)	(56.2)	(122.4)	66.2
Collective Staging "Emilia-Romagna flooding"	-	(3.4)	3.4

A +20% correction factor was maintained to the LGD parameter to also reflect, under IFRS 9, the changes already applied under the AIRB following the 2021 inspection and the related actions required by the ECB, which led to an increase of Euro 58.7 million in ECL.

Moreover, with a view to bringing forward some methodological advancements in the risk models used to estimate the ECL on the loan portfolio, provisioning add-ons have been quantified which, as at 31 December 2025, led to a Euro 107 million increase in ECL, of which:

- Euro 89.9 million recognised in 2025;
- Euro 17.1 million as at December 2025 for a project already budgeted in the fourth quarter of 2024.

Therefore, some updates to the risk models adopted by the Group were implemented in 2025; further information on this is provided in the following paragraph dedicated to the *Method for determining the extent of impairment*, which had economic impacts as changes in accounting estimates. More specifically, it should be noted that the extension of the correction factor to the PD parameter for the Long-term Property SMEs, Retail SMEs and Small Business Operators in-model adjustment vulnerable sectors, is adopted to replace the 'high-risk' overlay.

Implementation of the global minimum tax rules for multinational and domestic groups under Pillar 2 and related amendments to IAS 12 on income taxes

In 2013, as part of the BEPS (Base Erosion and Profit Shifting) Project, a complex process to reform international tax standards was launched at the initiative of the OECD and G20 countries which includes, among others, the Pillar 2 project, with the aim of ensuring a level playing field for companies worldwide, preventing a race to the bottom in corporate tax rates and promoting efficient investment and localisation decisions for business activities. This competitive equality would be achieved by applying a system of suitable common rules to ensure that the transnational group pays an effective tax rate of no less than 15% (OECD agreed rate) in each jurisdiction in which it is established.
The Pillar 2 system of rules developed at international level on the basis of the OECD technical guidance was implemented at EU and single market level with Directive No. 2022/2523/EU, adopted by the Council of the European Union on 14 December 2022 and published in the Official Journal of the European Union L 328/2022 of 22 December 2022, which also extended the scope of application to national Groups of EU countries.

The European provisions were then implemented in Italy by Legislative Decree No. 209 of 27 December 2023, published in the Official Gazette of the Italian Republic No. 301 General Series of 28 December 2023 (the "Decree").
In particular, the Decree establishes a taxation additional to the ordinary income taxes (the Top-Up Tax) which consists of a minimum supplementary tax IIR) payable by the Italian-based parent company of multinational or national groups in relation to companies belonging to the group subject to an effective tax rate of less than 15% and a domestic minimum tax (so-called QDMTT) applied by companies belonging to a multinational or national group located in Italy subject to low taxation, until the minimum effective rate of 15% is reached. The purpose of this second tax is to allow supplementary tax to be levied in the country where a low level of taxation has occurred, thus avoiding that all tax is levied in the country of location of the direct or indirect parent company.
The subjective scope of application of the new taxes is limited to companies belonging to multinational and domestic groups with annual revenues of Euro 750 million or more, resulting from the Consolidated Financial Report of the parent company in at least two of the four financial years preceding the financial year under consideration.
The provisions of the Decree apply with respect to financial years beginning on or after 31 December 2023 (1 January 2024 for entities whose financial year coincides with the calendar year).
In view of the imminent implementation of the new Pillar 2 tax provisions in some jurisdictions, on 23 May 2023, the IASB approved a number of amendments to IAS 12 on income taxes. In particular, the amendments to the standard introduce a temporary mandatory exception to the recognition of deferred tax assets and liabilities related to the minimum additional tax introduced with the implementation of the Pillar 2 regulations and some specific disclosure requirements both for periods when the Pillar 2 legislation is in force or substantially in force but not yet effective, and for periods when the regulations will be effective. These disclosure requirements can be applied as from annual financial statements beginning on or after 1 January 2023.
Specifically, an entity is asked to:

- disclose whether the exception applies to recognising and disclosing information about deferred tax assets and liabilities related to Pillar 2 income taxes;
- provide separate evidence of its current tax expense (income) related to Pillar 2 income taxes;
- in periods in which Pillar 2 legislation is enacted or substantively enacted but not yet in effect, an entity shall disclose known or reasonably estimable information that helps users of the Financial Report understand the entity's exposure to Pillar 2 income taxes arising from that legislation.

In order to meet the disclosure objective, the entity shall disclose qualitative and quantitative information about its exposure to Pillar 2 income taxes at the end of the reporting period. This information does not have to reflect all the specific requirements of the Pillar 2 legislation and can be provided in the form of an indicative range. To the extent information is not known or reasonably estimable, an entity shall instead disclose a statement to that effect and disclose information about the progress in assessing its exposure.
BPER Banca meets the quantitative requirement of the new Pillar 2 regulation and is therefore potentially impacted by it; for this reason, it constantly monitors the progress of regulations in the main foreign jurisdictions where it operates, including Luxembourg, Switzerland and the Principality of Monaco also following the integration of the Banca Popolare di Sondrio Group.
The exposure to Pillar 2 income taxes for the BPER Banca Group companies essentially derives from the effective tax rate, which is calculated separately for each financial year and for each country of operation. This rate is equal to the ratio of the country's adjusted relevant taxes to the country's relevant net income.
To limit the administrative and compliance expenses for multinational groups and fiscal administrations, called upon to respectively apply and monitor the correct application of the global minimum tax rule during the initial period (for periods starting before 31 December 2026 and ending not after 30 June 2028), operators that meet specific requirements are given the possibility to use 'transitional safe harbours' based on data mostly deriving from the Country-by-Country Report. With regard to Italy, the implementing provisions of the aforementioned transitional safe harbours are set out in the ministerial decree of 20 May 2024, published in the Official Journal of 28 May 2024, issued pursuant to art. 39, paragraph 3, of Italian Legislative Decree 23 December 2023, No. 209, which, in line with the common approach, supplemented the regulatory framework on global minimum taxation.
On the basis of the estimates and data available to date, BPER Banca meets the requirements to access the transitional safe harbours in all jurisdictions with the sole exception of Switzerland. However, the calculation of the Swiss National Bank's actual tax rate under the GloBE Rules (i.e. in full compliance) shows a tax rate of over 15%. Consequently, for the 2025 tax year, the Group as a whole is not subject to the obligation to pay the supplementary minimum tax via Income Inclusion Rule (IRR) or Qualified Domestic Minimum Top-up Tax (QDMTT). For this reason, no Pillar 2 current taxes were recognised in the report as at 31 December 2025, nor have any deferred tax assets and liabilities been recognised with reference to the regulation in question, in compliance with the temporary exception on this matter provided for by IAS 12.

Domestic tax group election

BPER Banca has exercised the option as the consolidating company together with its subsidiaries listed in the table below for the "domestic tax consolidation" regime, governed by Articles 117-129 of the Consolidated Income Tax Act and introduced by Legislative Decree No. 344/2003 and subsequent amendments.

Domestic tax consolidation consists of a scheme, applicable on an optional binding basis for three years, by individual companies connected by a relationship of control pursuant to article 117 of the Consolidated Income Tax Act, whereby, for the consolidating company or entity, a single IRES tax base (taxable income or tax loss) is determined for the group of companies calculated as the algebraic sum of the tax base of the individual companies adhering to this scheme, as emerges from their respective tax returns.

On 31 December 2024, the three-year period relating to the option exercised by Banco di Sardegna s.p.a., BPER Trust Company s.p.a. and BPER Real Estate s.p.a. came to an end. When the consolidating company filed its tax return for the 2024 tax year, the parties confirmed their intention to proceed with the tacit renewal of the option for the three-year period 2025-2027.
On 31 December 2025, the option exercised by Banca Cesare Ponti s.p.a., Bper Factor s.p.a., Finitalia s.p.a., Arca Holding s.p.a. and Arca fondi SGR s.p.a. also came to an end. The companies concerned have indicated their intention to exercise their right to renew the option for the subsequent three-year period 20262028; notification of this will be given when the company's tax return for the 2025 tax year is filed.

Consolidated companies	2023	2024	2025	2026	2027
Banca Cesare Ponti s.p.a.	x	x	x		
Bibanca s.p.a.		x	x	x	
Banco di Sardegna s.p.a.			x	x	x
BPER Factor s.p.a.	x	x	x		
Sardaleasing s.p.a.		x	x	x	
BPER Trust Company s.p.a.			x	x	x
BPER Real Estate s.p.a.			x	x	x
Finitalia s.p.a.	x	x	x		
Arca Fondi SGR s.p.a.	x	x	x		
Arca Holding s.p.a.	x	x	x		

Information on public disbursements pursuant to art. 1, paragraph 125 of Law 124 of 4 August 2017 ("Annual market and competition law")

Law 124 of 4 August 2017 "Annual law for the market and competition" (hereafter Law 124/2017) introduced a series of measures designed to ensure transparency in the public disbursements system (art. 1, paragraphs 125[16] to 129). In particular, this law states that companies should provide in the Explanatory Notes to the Financial Report and in any consolidated Explanatory Notes, information relating to "grants, contributions, remunerated offices and economic advantages of any type" (hereinafter referred to as "public disbursements") received from Public Administrations and other subjects indicated by the said law. Non-compliance with the disclosure requirement results in an administrative penalty of 1% of the amount received, with a minimum of Euro 2,000. At a later stage, the law requires return of the public disbursement[17].
In order to avoid publishing insignificant information, there is no disclosure requirement for public disbursements of less than Euro 10,000 received by the same party.
Since August 2017, the National State Aid Register has been active in the Executive Board for incentives to companies of the Ministry of Economic Development, in which State aid and *de minimis* aid payments to any company by subjects that grant or manage such aid have to be published. For individual aid granted to the Bank, please refer to the "Transparency of the Register" section, whose access is publicly available.

16 Paragraph expanded by art. 35 of Decree 34/2019. Paragraphs 126 to 129 not amended.

17 As stated in Assonime Circular no. 32 dated 23 December 2019.

That said, in compliance with the provisions of art. 1, paragraph 125, of law 124 of 4 August 2017, the amounts collected during 2025 by BPER Banca and by the subsidiaries by way of "grants, contributions, remunerated offices and economic advantages of any type" are listed below.

(in thousands of Euro)

Companies	Type of grants	Amounts received in 2025
BPER Banca s.p.a.	Regulation for inter-professional funds for continuing education for the granting of exempted State aid pursuant to EC regulation 651/2014 and under a *de minimis* aid scheme pursuant to EC regulation 1407/2013	1,787
BPER Banca s.p.a.	Grants for photovoltaic incentives	20
BPER Banca s.p.a.	Company nursery/kindergarten contributions	3

Audit

The Separate Financial Report of BPER Banca s.p.a. as at 31 December 2025 has been audited by Deloitte & Touche s.p.a., which was appointed for the period 2017-2025 at the Shareholders' Meeting held on 26 November 2016, as required by Legislative Decree 39 of 27 January 2010.

A.2 – MAIN ITEMS IN THE FINANCIAL STATEMENTS

Classification of Financial assets - Business Model and SPPI test (items 20, 30 and 40)

IFRS 9 requires financial assets represented by loans and receivables and debt securities to be classified into three accounting categories, using the following criteria:

- the business model used to manage them;
- the contractual characteristics of the cash flows of financial assets (or SPPI tests).

The classification of financial assets depends on a combination of these two criteria, as indicated below:

- Financial assets measured at amortised cost (AC): assets that include the "Hold to collect" business model (HTC) and pass the SPPI test;
- Financial assets measured at fair value through other comprehensive income (FVTOCI): assets that include the "Hold to Collect & Sell" business model (HTCS) and pass the SPPI test;
- Financial assets measured at fair value through profit or loss (FVTPL): assets that provide for an "Other" business model or, on a residual basis, assets that cannot be classified in the previous categories due to the negative outcome of the SPPI test.

Business Model

The Bank has identified its own Business Models taking into consideration the core business sectors in which it operates, the strategies adopted to date in order to realise the cash flows of the assets in portfolio, as well as the strategic forecasts of business development.

The Bank's core business is related to the generation and management of credit relationships for the Retail and Corporate sectors (including Large Corporate) and, therefore, follows a logic of holding them presumably until they expire in order to collect the contractual cash flows. According to IFRS 9, this operation is attributable to a "Hold to Collect" type Business Model.

Another sector of activity for the Bank, supporting the pursuit of banking objectives, is the Finance sector which includes the balance sheet and income statement items of the Bank deriving from treasury activities, management of proprietary portfolios, access to financial markets and specialist operational support to the sales network.

For the purpose of identifying the Business Model in the Finance sector, the analysis linked the relevant activities carried on by the finance department to management of the proprietary portfolios. It was therefore possible to identify the following proprietary portfolios:

- Investment Banking Book, consisting of the set of instruments managed collectively in order to reduce volatility on the interest margin. This type of portfolio mainly pursues a strategy of holding financial instruments to maturity, thereby sterilising market risk. The strategy of this portfolio therefore involves management of the principal risks such as credit risk, interest rate risk and sovereign risk. In application of IFRS 9, this portfolio has been included in the "Hold to Collect" Business Model.
- Liquidity Banking Book, consisting of a set of financial instruments whose strategy is aimed at holding them in order to manage liquidity and optimise the risk-return profile at Group level. This type of portfolio pursues investment strategies in order to:
  - optimise net interest income;
  - increase the amount of assets that can be readily liquidated to mitigate the Group's exposure to liquidity risk;
  - diversify credit risk.

  The strategy of this portfolio involves management of the principal risks such as liquidity risk, credit risk, interest rate risk, market risk and sovereign risk. In application of IFRS 9, this portfolio has been included in the "Hold to Collect & Sell" Business Model.
- Trading portfolio, consisting of a set of financial instruments for trading purposes (government securities, ETFs, structured securities, UCITS units, ABS, etc.), guaranteeing the management of market risk. The profit purpose of this portfolio is mainly pursued through the change in the fair value of the instruments.
  The strategy of this portfolio involves management of the principal risks such as market risk, credit risk, interest rate risk and sovereign risk. In application of IFRS 9, this portfolio has been included in the "Other" Business Model.
- Customer Trading Portfolio, consisting of financial assets repurchased from customers, or held to offer an investment service to them (residual portfolio). In application of IFRS 9, this portfolio has been included in the "Other" Business Model.
- Capital Market, consisting of financial instruments held for market making on securities (government, supranational, corporate, covered bond and government guaranteed debt securities), guaranteeing the management of market risk. The profit purpose of this portfolio is mainly pursued through the change in the fair value of the instruments. The strategy of this portfolio therefore involves management of the principal risks such as market risk, credit risk, interest rate risk and sovereign risk. In application of IFRS 9, this portfolio has been included in the "Other" Business Model.

IFRS 9 envisages the possibility of modifying the Business Model, highlighting that the situations that lead to this change are "very infrequent", to be attributed to significant events (internal or external) that affect the management strategy (and therefore derive from decisions of Senior Management of the Entity); in addition, they must be adequately supported by resolutions and linked to events or objective facts evidenced also towards third parties.
The change in business model must also take place before the consequent reclassification of the assets affected by that change, which is possible only on the first day of the next reporting period.

Regarding the combination of frequency and significance thresholds, the Bank has defined quantitative limits (both in relative terms with respect to the portfolio size, and in absolute terms) to be applied to sales made on the "Hold to Collect" portfolio.
It also defines the concepts of "proximity to maturity", identifying the 12 months prior to the repayment date, and "increasing credit risk" in line with the staging criteria described below (classification in Stage 2 allows the sale of instruments).

SPPI Test

In order to analyse the characteristics of the contractual cash flows deriving from financial assets (loans and receivables, and debt securities), BPER Banca has defined an SPPI test based on 12 decision-making trees, so as to consider all the contractual characteristics relevant to the test.
BPER Banca has also adopted some assumptions regarding both the loan portfolio and the debt securities portfolio. The main choices are shown below.

- in relation to the debt securities portfolio, the units of mutual investment funds, both open and closed-ended, fail the SPPI test; with regard to the securities issued as part of securitisation transactions, for the purposes of credit risk assessment it has been assumed that the mezzanine and junior tranches generally bear a higher credit risk than the average risk of the underlying portfolio of instruments and, consequently, fail the test;
- in relation to the Benchmark Cash Flow Test (BCFT) required in situations of mismatch between "tenor" and periodicity of the "refixing" of interest rates, it was agreed that the change in the "time value of money element" should be considered significant for instruments indexed to parameters with a tenor higher than a year and, consequently, that these fail the SPPI test.

Below are the references to the accounting recognition criteria (criteria for Recognition, Classification, Measurement, Derecognition of assets and liabilities, as well as criteria for Recognition of income) adopted for the main balance sheet items/ transactions carried out in the preparation of this Separate Financial Report.

1. Financial assets measured at fair value through profit or loss

Recognition

Financial assets represented by debt or equity instruments are initially recognised on the settlement date, while derivative contracts are recognised on the date of signature.
In particular, any changes in the fair value of the asset to be received between the settlement date and the earlier arrangement date are recognised at the time of settlement, in the same way in which the asset acquired is recorded.
Financial assets measured at fair value through profit or loss are initially recorded at fair value; unless stated otherwise, this is represented by the consideration paid for the transaction, without considering any related costs or income attributable to them, which are recorded directly in the income statement.

Classification

a) financial assets held for trading

Financial assets held for trading comprise those whose business model is defined as "Other". This business model applies to financial assets whose cash flows will be generated from their sale.
This also includes equity securities held for trading, for which it is not possible to exercise the irrevocable choice to present subsequent changes in fair value in the statement of other comprehensive income.
Additionally, the model includes investments in mutual funds that are held for trading and trading derivatives.

b) financial assets designated at fair value

This category comprises the financial assets for which the fair value option has been exercised.

c) other financial assets mandatorily measured at fair value

This category includes financial assets whose business model is defined as "Hold to Collect" or "Hold to Collect & Sell", but which fail the SPPI test and therefore do not satisfy the requirements for classification therein.
It also includes equity instruments not held for trading for which no irrevocable election was made to recognise subsequent changes in fair value in the statement of other comprehensive income.

Additionally, the category includes investments in mutual funds that are not held for trading.

Measurement

Subsequent to initial recognition, these assets continue to be measured at fair value. If the fair value of derivatives classified as "*Financial assets held for trading*" becomes negative, this item is recognised as a financial liability in the "*Financial liabilities held for trading*".
The methods used to determine the fair value are reported in the chapter "Information on fair value".

Derecognition

Financial assets are derecognised when the contractual rights to the cash flows deriving from them expire, when substantially all the risks/benefits associated with them are assigned, or when substantial changes are made to them.
If the Bank sells a financial asset classified among the "*Financial assets measured at fair value through profit or loss*", it is derecognised on the transfer date (settlement date).

Criteria for the recognition of income

The positive components of income, represented by the interest income deriving from financial assets classified as "*Financial assets measured at fair value through profit or loss*", are recognised on an accruals basis in the "interest" item of the income statement.
Gains and losses deriving from changes in the fair value of "*Financial assets measured at fair value through profit or loss – financial assets held for trading*" are recognised in income statement item "*Net income from trading activities*".
Gains and losses deriving from changes in the fair value of financial assets designated at fair value are recognised in income statement item "*Net income on other financial assets and liabilities measured at fair value through profit or loss: a) financial assets and liabilities designated at fair value*", while the other financial assets mandatorily measured at fair value are recognised in item "*Net income on other financial assets and liabilities measured at fair value through profit or loss: b) other financial assets mandatorily measured at fair value*".

2. Financial assets measured at fair value through other comprehensive income

Recognition

Financial assets represented by debt or equity instruments are initially recognised on the settlement date, while loans are recognised on the pay-out date.
On initial recognition, these financial assets are recorded at their fair value, which usually corresponds to the consideration paid, inclusive of the transaction costs or income directly attributable to the instruments concerned.

Classification

This category comprises:

- financial assets whose defined business model is "Hold to Collect & Sell" (HTC&S) and whose contractual terms pass the SPPI test;
- investments in equity instruments, held for purposes other than trading, for which an irrevocable election was made on initial recognition to record subsequent changes in fair value in the statement of other comprehensive income.

Measurement

Subsequent to initial recognition, these financial assets continue to be measured at fair value. Changes in the fair value of financial assets included in the HTC&S business model (debt securities) are classified in a specific equity reserve, net of Expected Credit Losses and the related tax effect. Changes in the fair value of investments in equity instruments for which the above irrevocable election was made are also classified in a specific equity reserve, net of the related tax effect.

Derecognition

Financial assets are derecognised when the contractual rights to the cash flows deriving from them expire, when substantially all the risks/benefits associated with them are assigned, or when substantial changes are made to them.
If the Bank sells a financial asset classified among the *"Financial assets measured at fair value through other comprehensive income*", it is derecognised on the transfer date (settlement date).

Recognition of components affecting the income statement

The components of income deriving from "*Financial assets measured at fair value through other comprehensive income*", excluding investments in equity instruments for which the above irrevocable election has been made, are recognised as described below:

- interest is calculated using the effective interest rate, i.e. the rate that exactly discounts cash flows over the expected life of the instrument (IRR rate). The IRR is determined taking into account any discounts or premiums on the acquisition, costs or commissions that are an integral part of the carrying amount;

- Expected Credit Losses recognised during the period are recorded in the item "Net impairment losses/write-backs for credit risk relating to: b) financial assets measured at fair value through other comprehensive income";
- on derecognition, the amount accumulated in the specific equity reserve is released to the income statement item "*Gains/Losses on disposal or repurchase of: b) financial assets measured at fair value through other comprehensive income*".

With regard to investments in equity instruments for which the above irrevocable election has been made, only the related dividends are recognised in the income statement, in the item "*Dividends and similar income*". Changes in fair value subsequent to initial recognition are recorded in a specific equity reserve; on derecognition, the amount accumulated in the above reserve is not released to the income statement but is reclassified among the profit reserves.

3. Financial assets measured at amortised cost

Recognition

Financial assets represented by debt instruments are initially recognised on the settlement date, while loans are recognised on the pay-out date; this item includes:

- loans to banks[18];
- loans to customers.

The initial value reflects the fair value of the financial instrument, generally representing the amount of the loan granted inclusive of the costs/income directly attributable to each instrument, or the subscription price in the case of debt instruments.

Classification

This category comprises the financial assets whose defined business model is "Hold to Collect" and whose contractual terms pass the SPPI test.
The "*Financial assets measured at amortised cost*" item includes loans to customers and loans to banks.
These items comprise commercial loans, repurchase agreements, loans originated by finance leases (recognised using the "financial method" pursuant to IFRS 16) and debt securities.
The Bank has classified financial instruments (loans) purchased without recourse as "*Financial assets measured at amortised cost*", after checking that no contractual clauses prevent the transfer of substantially all risks and benefits. Advances paid to the assignor of portfolios purchased with recourse are also classified in that category.

Measurement

After initial recognition, loans are valued at their amortised cost, corresponding to the initially recognised amount less principal repayments, net adjustments and amortisation - calculated using the effective interest method – of the difference between the amount paid out and the amount repayable on maturity, which is generally attributable to the costs/income directly allocated to the individual loans.
The effective interest rate is the rate that discounts the flow of estimated payments over the expected duration of the loan back to its initial net book value, inclusive of directly-related costs and revenues. In financial terms, this method of recognition distributes the economic effect of these costs and revenues over the expected residual life of the loan.
The amortised cost method is not used in relation to short-term loans (up to 12 months), since the effect of discounting would be negligible. These loans are stated at historical cost.
Costs and revenues relating to loans without a fixed term or repayable on demand are recorded directly in the income statement.
At each reporting date, financial assets measured at amortised cost are adjusted for impairment by recognising any Expected Credit Losses - ECL. Any adjustments are recorded in the income statement.

18 In accordance with the Bank of Italy Circular 262, all on demand loans to banks and central banks in the technical forms of deposits and current accounts, are recognised in item 10 "Cash and cash equivalents", despite continuing to respect the criteria for the recognition, measurement and derecognition of income statement items of the category "Assets at amortised cost".

The following items fall within this sphere, with specific assessment methods:

- Non-performing loans (in "Stage 3") which have been assigned the status of bad, unlikely to pay or past due loans in compliance with the current rules of the Bank of Italy's supervisory regulations, in line with IAS/IFRS and European supervisory regulations[19]. The amount of the adjustment of each balance is equal to the difference between its book value at the time of measurement (amortised cost) and the present value of expected future cash flows. The estimate of expected cash flows, as part of the internal recovery scenario (known as: "workout scenario"), comes from assessing analytically the position of bad loans and unlikely-to-pay loans with exposures above the thresholds set by internal procedures. The expected losses on bad loans and UTP loans below the thresholds established by internal regulations and on past due loans are determined using statistical impairment methodologies. The alternative scenario to internal recovery, i.e. related to the sale of non-performing loans on the secondary market (known as the "disposal scenario"), generally involves flows estimated on a statistical basis[20]. For further details on the models adopted by the BPER Banca Group to estimate the Expected Credit Losses (ECL) on non-performing loans, please refer to the paragraph below, entitled "*Methods for determining impairment losses - Impairment*". Any adjustments are recorded in the income statement;
- the original value of loans is reinstated in subsequent periods, to the extent that the reasons for the provisions made cease to apply, on condition that this assessment is objectively linked with events that took place subsequent to such impairment loss. Possible write-backs, also recognised in the income statement, may not exceed the amortised cost that the loan would have had if no impairment losses had been previously recognised;
- ordinary loans, classified as performing loans, feed "Stage 1" and "Stage 2"; the measurement is carried out periodically in a differentiated manner, according to the ECL model adopted by the Bank, at 12 months or lifetime, respectively, the characteristics of which are summarised in the paragraph below "*Methods for determining impairment losses - Impairment*".

Forborne exposures, which by their nature can be classified as either non-performing or performing, are subject to the same valuation methods described above. If these are performing loans, the classification is in Stage 2. Any contractual modifications made subsequent to initial recognition generally result, for Forborne exposures, in a change in the amount of the loan, with an impact on the income statement item "Gains (Losses) from contractual modifications without derecognition".
With regard to the way in which Forborne receivables are identified, please refer to the indications set forth in the internal regulations, as well as in the Part E -Credit risk of these Explanatory Notes.

Derecognition

Financial assets are derecognised when the contractual rights to the cash flows deriving from them expire, when they are assigned with transfer of substantially all the risks/benefits associated with them, or when substantial changes are made to them (including, for example, change of the debtor, modification of the reference currency, modification of the technical form of disbursement, or introduction of clauses that could modify the positive outcome of the SPPI test).
The partial write-off of non-performing exposures, made in accordance with the Bank's policies set out in the paragraph "Write-offs" of Part E, Section 2.1 - Credit Risk of these Explanatory Notes, also constitute grounds for partial derecognition.
If the Bank sells a financial asset classified among the "*Financial assets measured at amortised cost*", it is derecognised on the transfer date (settlement date).

Recognition of components affecting the income statement

The interest on instruments measured at amortised cost (loans to banks and loans to customers) is calculated using the effective interest method, i.e. using the rate (IRR) that discounts the related cash flows exactly over the expected life of the instrument concerned. The IRR and, therefore, the amortised cost are determined having regard for any acquisition discounts or premiums, costs or commissions that are an integral part of the discounted cost.
Interest on non-performing loans is calculated on the net exposure of the Expected Credit Losses.
Impairment losses or write-backs deriving from the model of adopted Expected Credit Losses are recognised in the income statement in the item "Net impairment losses/write-backs for credit risk".
Amounts deriving from alignment of the carrying amounts of financial assets to reflect changes in their contractual cash flows that do not result in accounting derecognition are recognised in the income statement item "*Gains (losses) from contractual modifications without derecognition*".

19 *The scope of non-performing loans (or those in default) defined in art.178 of EU Reg. 575/2013 (CRR) complies with EBA Guidelines for applying the definition of default and the subsequent EU Reg. 1845/2018. The application of this regulations involved the following:*
- alignment of internal classifications within the Group;
- application of the materiality thresholds to credit obligations past due, without any offset between lines of credit;
- application of the concept of "unlikely to pay", in relation to which a change in NPV of more than 1% following contractual modifications is considered substantial;
- application of the "classification contagion" rules to counterparties that are associated with or belong to groups of connected customers;
- application of rules for managing the cure period that, in addition to an observation period of 12 months for forborne positions, envisages a minimum period of 3 months for other UTP positions.

20 Counterparties classified as "Individuals" are always assessed on a statistical basis, regardless of the defined threshold.

4. "Hedging transactions".

BPER Banca has adopted Chapter 6 Hedge Accounting of IFRS 9. Only macro-hedging is still accounted for under IAS 39.

Recognition

Hedges are arranged to neutralise losses that may be incurred in relation to a given element or group of elements, as a consequence of a given risk, via profits that would be earned on another element or group of elements should that particular risk crystallise. There are two types of hedge:

- fair value hedges: arranged to hedge the exposure to changes in the fair value of a balance sheet item;
- cash flow hedges: arranged to hedge the exposure to changes in future cash flows attributable to specific balance sheet items.

Classification

Financial instruments are designated as hedges when the relationship between the hedged and the hedging instrument is adequately documented and formalised, if the hedge is effective both at the start and prospectively throughout its life.

Measurement

Hedging derivatives are measured at their fair value.
The method of accounting for the gains and losses deriving from changes in fair value depends on the type of hedge:

- fair value hedge: the change in the fair value of the hedged element representing the hedged risk is recognised in the income statement, together with the change in the fair value of the derivative instrument; any difference, which represents the ineffective portion of the hedge, determines the consequent net economic effect.
- cash-flow hedge: to the extent that the hedge is effective, changes in the fair value of the derivative are recognised in shareholders' equity; they are only recognised in the income statement when changes in the cash flows from the hedged item need to be offset, or when the hedge becomes ineffective.

Micro-hedging

In application of the IFRS 9, hedging relationships must satisfy the following requirements:

- there has to be an economic relationship between the hedged item and the hedging instrument;
- there must not be a predominance of credit risk within the fair value changes relating to this economic relationship;
- the definition of a hedge ratio that identifies the quantities of hedged items and hedging instruments considered in the hedging relationship, so as not to create a mismatch that generates an element of ineffectiveness that does not correctly reflect the objectives of the hedge.

BPER Banca monitors compliance with these requirements when defining the hedging strategy and throughout its duration; in particular, the presence of an economic relationship between the hedged item and the hedging instrument is identified in the first instance through a qualitative analysis of the characteristics of the two instruments and, in the event that they are imperfectly matched, a further quantitative analysis is carried out to verify the presence of a high degree of prospective correlation between the two (so-called "prospective hedge effectiveness testing" as explained below)

Even if not required by IFRS 9, for the sole purpose of further confirming the qualitative verification that there is an economic relationship between the hedged item and the hedging instrument, BPER Banca has chosen to maintain the pre-existing system of quantitative tests to verify the effectiveness of hedging relationships (adapted to the new characteristics of the relationships) according to the so-called "Dollar Offset Method". This method involves comparing the change in fair value of the hedging instrument with that of the hedged instrument within a given time frame. The two changes must be attributable only to the type of risk being hedged.
The Bank confirms the existence of the economic relationship when changes in the fair value of (or cash flows from) the hedging instrument, caused by the hedged risk factor, almost entirely offset those of the hedged instrument (the percentage limits fall into the range between 80% to 125%).
This monitoring is carried out on a quarterly basis, using:

- prospective tests that justify the application of hedge accounting, by demonstrating the expected effectiveness of the hedge, especially in situations of imperfect matching between the characteristics of the hedging instrument and the hedged item;
- retrospective tests that show the effectiveness of the hedge during the period under review. In other words, they measure by how much the actual results differ from the perfect hedge, even if they no longer provide binding elements with respect to maintaining the relationship.

Macro-hedging

With regard to Macro-fair value hedging, pursuant to para. 78 c) of IAS 39, the hedged item in a portfolio hedge of interest rate risk can be a portion of the portfolio of financial assets or financial liabilities that share the risk being hedged. Designation of a net amount including assets and liabilities as a hedged item is not permitted.

All of the assets or liabilities from which the hedged amount is drawn must be:
- items whose fair value changes in response to changes in the interest rate being hedged; and
- items that may be individually fair value hedged.

In the case of a portfolio hedge, the changes in the fair value of the hedged instrument are recognised as a gain or loss in profit or loss, but with no need for them be allocated to individual assets or liabilities. These changes are in fact classified in a separate Balance Sheet item that includes the adjustments to the value of the assets or liabilities that make up the hedged item (if the hedged items are financial assets: *the item "Change in value of macro-hedged financial assets"*; if they are financial liabilities: *the item "Change in value of macro-hedged financial liabilities"*).

As part of the identified hedging relationship, the methodology used to identify the hedged amount and to measure the effectiveness of the hedge must be specified. In particular, BPER Banca provides for the following to be indicated:
- the methodology used to determine repricing dates;
- the number and duration of the repricing period;
- the expected frequency of effectiveness tests;
- the methodology used to determine the amount of assets/liabilities that is designated as the hedged amount;
- the methodology used to test the effectiveness of hedges.

The hedge effectiveness test is carried out periodically, specifically on a quarterly basis.
Macro-cash flow hedges, on the other hand, are accounted for in accordance with the provisions of IFRS 9, in the same way as micro-cash flow hedges.

Derecognition

If transactions do not meet the effectiveness test, hedge accounting - as described above - is terminated and the derivative contract is reclassified as an instrument held for trading, with recognition of the related impacts in the income statement. Hedge accounting is also terminated in the following situations:
- the hedged item is sold and redeemed;
- the hedging instrument expires, is sold, terminated or exercised.

Recognition of components affecting the income statement

Income elements are allocated to the relevant income statement items on the following basis:
- spreads earned on derivatives that hedge interest-rate risk (and the interest on the hedged positions) are allocated to the items "*Interest and similar income*" or "*Interest and similar expense*";
- capital gains and losses deriving from the measurement of hedging instruments and the positions covered by fair value hedges are allocated to the "*Net income from hedging activities*" item;
- capital gains and losses deriving from measurement of the effective part of cash flow hedges are allocated to a specific valuation reserve in equity called "*Reserve for cash flow hedges*", net of the related deferred tax effect. Gains and losses relating to the ineffective part of such hedges are recorded in the *"Net income from hedging activities"* item of the income statement.

In the case of hedging equity instruments for which the option for recognition in the statement of other comprehensive income of subsequent fair value changes has been irrevocably exercised, the capital gains and losses deriving from the measurement of hedging derivatives, relating to the hedged component, are allocated to the same shareholders' equity item.

5. Equity investments

Recognition

Equity investments are recognised on the settlement date. Equity investments are recorded at cost on initial recognition, including any costs and revenues directly attributable to the transaction.

Classification

This item includes:
- Subsidiaries;
- jointly controlled companies;
- lower-value investments.

Measurement

IAS 27, IAS 28 and IFRS 11 require that subsidiaries, companies subject to joint control and associates shown in the company's Financial Statements should be measured either at cost, the solution that which the Bank has chosen, or at fair value, in compliance with IFRS 9, or according to the equity method.

If there is evidence that an investment in an associate may be impaired, its recoverable amount is estimated with reference to the present value of future cash flows, including the expected proceeds from the future sale of the investment.
If the recoverable amount is lower than the carrying amount, the difference is charged to the income statement under item "*Gains (Losses) on equity investments*", as described in the paragraph below "*Methods for determining impairment losses - Impairment*"
If the reasons for making the impairment loss cease to apply as a result of an event subsequent to recognition of the impairment loss, the related write-back is credited to the income statement without exceeding the amount of the impairment loss previously recorded.
The Parent Company's share of any losses of the investee, exceeding the book value of the investment, is recorded in a specific reserve to the extent that the company is required to fulfil legal or implicit obligations of the investee, or, in any case, to cover its losses.

Derecognition

Equity investments are derecognised when the contractual rights to the cash flows deriving from them expire, or when they are assigned with transfer of substantially all the risks/benefits associated with them.

Recognition of components affecting the income statement

Dividends are recorded in the "*Dividends and similar income*" item when the right to collection is established.
Any impairment losses/write-backs relating to the impairment of equity investments and gains or losses on the disposal of equity investments are recorded in the item "*Gains (Losses) of equity investments*".

6. Property, plant and equipment

Recognition

Property, plant and equipment are initially recorded at purchase price, including all directly attributable costs of purchasing and bringing the asset to working condition.
Expenditure on improvements that will generate future economic benefits is added to the value of the assets concerned, while routine maintenance costs are charged to the income statement.
Leases (in which the Bank is the lessee) are recognised (pursuant to IFRS 16) using the "right of use" model. At the initial recognition date, the value of the right of use is equal to the initial recognition value of the lease liability, adjusted for the following components:

- payments due for leases made on or before the effective date, net of lease incentives received;
- direct initial costs incurred by the lessee;
- an estimate of the costs that the lessee will incur for the dismantling and removal of the underlying asset and for the restoration of the site on which it is located or for the restoration of the underlying asset under the conditions set by the terms and conditions of the lease.

When the asset is made available to the BPER Banca Group for its use (initial recognition date), the related right of use is recognised.
In identifying the rights of use, the BPER Banca Group applies the "simplifications" permitted by IFRS 16; contracts with the following characteristics are therefore not considered:

- "Short-term", i.e. with a residual life of less than 12 months;
- "Low-value", i.e. with an estimated value of the asset of less than Euro 5,000.

As regards the other application choices adopted by the Bank, it should be noted that:

- with reference to the duration of the "property" leases, the Bank considers as "reasonably certain" only the first renewal period, subject to contractual clauses and specific circumstances that involve considering different contractual durations;
- as regards "Cars" and "Other contracts", the Bank makes use of the practical expedient by which the lessee is allowed to not separate the lease components from the other components, treating them as a single lease component. As regards property leases, the Bank considers the non-lease component as not material.

Classification

Property, plant and equipment comprise land, property used for operating purposes, installations, furniture, furnishings and all types of equipment.
These are property, plant and equipment that will be used for more than one accounting period and which are held for use in the production of business or the supply of goods and services, for rental to third parties or for administrative purposes.
Rights of use acquired under leases (in the capacity of lessee) are included, if these rights relate to assets classified as property, plant and equipment.
This item also includes assets awaiting finance lease and assets under construction intended for finance leasing (in the capacity of lessor), in the case of contracts "with retention of risks", as well as assets granted under operating leases (again as lessor).

The item also includes real estate assets classified according to IAS 2 "Inventories".
This item also includes leasehold improvements, relating to identifiable and separable property, plant and equipment.

Measurement

After their initial recognition, property, plant and equipment, including rights of use, are measured under the cost model, net of accumulated depreciation and impairment, with the exception of the following categories:

- own properties used in operations (IAS 16), which are measured under the revaluation model, according to which property, plant and equipment, whose fair value can be reliably determined, are recognised at a restated value, equal to the fair value at the date of the restatement, net of accumulated depreciation and any accumulated impairment losses;
- properties held for investment purposes (IAS 40), including rights of use, which are measured according to the fair value method, by which all property investments are measured at fair value and no longer subject to depreciation or impairment test;
- Inventories of property (IAS 2), which are measured at the lower of cost and net realisable value, represented by the estimated selling price less the estimated costs of completion and other costs necessary to make the sale.

After initial recognition, at the end of each financial period, the following accounting entries may take place for properties used in operations (IAS 16):

- if the carrying amount has increased following a restatement, the increase must be recognised in a specific revaluation reserve in shareholders' equity. However, the increase has to be recognised in the income statement to the extent that it reinstates a write-down of the same asset previously recognised in the income statement;
- if the carrying amount has decreased following a restatement, the decrease must be recognised in the income statement. However, the decrease has to be recognised in the statement of other comprehensive income as a revaluation surplus, to the extent that there are any credit balances in the revaluation reserve that refer to this asset. The decrease recognised in the statement of other comprehensive income reduces the amount accumulated in equity under the revaluation reserve.

When a property used in operations (IAS 16) is revalued, the carrying amount of the asset is brought into line with the revalued amount by eliminating accumulated depreciation against the gross carrying amount of the asset (a.k.a."elimination approach").
For properties held for investment purposes (IAS 40), on the other hand, following initial recognition and at each reporting date, the following is recognised in the income statement:

- a positive income component in the event of a positive difference between the fair value and the carrying amount;
- a negative income component in the event of a negative difference between the fair value and the carrying amount.

For more information on how to determine the fair value of properties, please refer below to paragraphs - "*Information on fair value*", "*Methods and frequency of identifying the fair value of own properties*".

Property, plant and equipment are systematically depreciated over their useful life, identified by single homogeneous category or, for real estate assets, charged to the individual property at the time of initial registration, adopting the straight-line method of depreciation, with the exception of:

- land acquired separately or included in the value of property (excluding value in use on buildings), since it has an indefinite useful life. The value of land included in property is deemed to be separable from the value of buildings; the division between the value of the land and the value of the building takes place on the basis of independent expert appraisals;
- properties held for investment purposes as, being valued at fair value, they are not subject to depreciation;
- works of art, since the useful life of a work of art cannot be estimated and its value normally appreciates over time;
- inventories classified in accordance with IAS 2.

The useful life of business assets is reviewed at least once a year, at the end of each accounting period, and any change with respect to the previous year is treated as a change in accounting estimate, governed by IAS 8. It is therefore accounted for prospectively, determining an impact on the depreciation charge of the year in which the change takes place and on the depreciation charges of subsequent years.
If there is any evidence at a reporting date that the value of an asset may be impaired, its carrying amount is compared with its recoverable value, being the higher of its fair value net of any selling costs or its value in use, as represented by the present value of the cash flows generated by the asset, as explained in the paragraph below "*Methods for determining impairment losses - Impairment*". Any adjustments are recorded in the income statement.
Property held for investment purposes is excluded from impairment testing.
If the reasons for recognising an impairment loss cease to apply, the loss is written back but without exceeding the carrying amount that the asset would have had (net of depreciation) if no impairment losses had been recognised in prior years.
Properties used in operations, measured under the revaluation model, any loss due to impairment of a revalued asset must be treated as a decrease in the revaluation up to its amount, after which any difference is recognised in the income statement.
Assets recognised pursuant to IAS 2 are measured at the lower of cost or net realisable value. Any adjustments are recognised in the income statement.

Change of use of properties

BPER Banca only transfers properties between the various categories (regulated respectively by IAS 16, IAS 40 and IAS 2) if there is an effective change in the use of the property. In the event of a change in use from being an property held for investment recognised at fair value to being a property used in operation by the owner or held for sale in inventory, the fair value at the date of the change in use must be considered as a replacement for the cost of the property for subsequent accounting, according to the provisions of IAS 16, IFRS 16 or IAS 2.

If a property used in operation becomes a property held for investment that has to be recognised at fair value, BPER Banca applies IAS 16 for its own properties and IFRS 16 for properties held by the lessee as an asset consisting of the right of use until the date on which the change of use occurs. BPER Banca treats any difference existing at that date between the carrying amount of the property in accordance with IAS 16 or IFRS 16 and the fair value in the same way as a revaluation, in accordance with IAS 16.

Up to the date on which a property used by the owner becomes a property held for investment recorded at fair value, BPER Banca depreciates the property (or the right of use asset) and recognises any impairment that may occur. BPER Banca treats any difference existing at that date between the carrying amount of the property in accordance with IAS 16 or IFRS 16 and the fair value in the same way as a revaluation, in accordance with IAS 16. In particular, any resulting decrease in the carrying amount of the property is charged to profit or loss for the year. However, to the extent that the amount is included in the revaluation reserve of that particular property, the decrease is recognised in the statement of other comprehensive income and reduces the revaluation reserve included in shareholders' equity.

Any resulting increase in the carrying amount is treated as follows:

- to the extent that if the increase adjusts a previous loss due to a reduction in the value of that property, it is charged to the income statement. The amount recognised in the income statement must not exceed the amount needed to restore the carrying amount that would have been (net of depreciation) if no impairment loss had been recognised;
- any remainder of the increase is recognised in the statement of other comprehensive income and increases the revaluation reserve included in equity. At the time of subsequent disposal of the property held for investment, the revaluation reserve included in shareholders' equity is transferred to retained earnings. The transfer from the revaluation reserve to retained earnings does not go through the income statement.

Derecognition

Property, plant and equipment are derecognised on disposal, or when the assets concerned are permanently taken out of use and no further economic benefits are expected from their disposal. In the case of property, plant and equipment held for use (IAS 16) to which the revaluation criterion is applied, any gain arising from disposal/derecognition, including that accumulated in the item "Valuation reserves", is transferred directly to the item "*Reserves - Retained earnings (losses) carried forward"*, without passing through profit or loss.

Recognition of components affecting the income statement

Depreciation, calculated *pro-rata temporis*, of assets measured at cost or fair value in accordance with the requirements of IAS 16 are recognised in the income statement under "*Net impairment losses/write-backs on property, plant and equipment* ".

Positive restatements of properties used in operations are recognised in equity under *"Valuation reserves"*, unless they are restoring a decrease in the value of the asset previously recognised in the income statement (in this case, the positive changes in value are recognised in the income statement under *"Gains (Losses) on property, plant and equipment and intangible assets measured at fair value"*).

Negative restatements of properties used in operations are recognised in the income statement under "*Gains (Losses) on property, plant and equipment and intangible assets measured at fair value*" unless the "*Valuation reserve*" for the specific property is not sufficiently large (in which case, the negative changes are recognised in equity as a decrease in the "*Valuation reserve*").

Any adjustments or write-backs due to the impairment of property, plant and equipment valued under the cost or revaluation models are recognised in the income statement under "*Net impairment losses/write-backs on property, plant and equipment*", unless, for the assets measured under the revaluation model, the valuation reserve relating to the specific property is not sufficiently large.

The changes in fair value, both positive and negative, relating to properties held for investment purposes are recognised in the income statement under *"Gains (Losses) on property, plant and equipment and intangible assets measured at fair value".*

Any write-downs on inventories of property, plant and equipment (IAS 2) resulting from the application of measurement at the lower of cost and net realisable value, are recognised under "*Net impairment losses/write-backs on property, plant and equipment*" in the income statement.

Disposal gains and losses are however recorded in the income statement item "*Gains (Losses) on disposal of investments*".

7. Intangible assets

Recognition

Intangible assets other than goodwill are initially recognised at cost, as represented by the purchase price paid plus any directly-related costs incurred to obtain use of the assets concerned.
Goodwill may be recognised as an intangible asset when the positive difference between the acquisition cost of an equity interest (including related charges) and the fair value of the net assets acquired, including those identified as part of the Purchase Price Allocation (PPA), is representative of the investee's ability to generate income in the future (goodwill).
If the difference is negative (badwill) or the goodwill is not justified by the investee's ability to generate income in the future, the difference is recognised in the income statement.

Classification

Intangible assets are identifiable, non-monetary assets without physical form that are expected to generate economic benefits. The qualifying characteristics of intangible assets are:

- identifiability;
- control over the resources concerned;
- expectation of economic benefits.

In the absence of any one of the above characteristics, the acquisition or internal production costs are expensed in the year incurred.
Goodwill is represented by the difference between the acquisition cost of an equity investment and the fair value, at the acquisition date, of the assets and liabilities acquired.
Other intangible assets are recognised if they are identifiable and reflect legal or contractual rights. Among these, rights of use acquired under operating leases (in the capacity of lessee) and relating to the use of an intangible asset are not included since BPER Banca, with respect to the faculty given by IFRS 16.4, has decided not to apply IFRS 16 to any operating leases on intangible assets other than those that can be acquired under licence.

Intangible assets include licensed software that satisfies the conditions specified in IAS 38. More specifically, with reference to the indications provided in the IFRIC Staff Paper dated November 2018 (Agenda ref 5 – Customer's right to access the supplier's software hosted on the cloud (IAS 38)), BPER Banca has identified the following conditions as significant for the recognition of purchased software as an intangible asset:

- existence of an exclusive right of use (linked to the user licence acquired);
- right and ability to obtain copies of the software ("download right");
- possession and real ability to use the copy of the software acquired, recognised if installed on its servers.

If these three conditions are satisfied in relation to purchased software, BPER Banca will recognise it an intangible asset to be amortised over its estimated useful life. The initial expenses incurred (even in the form of external services) to set-up, customise and implement the software can also be considered part of the initial carrying amount of the intangible asset, if linked to the functional analyses and subsequent implementation phases.

By contrast, if the above conditions for the recognition of an intangible asset are not satisfied, the purchase will relate to services giving access to software that, in substance, remains in the possession of the provider (these situations generally arise in relation to Cloud software). These purchased services are recognised as "*Administrative expenses: b) other administrative expenses*" on an accruals basis; when the initial cost incurred refers to a long-term time horizon it can be deferred (prepaid expenses – Other assets) and released to the income statement over the duration of the entire contract. If the total fee paid to the supplier for access to the software covers a variety of services, the cost will be allocated and recognised on an accruals basis with reference to each specific service.

Measurement

An intangible asset with an indefinite useful life, such as goodwill, is not amortised, but is tested periodically for impairment. An impairment test is performed annually, or whenever there is an indication of impairment, as explained in the paragraph below "*Methods for determining impairment losses - Impairment*". Any impairment loss is recognised in the income statement and the reversal thereof is prohibited.
In contrast to the treatment of goodwill, the cost of intangible assets with a finite useful life is amortised on a straight-line basis or, possibly, by use of the reducing balance method based on the flow of economic benefits expected from the asset. If there is any evidence of impairment, it is envisaged that an asset would be assessed for impairment by comparing its recoverable value to its carrying amount.
An estimate of recoverable value is made if there is any evidence of asset impairment at the reporting date. The impairment loss, expensed to income statement, is the difference between the book value of an asset and its recoverable amount, if the latter is lower, as explained in the following paragraph "*Methods for determining impairment losses - Impairment*".

Derecognition

Intangible assets are derecognised on disposal and when no further economic benefits are expected.

Recognition of components affecting the income statement

Both the amortisation charge and any net adjustments to intangible assets other than goodwill are recorded in the item "Net impairment losses/write-backs on intangible assets" of the income statement.
Disposal gains and losses are however recorded in the "Gains (Losses) on disposal of investments" item.
Any impairment losses to the value of goodwill are recorded in the item "Impairment losses on goodwill".

8. Non-current assets and disposal groups classified as held for sale and related liabilities

Recognition and classification

Non-current assets and groups of assets/liabilities subject to a disposal process (tangible, intangible and financial assets) are classified in the asset item "Non-current assets and disposal groups classified as held for sale" and the liability item "Liabilities associated with assets classified as held for sale", when such sale is deemed to be highly probable.

Measurement

These assets and liabilities are valued at the lower of their carrying amount, determined according to the relevant IFRS, and their fair value, less costs to sell, unless they are properties held for investment purposes, which, on the basis of paragraph 5 of IFRS 5, even if they are classified in "Non-current assets and disposal groups held for sale", are valued in accordance with IAS 40 and therefore at fair value through profit or loss.

Derecognition

Non-current assets or groups of assets/liabilities held for sale and discontinued operations are derecognised from the balance sheet upon disposal.

Recognition of components affecting the income statement

Income and charges (net of tax effect) relating to disposal groups held for sale are classified in the *"Gains (Losses) from non-current assets and disposal groups classified as held for sale after tax "* item of the income statement.

9. Current and deferred taxation

Taxes for the period were calculated by applying the regulations in force at financial reporting date, also taking into account the changes introduced by the latest Finance Act.
Deferred tax assets and liabilities are recorded following the positive outcome of the probability test required by IAS 12 relating to temporary changes, tax losses and tax credits. The Bank has adopted a time horizon of 5 years when forecasting recoveries, consistent with other types of estimate made by projecting future results.

Recognition and classification

Current taxation comprises the net balance of income tax payable for the year and the current tax receivable due from the tax authorities consisting of advances and other withholding tax credits or other tax credits recoverable by future offset.
Current tax assets also represent tax credit that the Group companies have requested the relevant authorities to reimburse.
Deferred taxes represent the income taxes recoverable in future periods as a result of deductible temporary differences and past tax losses (deferred tax assets), and the income taxes payable in future periods as a result of taxable temporary differences (deferred tax liabilities).

Measurement

Deferred tax assets, representing the future tax benefit deriving from deductible temporary differences and tax losses carried forward, are recognised to the extent that their recovery is highly likely. The estimate is made by performing the "probability test", as required by IAS 12. This test is based on an economic forecast developed over a prospective 5-year horizon, adjusting the pre-tax profit to consider future temporary and permanent changes in accordance with the tax legislation in force at the measurement date, so as to arrive at an estimate of the future tax profits able to reabsorb the deferred tax assets.

Derecognition

Net current taxes are generally derecognised from the balance sheet at the time of payment of the tax charge in the reference year.

Deferred tax assets and deferred tax liabilities are instead derecognised following the realignment of the tax and financial statement accrual for each income statement or balance sheet component that originated the deferred tax asset or liability. Deferred tax assets are also derecognised from the balance sheet for any portion no longer deemed recoverable following the "probability test" carried out periodically.

Recognition of components affecting the income statement

Changes in tax assets and liabilities are normally recorded in the "Income taxes on current operations" item.
As an exception, those deriving from transactions recognised directly in equity are treated in the same way, and those deriving from business combinations are included in the calculation of goodwill (or badwill).

10. Provisions for risks and charges

Recognition

The provisions for risks and charges cover liabilities whose timing and extent are uncertain, when all the following conditions are met:

- a current obligation exists at the financial reporting date, deriving from a past event. The origin of the obligation must either be legal (deriving from a contract, regulation or the provisions of law) or implicit (arising when the business causes third parties to expect that commitments will be met, even if these do not fall into the category of legal obligations);
- a financial outflow is likely;
- the extent of the obligation can be estimated reliably.

No provision is recognised for liabilities that are only possible and not probable, but information on the related contingencies is provided in the Explanatory Notes.

Classification

This item includes the provisions relating to long-term benefits and post-employment benefits governed by IAS 19, discussed in the paragraph "Other Information" - "*Employee benefits*" below, and the "Provisions for risks and charges" governed by IAS 37.
Sub-item "commitments and guarantees granted" comprises the credit risk provisions for funding commitments and financial guarantees given that are subject to the impairment rules of IFRS 9 (see para. 2.1, letter e); para. 5.5; appendix A), as well as the provisions for other commitments and other guarantees not subject to IFRS 9 impairment rules.

Measurement

Where the time element is significant, the provisions are discounted using current market rates. Provisions are charged to the income statement.
The measurement of "commitments and guarantees granted" is described in the paragraph "*Method for determining the extent of impairment*".

Derecognition

The allocated provisions are re-examined as at each financial reporting date and adjusted to reflect the best current estimate. When the use of resources aimed at producing economic benefits to fulfil the obligation becomes unlikely, the provision is cancelled.
In addition, each provision is used solely to cover outgoings for which it was originally established.

Recognition of components affecting the income statement

Impairment losses and write-backs of commitments and other guarantees granted are recorded in item "*Net provisions for risks and charges – commitments and guarantees granted*" of the income statement.
Provisions for risks and charges and the related write-backs, including the effects of the passage of time, are classified in item "*Net provisions for risks and charges – Other net provisions*" of the income statement. The provisions for employee remuneration recognised pursuant to IAS 19 are classified in income statement item "*Administrative expenses - a) Staff costs*".

Provisions are made on the basis of the best estimate of the amount that the company would reasonably pay to settle the obligation or to transfer it to third parties on the reporting date. When the financial effect of time is significant and the payment dates of obligations can be reliably estimated, the provision is calculated by discounting the expected future cash flows taking into account the risks associated with the obligation; the increase in the provision due to the passage of time is recognised in the income statement.

11. Financial liabilities measured at amortised cost

Recognition

These liabilities are initially recognised at their fair value, usually corresponding to the amount collected or the issue price, plus any additional costs/proceeds directly attributable to the individual funding transaction or issue.
This item includes:

- due to banks;
- due to customers;
- debt securities issued;
- lease liabilities.

On the start date, the lessee measures the lease liability at the present value of the lease payments that are not paid at that date. Lease payments are discounted using the interest rate implicit in the lease contract, if that rate can be readily determined, or at the incremental borrowing rate that, for the BPER Banca Group, is the Internal Transfer Rate (ITR) of funding.

The future lease payments to be included in the measurement of the lease liability comprise the following:

- fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Classification

"*Due to banks*", "*Due to customers*" and "*Debt securities issued*" comprise the various forms of interbank and customer funding. These items also include liabilities recognised by the lessee under leases, as well as funding through certificates of deposit and debt securities in issue, net of any repurchases.

Measurement

Following initial recognition, financial liabilities are measured at amortised cost using the effective interest method, except for current liabilities given the negligible effect of the time factor. Modifications to the contractual conditions of the medium-long term items (also including lease liabilities) will entail the adjustment of the carrying amount by discounting the flows envisaged by the revised contract to the original effective interest rate, without prejudice to the changes made to lease liabilities which, as clarified in IFRS 16, shall use a revised discount rate (for example if there is a change either in the lease term or in the lease payments).
Debt securities issued are recognised net of the repurchased amount.

Derecognition

Financial liabilities are derecognised when they expire or are settled. The repurchase of debt securities in issue in prior periods results in their derecognition.
In the event of a change in the contractual conditions, if the discounting of the new flows would lead to a change in the carrying amount of the liability greater than 10%, the change is deemed by the Bank to be "substantial" and relevant for the purpose of derecognition of the original liability.
The difference between the carrying amount of the liability and the amount paid to repurchase it is recorded in the income statement.

Recognition of components affecting the income statement

The negative elements of income represented by interest and similar expense are recorded in the interest items of the income statement on an accruals basis, using the effective interest method.
Costs/revenues relating to short-term payables are recorded directly in the income statement.
The difference between the carrying amount of a liability and the amount paid to acquire it is recorded in income statement item "*Gains (Losses) on disposal or repurchase of financial liabilities*".

12. Financial liabilities held for trading

Recognition

These financial instruments are recognised at their fair value on the subscription or issue date, without considering any transaction costs or income directly attributable to them.

Classification

This category of liabilities includes trading derivatives with a negative fair value, as well as derivatives with negative fair value that are embedded in complex contracts - in which the primary contract is a financial liability - but not closely correlated with them and therefore they are represented separately in the financial statements.

Measurement

All financial liabilities held for trading are measured at fair value. The methods used to determine fair value are described in the following section "Information on fair value" of these Explanatory Notes.

Derecognition

Financial liabilities held for trading are derecognised on expiry of the contractual rights over the related cash flows, or when the financial liability is assigned with the transfer of substantially all the risks and benefits deriving from its ownership.

Recognition of components affecting the income statement

The criteria applied for the recognition of income components of financial assets held for trading are adopted with suitable modifications.

13. Financial liabilities designated at fair value

Recognition

These liabilities are initially recognised at fair value, net of transaction costs or revenues.

Classification

A financial liability is designated at fair value if one of the following conditions applies:

- classification in this category eliminates "accounting mismatch", i.e. it makes it possible to significantly reduce a lack of consistency in the valuation or recognition of assets and liabilities that would otherwise lead to the recognition of gains/losses on a different measurement basis;
- it is part of groups of liabilities, or of assets and liabilities, managed together whose performance is measured at fair value, according to a documented risk-management strategy;
- there is a hybrid contract containing one or more embedded derivatives and the embedded derivative is such that it would significantly alter the cash flows that would otherwise be under the contract.

The option to designate a liability at fair value is irrevocable, is made on the individual financial instrument and does not require the same application to all instruments with similar characteristics. However, the designation at fair value of only a portion of a financial instrument attributable to a single component of risk to which the instrument is subject is not allowed.

Certificates issued

The Bank classifies its issuances of certificates as financial liabilities designated at fair value.
Certificates are securitised derivative instruments issued by the Bank and traded on multilateral trading facilities that replicate, with or without leverage, the performance of the underlying assets. Such products may provide for protection of the amount subscribed by the client or a portion thereof unconditionally with respect to the performance of the financial parameters to which they are indexed. From a substantive point of view, certificates can be defined as combinations of derivative strategies or of basic financial assets and derivatives, thanks to which it is possible to generate financial instruments with their own characteristics, substantially different from those of the assets from which they originate.
In general, market practice has traced certificates back to the following two main types of instruments:

- *Certificates with unconditional capital protection*: these are products that provide an unconditional guarantee of more than 50% of the capital initially invested. For accounting purposes, these instruments are considered "structured securities", given the preponderance of the guaranteed component over the variable component based on the performance of the certificate's underlying;
- *Other certificates*: these are products without any protection, with conditional protection, or with unconditional protection of the initial capital of 50% or less. For such products, the value depends exclusively or predominantly on the performance of the parameter to which it is indexed. For this reason, they are classified as "derivative financial instruments", and in particular among the options issued. For such instruments, the only permissible accounting portfolio is "Financial liabilities held for trading".

That said, BPER Banca issues unconditionally protected capital certificates, mainly for funding purposes and classified in the accounting portfolio of "*Financial liabilities measured at fair value*". The aforementioned classification derives primarily from the reconciliation of these liabilities to the portfolios managed by the Capital Market, which, according to Bank policy considering the objectives pursued and related reporting on performance, are measured at fair value. In addition, this classification makes it possible to pursue a kind of "natural hedge" with respect to derivatives stipulated in order to "balance" the risks assumed with derivatives embedded in issued liabilities.
With reference to the criteria for recognising the balance sheet and income statement components of certificates recognised under "Financial liabilities measured at fair value" and the related management hedging instruments, it is noted that

- The profit and loss components related to the issues under review are included in the item "Net income on other financial assets and liabilities measured at fair value through profit or loss - financial assets and liabilities designated at fair value". This item also includes the valuation effects related to the measurement of fair value, resulting from changes in the market parameters to which the certificate is indexed, as well as spreads paid to customers, either periodically or at maturity. The effects attributable to changes in own creditworthiness, recognised in a specific equity reserve ("Valuation reserves") are the only exception;
- derivatives that are, in management terms, linked to financial liabilities measured at fair value are classified in the assets under "Financial assets measured at fair value through income statement : a) Financial assets held for trading" or in the liabilities under "Financial liabilities held for trading". Capital losses and valuation gains, as well as any spreads received and paid, are recognised in the Income statement under the item "Net income from trading activities".

Measurement

Subsequent to initial recognition, these assets continue to be measured at fair value: the methodologies used in this regard are described in the section "*Information on fair value*".
The accounting treatment required by IFRS 9 for such liabilities requires that changes in fair value associated with the creditworthiness of the issuer must be recognised as a contra-entry to a specific equity reserve. The standard also establishes that the amount recognised in the specific equity reserve must not be "released" to the income statement, even if the liability is settled or expires.

Derecognition

Financial liabilities measured at fair value are derecognised when they expire or are settled.
The repurchase of debt securities in issue in prior periods results in their derecognition.
The renewed placement of treasury securities subsequent to their repurchase is deemed to represent a new issue, with recognition at the new placement price, with no effect on the income statement.

Recognition of components affecting the income statement

The entire margin related to the issues under review is included in the item "*Net income on other financial assets and liabilities measured at fair value through profit or loss: a) financial assets and liabilities designated at fair value*". Only the valuation effects attributable to changes in own creditworthiness are recognised as opposite entries to a specific equity reserve (item "*Valuation reserves*").

14. Foreign currency transactions

Recognition

On initial recognition, foreign currency transactions are recorded in the reporting currency, by translating the foreign currency amounts using the exchange rates prevailing on the transaction dates.

Measurement

At each reporting date, the amounts originally denominated in a foreign currency are measured as follows:

- monetary items are translated using the closing rate for the period;
- non-monetary items carried at historical cost are translated using the exchange rate on the date of the transaction;
- non-monetary items carried at fair value are translated at the rates at the end of the reporting period.

Classification

These comprise all assets and liabilities not denominated in euro.

Derecognition

The criteria applying to the balance sheet items concerned are used. The exchange rate applying on the settlement date is used.

Recognition of components affecting the income statement

Exchange differences deriving from the settlement of monetary items or from the translation of monetary items using rates other than the initial translation rate, or the closing rate at the end of prior periods, are recorded in the income statement for the period in which they arise.
When gains or losses relating to a non-monetary item are recorded in shareholders' equity, the related exchange differences are also recorded in shareholders' equity. Conversely, when gains or losses are recorded in the income statement, the related exchange differences are also recorded in the income statement.

15. Other information

Treasury shares

Treasury shares held following repurchase are stated at purchase cost and shown with a negative sign in item "Treasury shares" under liabilities in the balance sheet. Profits or losses deriving from their subsequent sale are recorded as changes in shareholders' equity in the item "*Share premium reserve*" under liabilities in the balance sheet.

Leasehold improvement expenditures

These costs are classified as "*Other assets*", since they cannot be recorded as part of "Property, plant and equipment", as required by Bank of Italy instructions.
The related amortisation is recorded in the "*Other operating expenses (income)*" item.

16. Income statement: Revenues

In addition to the information about the principal balance sheet items provided above in the sections on the "Recognition of components affecting the income statement", it is noted that revenue from contracts with customers is recognised, as required by IFRS 15, at an amount equal to the consideration that the BPER Banca Group is entitled to collect in exchange for the transfer of goods or services to the customer. Revenues may be recognised:

- at a specific point-in-time, when the entity fulfils the obligation to transfer the promised goods or services to the customer, or
- over time, as the entity fulfils the obligation to transfer the promised goods or services to the customer.

In this context, goods are transferred when, or over the period in which, the customer obtains control over them.
The price of the transaction is the amount of consideration that the entity is entitled to receive in exchange for the transfer to the customer of the promised goods or services, excluding any amounts collected on behalf of third parties (e.g. sales taxes).
In order to determine the price of the transaction, the BPER Banca Group considers the contract terms and conditions and its normal business practices, including all the following elements to the extent applicable:

- variable consideration, if it is highly likely that the amount will not be adjusted in the future;
- restrictions on the estimates of variable consideration;
- existence in the contract of a significant financial component;
- non-monetary consideration;
- consideration payable to the customer.

BPER Banca has identified types of revenue linked to services provided to customers only as regards item "Commission income".
The Bank has not identified any significant situations in relation to:

- fees relating to various performance obligations given to customers;
- costs incurred and suspended to obtain and fulfil contracts with customers.

Other types of revenue, such as interest and dividends, are recognised applying the following criteria:

- interest on instruments measured at amortised cost is calculated using the effective interest method;
- dividends are recognised when the shareholders' right to receive payment is determined.

17. Income statement: Costs

In addition to the information about the principal balance sheet items provided above in the sections on the "*Recognition of components affecting the income statement*", costs are recognised in the income statement on an accruals basis; as already highlighted, no costs were identified for obtaining and contracts fulfilled with customers shall be recognised in the income statement in a manner correlated with the related revenue.
Recruitment incentives for financial advisors, paid in connection with the acquisition of new contracts with customers (investment services), are instead qualified as "costs incurred to obtain a contract" pursuant to IFRS 15 and are amortised over a seven-year period, corresponding to the average expected duration of the contractual relationships acquired.

Marginal costs and revenues directly attributable to the acquisition of an asset or issue of a financial liability measured at amortised cost are recognised in the income statement together with the interest on the financial asset or liability using the effective interest method.

18. Employee benefits

Classification

Employee benefits, excluding short-term amounts such as wages and salaries, comprise:

- post-employment benefits;
- other long-term benefits

Post-employment benefits are, in turn, divided into defined-contribution plans and defined benefit plans, depending on the nature of the benefits envisaged:

- under defined contribution plans, the employer makes fixed contributions and has no legal or constructive obligation to make further contributions if the fund does not hold sufficient assets to pay all employee benefits;
- defined benefit plans are all post-employment benefit plans other than defined contribution plans.

Pursuant to Law 296 dated 27 December 2006 (2007 Finance Law):

- the employee termination indemnities earned from 1 January 2007 are deemed to be a defined contributions plan for which no actuarial calculations are required;
- the employee termination indemnities already earned up to the date indicated above, on the other hand, continue to be treated as a defined benefits plan, even though such benefits have already been fully earned. As a consequence, the actuarial value of the liability must be restated at every accounting date subsequent to 31 December 2006.

Other long-term benefits comprise employee benefits that are not due entirely within twelve months of the end of the year in which employees accumulated their right to them.

Recognition and measurement

The value of a defined-benefit obligation is represented by the present value of the future payments necessary to settle the obligations deriving from work performed by employees in the current and prior years.
This present value is determined using the "Projected Unit Credit Method".
The employee benefits included as other long-term benefits, such as long-service bonuses that are paid on reaching a pre-determined level of vintage, are recorded for an amount determined at the reporting date using the "Projected Unit Credit Method".
Employee termination indemnities are recorded as a separate liability, while the other post-employment benefits and long-term benefits are recorded among the "Provisions for risks and charges".

Recognition of components affecting the income statement

Service costs are recorded as staff costs, together with the related accrued interest.
Actuarial gains and losses (remeasurements) relating to post-employment, defined benefit plans are recorded in shareholders' equity in the year they are identified. These actuarial gains and losses are reported in the "Statement of other comprehensive income", as required by IAS 1.
The actuarial gains and losses (remeasurements) relating to other long-term benefits are recognised in full as part of staff costs in the year in which they arise.

19. Share-based payment plans

In general, share-based payments to employees (or other equivalent parties) represent consideration for services received.
In 2019, the BPER Banca Group approved its first share-based payment plan. This plan envisages granting without charge a certain number of ordinary shares in the Bank to beneficiaries who are considered Material Risk Takers at BPER Banca level, without any increase in capital and therefore by using outstanding shares temporarily purchased by the Bank for this purpose (by contrast, no stock option plans have been activated).
In accordance with IFRS 2 - Share-based payments, the cost of employee compensation plans based on own equity instruments is recognised in the income statement with reference to their fair value on the grant date spreading the related charge over the vesting period.
Since it is difficult to measure reliably the fair value of the services received in exchange for the equity instruments, reference is made to the fair value of the latter, determined on the grant date. Based on the instructions contained in IFRS 2, this date corresponds to the moment in which the parties to the agreement become aware of its existence.
The charges relating to share-based compensation plans are recognised on an accruals basis as a cost in income statement item "*Administrative expenses: a) staff costs*", with a matching entry to equity item "*Reserves*".

Long-Term Incentive Plan – LTI of BPER Banca Group

The LTI Plan (in its three releases: "2019-2021", "2022-2024" and "2025-2027", respectively approved at the Ordinary Shareholders' Meetings held on 17 April 2019, 20 April 2022[21] and 18 April 2025) is a share-based incentive plan for the key personnel of the Parent Company and other Group companies. Preparation is underway for the Long-Term Incentive Plan (LTI Plan 2025-2027), the new version of which will be submitted for approval at the Ordinary Shareholders' Meeting on 18 April 2025.
The LTI Plan is designed to award beneficiaries an incentive that will be paid exclusively in BPER Banca ordinary shares, in compliance with the relevant regulations and consistent with the Group Business plan.
As part of the remuneration policies adopted by the Group, the LTI Plan pursues the following objectives:

- align management's interests with the creation of long-term shareholder value;
- motivate management to achieve the objectives of the Business Plan, within a framework of healthy, prudent risk management and ESG sustainability;
- strengthen key persons' sense of belonging in order to implement the Group's medium-long term strategy;

Implementation of the Plan is subject to achieving predetermined access conditions that guarantee not only profitability, but also the Group's capital stability and liquidity.
The bonus recognised at the end of the performance period - the size of which also depends on the achievement of specific objectives in terms of results, stock performance and sustainability - is paid by means of a free allocation of BPER Banca ordinary shares, subject to deferral and retention clauses.
The bonus is deferred between 55% and 60%, depending on the amount recognised at the end of the three-year reference period. Deferral lasts for five years, during which the deferred portion is allocated in five annual instalments of the same amount, subject to verification of the malus conditions. Each portion that is allocated, whether up-front or deferred, is then subjected to a retention period of one year.

The LTI Plan of the BPER Banca Group is an operation with payment settled using equity instruments and, therefore, is governed by IFRS 2.
The overall cost of the plan is equal to the sum of the cost of each tranche, calculated with reference to the fair value of BPER Banca shares at the grant date (considering in each case the period until the expected vesting date), multiplied by the number of shares that may vest in relation to the performance condition, the probability of satisfying the service condition and achievement of the entry gate condition.
This cost is allocated over the vesting period of 8/9 years, starting from the date on which the parties become aware of its existence or, in the specific case of the BPER Banca plan, the date on which the individual plan beneficiaries were informed about their participation. The cost of the services (work) provided by the employees/recipients only includes the costs associated with the LTI Plan from that date. The costs recognised are matched by a specific equity reserve.

20. Purchase of tax credits originated from benefits mentioned in the "Cura Italia" and "Rilancio" Decree Laws (the so-called "Ecobonus" and "Sismabonus")

In order to counter the negative economic effects of the spread of the Covid-19 pandemic, by Law No. 77 of 17 July 2020 converting, with amendments, Decree-Law No.34 of 19 May 2020 (the so-called "Relaunch" Decree) containing urgent measures in the field of health, support for work and the economy, Parliament issued a series of measures which, among other things, make it possible under certain conditions to benefit from a 110% deduction of the expenses incurred for specific interventions (e.g. interventions to increase the level of energy efficiency of existing buildings or reduce their seismic risk can attract a deduction of 110% of the costs incurred). The law also introduced the possibility for taxpayers to opt, instead of using the deduction directly, for an advance contribution in the form of a discount from the suppliers of goods or services ("invoice discount") or, alternatively, for the assignment of the credit corresponding to the deduction due to other entities, including therein credit institutions and other financial intermediaries. The Italian Government further ruled on the subject by issuing Decree Law No. 50/2022 "Decreto Aiuti" - Aid Decree) primarily by restructuring the target of potential of re-assignees.
As part of its commercial policies, the Bank has decided to operate as an assignee of tax credits to its customers.
The transferee bank may in turn use these credits to offset tax payments through the F24 form or, alternatively, transfer these credits to other parties.
Italian Decree Law No. 39/2024 has provided that the initial allocation of the tax deduction over 4/5 years be extended to 10 years for all expenses incurred starting from 2024. By way of derogation, the decree includes a safeguard clause for these deductions in the event that they are subject to invoice discounting or transfer. Therefore, if the bank acts as the assignee, the previous timing regime is maintained.
The portion of the tax credit not used during the year cannot be used in subsequent years and cannot be requested as a refund.

21 The terms of the second release were subsequently amended by the Shareholders' Meetings of 5 November 2022 and 3 July 2024. This meeting has been deemed necessary to ensure full consistency between the vesting period of the LTI Plan and the Bank's multi-year strategic planning. The ahead-of-time closure of the BPER e-volution 2022-2025 Business Plan on 31 December 2024 has made it necessary to align the LTI Plan length accordingly, bringing forward to 31 December 2024 the verification of the achievement of the LTI Plan results set for 31 December 2025, thus reducing the vesting period associated with the overall Plan duration, with a consequent pro-rata reduction in the target bonuses for its recipients.

The same Decree has imposed that the instalments of traceable credits purchased by banks with annual amounts equal to or greater than 2025 must be mandatorily divided into 6 equal instalments, replacing the original instalment plan, unless the same instalments were purchased at a price greater than 75% of the deduction due.
Decree Law 39/2024 has recently introduced a ban on offsetting, applicable to financial intermediaries, of superbonus and related credits with tax liabilities, with significant effects on tax capacity estimates starting from 1 January 2025.
As regards the responsibilities as to the existence of the credit, the law provides that:

- suppliers and buyers of credits are liable only for any use of the tax credit that is irregular or for a larger amount than the tax credit received;
- if the Revenue Agency finds out that one does not have all or some of the requisites that give the right to a tax deduction, it will recover the amount of the deduction not due from those to whom the bonus was granted (i.e. the seller). In addition, Decree Law No. 11 of 17 February 2023, amending article 121 of Decree Law 34/2020, established that the liability of the assignee is limited solely to cases of wilful misconduct if it demonstrates that it has acquired the credit and is in possession of the series of documents listed in the decree. The exemption of liability also applies to entities that acquire the credits from banks, following the certification of possession of the documentation.

With reference to the accounting treatment to be adopted in the Financial Report of the buying bank, since the case in question is not subject to clear instructions in the IAS/IFRS, in application of the provisions of IAS 8, paras. 10 and 11, various possible scenarios were assessed concerning the applicability of the following international accounting standards by analogy:

- IAS 20 "Accounting for government grants and disclosure of government assistance";
- IAS 12 "Income Taxes";
- IAS 38 "Intangible Assets";
- IFRS 9 "Financial Instruments".

The choice made by the Bank is to refer by analogy to the indications of IFRS 9, considering that these tax credits are in essence financial assets, as they can be:

- used to pay off a debt (e.g. a tax debt);
- incorporated in a HTC business model, or with a hold-to-maturity strategy for offsetting, if acquired within the limits of its tax capacity;
- incorporated in a HTC&S business model, or according to a mixed strategy of holding and/or sale by the date of offsetting, if the technical/business conditions are satisfied;
- incorporated in a trading business model when already in excess of its tax capacity at the purchase date;
- classified in item "Other assets".

Furthermore, the tax credits are bought by the bank at a price that discounts both the time value of money and the ability to use/sell them within a certain time limit. So at the time of initial recognition the tax credit is recognised at the price of the individual transaction - equating it to the fair value of a Level 3 instrument, as there are no official markets or comparable transactions - and thereby allowing to satisfy the condition set by IFRS 9 according to which financial assets and liabilities are to be initially recognised at fair value.
The subsequent valuation (measurement) of said assets, always in accordance with the guidelines of IFRS 9, is carried out:

- at amortised cost, if classified as HTC;
- at fair value through other comprehensive income, if classified as HTC&S;
- at fair value through profit or loss, if classified in the trading portfolio.

The amortised cost is defined considering: i) the time value of money; ii) the use of a correct effective interest rate; and iii) the uses made of the tax credit through offsets. The effective interest rate is originally set so that the discounted cash flows of the estimated future offsets over the expected duration of the tax credit equal the purchase price of the tax credits.
In relation to the determination of fair value, owing to the unique nature of these instruments, fair value fluctuations are linked to changes in market interest rates with respect to the internal rate characterising the individual transaction.
In addition, if the Bank were to revise its estimates of the use of the tax credit through offsets, it would have to adjust the gross carrying amount of the tax credit to reflect the estimated, actual and restated uses of the tax credit through offsets. In such situations, as part of the HTC Business Model, the Bank would recalculate the gross carrying amount of the tax credit as the present value of the new estimated uses of the tax credit through offsets discounted back to the original effective interest rate. In this restatement, taking into account that there is no chance of reimbursement by the counterparty (i.e. the Treasury), an impairment loss due to any failure to use the tax credits bought would be included. Within the trading Business Model, the revision of its recoverability estimates would be reversed directly in the fair value measurement of the instruments.

Considering the operations arranged by BPER Banca, it is believed that the risk of losses resulting from the non-use as offsetting is unlikely given that, with reference to the HTC business model, the balances acquired are consistent with the Bank's overall tax capacity (constantly monitored); in relation to the trading portfolio and the HTC&S portfolio, in respect of the credits acquired, assignment agreements are gradually stipulated with counterparties identified from the Bank's corporate customers, with the objective of ensuring the recoverability of the credit booked under assets.

Moreover, as part of the remeasurement at amortised cost, not finding a counterparty credit risk as realising the instrument takes place exclusively through offsetting against tax liabilities and not by receiving money from the counterparty, the IFRS 9 rules on Expected Credit Losses are not applicable.

21. Macro Fair Value Hedging

Within the BPER Banca Group, the macro fair value hedge regime is currently applied to hedge the interest rate risk inherent in formally sight funding items.

Macro Fair Value Hedge on Demand (PAV) items

Within the BPER Banca Group, the macro fair value hedge regime is currently applied to hedge the interest rate risk inherent in formally on-demand funding items, limited to the portion of such items with "inelastic core" funding characteristics, i.e. those that are substantially characterised by a trendwise fixed cost and a stable duration over time, according to the results of the behavioural model adopted by the Bank.

"Inelastic core" funding is therefore assimilated to a portfolio of fixed-rate deposit liabilities, each with a rate of return equal to the fixed market rate relative to its maturity. More specifically, the elaborated model is constructed as a series of monthly fixed-rate deposits with different maturities and periodic interest payments. Liabilities identified as fixed-rate by the behavioural model are therefore considered hedged items and are subject to macro fair value hedges for accounting purposes.

Any change in the amounts identified by the behavioural model with these characteristics, resulting from the periodic updating of the estimates themselves (either in relation to the parameters used by the behavioural model, or in relation to the decrease in the amount of funding), does not give rise to ineffectiveness in the relationship until the amount of funding included in the bucket reaches the minimum level hedged (a decrease exceeding the amount of unhedged funding). In such a case, the withdrawal of part of the hedge constitutes voluntary discontinuing.

Macro Fair Value Hedging on fixed-rate loans (dynamic Macro Hedging)

The Macro hedging model adopted by the Bank aims to reduce fair value changes due to the interest rate risk exposure of a portfolio comprising homogeneous financial assets. This is a dynamic and open portfolio of fixed-rate loans, managed at an aggregate level through hedging derivatives entered into over time. In the bottom-layer approach, which is based on the carved out version of IAS 39, prepaid loans are allocated to the unhedged amount as long as there is capacity. The model includes the following steps:

- Identifying a portfolio subject to possible hedging: this is a dynamic portfolio of fixed-rate loans segmented by time buckets which, on each test date, is adjusted with new inflows and outflows mainly due to the origination of new loans, loan subrogation from other banks to BPER, early repayments, loan subrogation from BPER to other banks, and renegotiations of fixed-rate loans;
- Identifying derivative hedging instruments, selected on the basis of risk management requirements;
- Identifying the amount hedged for accounting purposes: designation as a hedged item, within the hedged portfolio, of a generic amount of financial assets whose risk profile mirrors the risk profile of the derivatives used for hedging purposes. This amount of "cash" is designated as a hedged item in the macro-hedging report in accordance with IAS 39. Under macro hedging, the amount hedged is not linked to specific assets included in the portfolio being hedged, nor is it representative of a portion of the assets comprising the portfolio.

For the implementation of the dynamic macro fair value hedging model, it is necessary to verify upon first-time application and subsequently, at every assessment date, that the hedge is highly effective. Therefore, in this specific case, it must be proven, based on specific prospective and retrospective tests, as illustrated below, that the portfolio subject to possible hedging contains an amount of assets whose sensitivity profile and fair value changes due to interest rate risk are reflective of those of the "hypothetical meta-mortgage" corresponding to the derivatives used for hedging.

Effectiveness tests

Three different tests are required to verify that the macro fair value hedging of loans is highly effective:

- Sensitivity capacity test (*first-level test or prospective test*). This is a forward-looking test designed to verify that the sensitivity of the portfolio subject to possible hedging is greater (in absolute terms) than the sensitivity of the hedging derivatives. It is, therefore, a capacity test conducted by time buckets which consists of calculating the ratio between the sensitivity of the portfolio subject to possible hedging and that of the hypothetical meta-mortgage, broken down by individual time bucket. A test is considered passed if the ratio (broken down by time buckets) between the sensitivity of the portfolio of all covered exposures (hedged portfolio) and the sensitivity of the hypothetical meta-mortgage is greater than 100%.

- Present value capacity test (*second-level test or retrospective test*). This is aimed at testing hedge effectiveness in a dynamic portfolio management, with particular reference to the cash flows generated by the items being hedged. More specifically, it is aimed at testing the retrospective effectiveness of the model, also considering the effects of advance payments, subrogations or renegotiations of portfolio assets. From a bottom layer perspective, this test verifies that, even in light of the inflows and outflows of specific assets, the potentially hedged portfolio contains an amount of assets whose sensitivity profile and changes in present value for the hedged risk mirror those of the hedging derivative. In this regard, assets (conventionally defined as the 'hedged sub-portfolio') are identified within the potentially hedged portfolio, with:
  - a total sensitivity almost equal to that of the hypothetical meta-mortgage;
  - a change in present value for the hedged risk that is greater (in absolute terms) than the change in present value of the hypothetical meta-mortgage.

  Likewise, this is a capacity test:
  - as long as the change in the present value of the sub-portfolio of assets in question exceeds that of the hypothetical meta-mortgage, the retrospective test is passed and the third-level test is performed to recognise its accounting effects;
  - otherwise, an element of ineffectiveness will be recognised in the Income Statement, identified through the accounting effects test (or third-level test).
- Accounting effects test (*third-level test*). For each hedging derivative, the hypothetical meta-mortgage with an amortisation schedule and fixed rate matching those of the hedging derivative is considered. The effectiveness test consists of calculating the ratio between the delta fair value of the hypothetical meta-mortgage and that of the hedging derivative.
  The fair value of the hedged amount is calculated in the same way as the fair value of loans hedged in a specific fair value hedge, i.e. by discounting the cash flows of the meta loan to the OIS curve and making an adjustment to take into account the 'basis' effect with respect to the index curve of the variable leg in the hedging derivative.
  If this test is passed (hedge included in the 80-125% range), the change in the fair value of meta loans, with possible application of a percentage shortfall resulting from the retrospective test (second-level test), is recorded under the appropriate item in the Balance Sheet.
  The test is designed to determine the value to be recorded under the item "Change in value of macro-hedged financial assets (+/-)" in the Balance Sheet accounting schedule envisaged by the Bank of Italy Circular No. 262/2005, including any element of ineffectiveness to be recorded in the Income Statement under the item "Net income from hedging activities".
  As this is macro hedging, the carrying amount of the individual financial assets hedged does not change, but the generic item referred to above is adjusted following revaluations and/or write-downs of the assets subject to macro hedging.

Essentially, the first and second level tests verify, both prospectively and retrospectively, the effectiveness of the Macro Fair Value Hedge, respectively in terms of the existence of sensitivity and economic value of the hedged aggregate within the overall portfolio, while the third level test is aimed at determining the accounting impacts.

22. Extraordinary contribution pursuant to art. 1, para. 69 of 2026 Budget Law

Article 26 of Decree-Law No 104 of 10 August 2023 introduced a one-off extraordinary tax on the increase in banks' net interest income. When the decree was converted into law, banks were therefore granted the option, instead of paying the tax, to allocate, upon approval of their 2023 financial statements, an amount not less than two and a half times the tax itself to a reserve set aside for that purpose, subjecting it to a restriction on distribution governed by Article 26, paragraph 5-*bis*, last sentence, of Decree-Law No. 109/2025.
The 2026 Budget Law (Law No. 199 of 30 December 2025) introduced, with effect from the 2029 financial year, a legal presumption that such restricted reserves must be distributed as a matter of priority, resulting in an obligation to pay, in the event of distribution, the extraordinary tax not paid in 2024.
To counteract this legal presumption, banks have an option to unlock the restricted reserve by paying an extraordinary contribution:

- of 27.5% for restricted reserves existing as at 31 December 2025, with payment to be made by 30 June 2026, or
- of 33% for restricted reserves existing as at 31 December 2026, with payment to be made by 30 June 2027.

Banks that opt to pay the special levy will no longer be subject to the provisions of Article 26 (5-*bis*), last sentence, and will be entitled to distribute the restricted reserve freely without having to pay the special tax.
Depending on whether BPER Banca exercises this option, or on the decision taken regarding the payment of the extraordinary contribution in respect of the reserves established pursuant to Article 26 5-*bis* of Decree-Law 104/2023 existing as at 31 December 2025, below is a description of the accounting policy adopted by BPER Banca for the presentation of this subject matter in its financial statements.

Accounting treatment

The analyses carried out by BPER Banca suggest that the item governed by Article 1 of the 2026 Budget Law should be regarded as a new obligation, distinct from the previous one, which was settled at the time through the establishment of the reserve in 2023.

Furthermore, considering the provisions of paragraph 69 of the 2026 Budget Law, it is clear that the current obligation, established on a voluntary basis, concerns the payment of the extraordinary contribution regardless of the actual use of the reserve set up in the 2023 financial year. The identified purpose is, therefore, to impose a sort of tax on assets or on future dividend distributions from the 2029 financial year onwards. From this perspective, the case in question differs markedly from that of Article 26 of the Decree-Law of 2023.

With regard to the accounting treatment to be applied to this new obligation, the case under Article 26 is considered not to fall within the scope of IFRIC 21[22], nor within the scope of IAS 12[23].
Therefore, in the absence of specific provisions in IAS/IFRS, a specific accounting policy is deemed necessary. To this end, in accordance with paragraphs 10 and 11 of IAS 8, BPER Banca considers the reference to the principle of consistency contained in paragraph 61A of IAS 12 to be relevant and therefore applicable, according to which tax must be recognised directly in equity when it relates to items that are recognised directly in equity[24]. More specifically, recognition of the liability relating to the extraordinary contribution ("Other liabilities") is expected to be offset against a pre-existing capital reserve.

23. Method for determining the extent of impairment[25]

A. Financial assets

Impairment models

The calculation of adjustments of financial assets according to the Expected Credit Losses (ECL model envisaged by IFRS 9 is the result of a complex process of estimates that includes numerous subjective variables regarding the criteria used to identify a significant increase in credit risk, for the purpose of allocating financial assets to the stages provided for in the Standard; it also involves defining models for measuring expected losses, with the use of assumptions and parameters, which take into account current and future (or "forward-looking") macroeconomic and environmental information (physical and transition risks) including, for non-performing exposures, possible sale scenarios where the Bank's strategy envisages recovery of the loans by selling them.

In accordance with the instructions contained in the standard, the impairment model adopted by the Bank is based on the concept of "forward-looking" evaluation, i.e. on the concept of expected loss, whether calculated for the next 12 months (Stage 1) or for the residual life of the instrument (Stage 2 and Stage 3), based on the concept of a Significant Increase in Credit Risk (SICR) with respect to the date of origin of the instrument. According to the Expected Credit Loss model, the losses must be recorded not only on the basis of objective evidence of impairment losses already manifest as of the reporting date, but also on the basis of the expectation of future losses in value not yet manifest as of the reporting date, and must reflect:

- the probability of occurrence of the various system scenarios;
- the discounting effect using the effective interest rate;
- historical experiences and current and future assessments.

22 Pursuant to IFRIC 21 paragraph 4, a levy is an outflow of resources embodying economic benefits that is imposed by governments on entities in accordance with legislation (i.e. laws and/or regulations). IFRIC 21 therefore applies when there is an obligation to pay a levy that is imposed by a public authority. In the case in question, the obligation to pay would only be triggered from 2029 as a result of the decision to proceed with the distribution of profits or reserves, while the payment of the extraordinary contribution by the end of 2028 would be an independent decision by the bank, taken within the scope of its own powers. In other words, payment of the extraordinary contribution would represent a discretionary option that each bank may exercise autonomously until 2029.

23 This is because it is not an income tax. The contribution, moreover, would impact the Reserve established in 2023 regardless of the nature of the items contributing to its formation (taxed profits or other available reserves).

24 Pursuant to para. 61 A of IAS 12: "Current tax and deferred tax shall be recognised outside profit or loss if the tax relates to items that are recognised, in the same or a different period, outside profit or loss. Therefore, current tax and deferred tax that relates to items that are recognised, in the same or a different period: (a) in other comprehensive income, shall be recognised in other comprehensive income (see paragraph 62). (b) directly in equity, shall be recognised directly in equity (see paragraph 62A)."

25 As required by document No. 2 issued with joint signature by the Bank of Italy, CONSOB and ISVAP (now IVASS) on 6 February 2009.

To this end, the Bank has adopted a model for calculating the expected lifetime loss of the financial instrument, applied to instruments classified in Stage 2, which takes into consideration the following multi-period parameters:

$$LtEL_t = \sum_{t=1}^{T} PDF_t \times LGD_t \times EaD_t \times D_t$$

where:

- PDF_t is the Probability of Default Forward between 1 and t;
- LGD_t is the Loss Given Default at a forward default event between 1 and t;
- EaD_t is the Exposure at Default at time t;
- D_t is the discounting factor for the expected loss at time t, up to the current reporting date, determined using the effective interest rate,
- T is the contract maturity date.

The calculation parameters contained in the Lifetime Expected Loss formula, as they are multi-period, they evolve over time, or in the time frame coinciding with the expected life of the exposure that must be evaluated. In particular, the criteria adopted by the Bank envisage that:

- the EaD evolves in accordance with the amortisation plans, if they exist, and with the contractual repayment plans in general, possibly amended by "behavioural" hypotheses (e.g. loans with pre-payment options);
- the PD and LGD parameters evolve as a result of the changes in the credit quality observed over time and represented, as for PD, by the transition or migration matrices (e.g. migrations between rating classes).

The calculation of the expected 12-month loss (applied to instruments classified in Stage 1) can therefore be considered as the sum of expected multi-period losses for the first prospective year, or less if the deadline is within 12 months, of the Lifetime Expected Loss:

$$EL = EaD \times LGD \times PD \times D$$

where:

- EaD is Exposure at Default;
- LGD is the Loss Given Default;
- PD is the 12-month Probability of Default;
- D is the discounting factor for the expected loss, discounted for 12 months from the first period subsequent to the reporting date.

Lastly, for loans already classified in Stage 3 whose amount is lower than the threshold set in the Group's internal regulations for analytical assessment, a statistical write-down is applied using the following formula:

$$LtEL_t = EaD \times LGD$$

where:

- EaD is Exposure at Default;
- LGD is the loss resulting from a default event, which can differ according to the administrative status at the calculation date.

For the purposes of a homogeneous application of the impairment model described to the financial asset portfolios of the Bank, the same methods of calculating the value adjustments described above are applied, in addition to the on- and off-balance sheet scope of the loans, also to the portfolio of debt securities. With regard to the latter portfolio, it should be noted that, where the risk information deriving from internal models (PD and LGD) is missing, external information from qualified info providers was used.
The Expected Credit Loss (ECL) model adopted by the Bank is based on the use of risk parameters estimated for regulatory purposes (disclosure of which is given in the relevant internal regulations and in Part E of the Explanatory Notes, to which reference should be made), appropriately amended to guarantee full consistency with the requirements of IFRS 9. The main changes concerned the following aspects:

- introduction of "point-in-time" elements in the regulatory parameters estimated according to "through-the-cycle" logic;
- implementation of components based on forecast information (scenario analysis);
- extension of the time horizon (multi-year) of the credit risk parameters.

Estimate of the PD parameter

The Probability of Default (PD) represents the probability that the individual debtor (or pool of debtors) will go into default.
The introduction of a Lifetime Expected Loss model implies the need to estimate the probability of default not only in the twelve months following the reporting date, but also in subsequent years.

For this purpose, multi-year PD dynamics accumulated by rating class were defined for each model of the internal rating system based on the product among the matrices of Point-In-Time (PIT) migrations conditioned to the expected economic cycle in the first three years and among the matrices of Through-The-Cycle (TTC) migrations conditioned to the "Current Policy" climate scenario from the fourth year onwards.
More specifically, the cumulative PD curves are determined, for the first three years from the reporting date, by multiplying future PIT matrices derived from the conditioning of PIT matrices, according to the application of satellite models, to different weighted macroeconomic scenarios with the relative probabilities of occurrence. From the fourth year onwards, climate elements are also introduced through the introduction of the "Current Policy" climate scenario, which envisaged an inertial behaviour of the economic system with respect to the energy transition and a temperature rise well above the limits agreed in Paris. Due to its characteristics, the scenario adopted is the most conservative of those available from the infoprovider. Consequently, the TTC ESG matrices obtained by conditioning the long-term TTC matrices (obtained as an average of the historical PIT migration matrices) to the "Current Policy" scenario according to the application of the same satellite models applied in the first three years are used.
The ordinary "satellite models", used to link risk parameters to the evolution of macroeconomic variables, have been supplemented by some elements aimed at intercepting emerging risks which, if activated, generate more conservative default rate forecasts. The currently active models include:

- "trend" adjustment, which is an econometric mechanism to reduce the sharp decline in default rates in recent years so that the long-term component of the time series is given more weight in forecasts;
- sectoral adjustments resulting from the application of the framework for the identification of vulnerable sectors (on the Large Corporate, Corporate SMEs, Long-term Property SMEs, Retail SMEs and Small Market Players segments), aimed at identifying the geo-sectoral clusters most sensitive to the contingent macroeconomic context, so as to be able to activate the appropriate risk control mechanisms. To take account of the vulnerabilities, adjustments are expected to be made to the IFRS9 PD marginal curves for geo-sectoral clusters identified as vulnerable[26].

Estimate of the LGD parameter

Loss Given Default (LGD) is the percentage of loss incurred by the Bank in the event of a debtor default.
The need to implement a long-term approach, also through the inclusion of "forward looking" factors has involved the removal of the corrective components required for regulatory purposes ("downturn", indirect costs and margins of conservatism) and conditioning to the expected economic cycle to obtain point-in-time and forward-looking parameters by using satellite models. In particular, the conditioned components requiring specific satellite models include the probability of migration to bad loan status and the loss given default of bad loans.
Moreover, with the aim of bringing forward also to the accounting area the effects of the remediation plan of the recent inspection on internal models, the BPER Banca Group provided for the extension of the 'ECB limitation' (increase of the LGD AIRB parameter used for performing exposures equal to 20%) also to the LGD IFRS9 parameter[27].

Estimate of the EAD parameter

Exposure At Default (EAD) is the expected exposure value in the event of a counterparty default. EAD is one of the factors required for the entire credit risk measurement process and its quantification is required not only for Basel II purposes and the calculation of the RWA IRB, but also for accounting purposes in order to determine collective provisions in accordance with the International Financial Reporting Standard IFRS 9.
The concept of exposure (EAD) considered in the various future payment moments foreseen in the amortisation plan is based on the residual debt, increased by any unpaid or overdue instalments.
With reference to off-balance sheet exposures (guarantees and margins), EAD is determined by applying a credit conversion factor (CCF) to the nominal value of the exposure.

Multi-scenario approaches used for estimating ECL:

a) Macroeconomic scenarios and forward-looking factors

As required by IFRS 9, the Bank's impairment model is reflected in the risk parameters used to calculate the ECL (and the stage assignment explained below):

- current conditions in the economic cycle (Point-in-Time risk measures);
- forward-looking information about risks, considering the dynamics of the (external) macroeconomic factors that affect the lifetime expected loss;
- the probability that three possible scenarios might occur (Probability weighted).

26 The framework for the identification of vulnerable sectors and the relative correction measure have been in use since March 2024 on the Large Corporate and Corporate SMEs models and, since June 2025, on Long-term Property SMEs, Retail SMEs and Small Market Players.

27 The extension of the "ECB limitation" to the LGD parameter used to estimate ECL IFRS 9 has taken place starting from 31 March 2024. At steady state, this correction is expected to be absorbed into the additional update of the AIRB model, as required by the ECB to the Bank.

Therefore, all the risk parameters (with the exception of Exposure At Default, for which the econometric conditioning model was not applied due to the volatility of the parameter, in favour of stability) are conditioned by macroeconomic scenarios.
With reference to the multiple prospective scenarios similar to those used to estimate the ECL, the Bank has decided to use the same scenarios used by the Bank's main processes such as Planning and Budget, Risk Appetite Framework (RAF) and Lending Policies, limiting the forward-looking time horizon to a maximum of 3 years following the date of each assessment[28].

b) Application of the disposal scenario for non-performing loans

Paragraph B5.5.41 of IFRS 9 states that the purpose of estimating expected credit losses is neither to estimate the worst-case scenario nor to estimate the best-case scenario. Instead, an estimate of expected credit losses must shall always reflect the possibility that a credit loss occurs and the possibility that no credit loss occurs, even if the most likely outcome is no credit loss.
As described in the ITG "Inclusion of cash flows expected from the sale on default of loans" from the staff of the IFRS Foundation and in the "Guidelines for banks on non-performing loans (NPL)" published by the ECB in March 2017 to encourage their pro-active management, the Bank has included forward-looking factors in the assessment of non-performing loans (classified in particular as bad and UTP loans) by forecasting recoveries on a multi-scenario basis. More specifically, in line with the current processes of recovery of non-performing assets, which envisage their realisation also through sale on the market, the impairment model has integrated a sale scenario (so-called "Disposal Scenario), in line with what is defined in the Group's NPE Strategy plans for the management and reduction of the non-performing portfolio, as a possible method of recovering exposures, as an alternative to internal recovery ("Workout Scenario").
When envisaged and possible, loans classified in Stage 3 are therefore measured by weighting their estimated realisable value determined under the two possible scenarios ("workout" and "disposal") by applying a probability of occurrence to each. To this end, the Bank has adopted a model for calculating the multi-scenario net value of impaired financial assets, which considers the following parameters:

$$NBV_{Multiscenario} = FMV \times Disposal\ Scenario\ \% + NBV_{Workout} \times (1 - Disposal\ Scenario\ \%)$$

where:

- FMV is the best estimate of the "disposal" price;
- $NBV_{Workout}$ is the net book value of the loan according to internal management logic ("workout");
- Disposal Scenario % is the probability of occurrence of the disposal scenario;
- (1 – Disposal Scenario %) is the probability of occurrence of the workout scenario.

This methodology for measuring Stage 3 exposures provides the best representation of possible recoveries from, on the one hand, the application of routine internal procedures and, on the other, market disposals in implementation of the specific strategies (NPE Strategy) and targets that the Bank has committed to achieving in communications with the financial community. The measurement process therefore retains unchanged the methodology for identifying recoverable value under the workout scenario, but is supplemented by an assessment based on market parameters under the disposal scenario. The two measurement processes are carried out in parallel and their results are summarised by determining a weighted average based on the relative probabilities of occurrence.
The resulting impairment model requires the parameters used for both the workout scenario and the disposal scenario to be updated constantly. Specifically with regard to the workout scenario, the internal assessment of the recoverability of the exposure is revised constantly, based on the strategies/rescheduling/recovery actions implemented in application of a methodology that is both customised and "expert"; with reference to the disposal scenario, the FMV is updated regularly (every quarter) with reference to the information available about disposal conditions until the selling prices are matched by a "welcome" binding offer from a potential purchaser (probability of disposal close to 100%).
The best estimate of the disposal price of the positions is determined by taking into account: 1) the possible market price for the portfolio in question, 2) prices realized in previous transactions involving similar portfolio clusters, 3) binding offers received, or, the first three options, if binding offers are not available, 4) the disposal value of individual positions, as a best estimate, using a "mark-to-model" approach.
The scope of positions classified for "Disposal" is directly dependent on the derisking objectives pursued at any given time and is determined by considering: 1) specific portfolios or individual positions identified by the Bank's competent functions, 2) a statistical approach that takes into account certain conditions, such as the vintage of the positions, portfolio characteristics that may be more or less attractive given current market conditions, and the absence of objective barriers to sale.
The probability of disposal is determined by taking into account the expected timing of the disposal, the type of transaction contemplated and the characteristics (also in terms of expected classification at the time of disposal) of the exposures identified for disposal.

28 As at 31 March 2024, an updated criterion to assign the probability of occurrence of macroeconomic scenarios was implemented as part of the Expected Credit Loss estimate, which involved the assignment of a more robust weight to alternative scenarios (adverse and favourable) compared to the weight given to base scenarios. Also to prepare this Separate Financial Report, the Management overlay was applied, which consists in the 'expert' attribution of the probability of occurrence of the macroeconomic scenarios considered, de facto overwriting the effects of this model update.

The probabilities associated with the workout and disposal scenarios for each position are not fixed over time, but in turn are subject to amendments and changes due, principally, to conditions in the NPE market and cumulative achievement of the objectives established in the current NPE Strategy of the Bank. Dynamic management of the Bank's non-performing portfolio in fact requires the addition of new positions and the exclusion of others initially identified for disposal, depending on the interest of operators in the NPE market and the internal assessments carried out by BPER Banca's management; these circumstances must be recognised as entirely physiological and unavoidable in such a dynamic context, with accounting consequences in terms of loan impairment losses and write-backs.
Notably, during the time dedicated to the selection of disposal opportunities and completion of the operation, the positions concerned are still managed in accordance with the normal workout procedures that, understandably, often result in resolution of the problem before the positions are actually sold. It follows that the ideal disposal perimeter identified originally must be updated constantly, in terms of quality, quantity and provisions, to keep it aligned with the objectives established in the NPE Strategy.

Criteria for the classification of financial instruments in Stages

The Stage Assignment Framework adopted by the Bank establishes the requirements for classifying financial instruments with reference to the actual "deterioration" of credit risk, consistent with the requirements of IFRS 9, applying an approach that is consistent among the various portfolios. This classification in stages of increasing risk is determined using all the significant information contained in Bank processes, as supported where applicable by updates and the credit monitoring processes.
Specifically, financial assets are classified into three stages of risk, each of which applies a different method to calculate the related impairment adjustments, while consistently applying the "Expected Loss" or "Expected Credit Losses" (ECL) concept:

- Stage 1: includes all performing loans (originated or acquired) for which there is no "significant increase in credit risk" (SICR) since initial recognition; impairments are equal to the expected losses that could occur if a default occurs in the next 12 months (12-month ECL);
- Stage 2: comprises all performing loans with a "SICR" since initial recognition; the impairment adjustments reflect the expected losses that might arise on default at any time in the life of the financial instrument (lifetime ECL);
- Stage 3: comprises all accounts in default at the reporting date, the impairment adjustments for which consider the lifetime ECL.

In particular, regarding the classification of loans in Stage 2, it is essential to identify correctly the SICR criteria used in the stage assignment process. For this purpose, the Bank has structured a framework designed to identify the increase in credit risk before the credit lines granted show clear signs of impending default.
While the distinction between performing and non-performing is made at counterparty level, classification into stages of risk is carried out at account level. In order to distinguish loans within the performing portfolio that do not show SICR (Stage 1) from those that do (Stage 2), the Bank has decided to use all the following available significant factors as criteria for the analysis of credit quality:

- relative quantitative criteria, reflected in the internal thresholds of change between the PD identified on originating the contractual relationship and the PD at the measurement date, that identify a significant increase in credit risk if exceeded. In this context, a framework is in use to identify the changes in PD, which makes reference to the Lifetime PD curves, containing forward-looking information derived from the application of the scenario as previously specified . The SICR thresholds, with the quantitative criterion being triggered if breached, are differentiated by counterparty risk segment, residual maturity cluster of the financial instrument and rating class at origination. From 30 September 2024, a "multi-scenario" lifetime PD delta[29] was used, which is then compared with the estimated SICR thresholds;
- absolute qualitative criteria that, via the identification of a risk threshold, identify the transactions to be classified in Stage 2 based on the specific risk information available. This category includes the adverse events impacting credit risk that are identified by the Early Warning credit performance monitoring system ("watchlist"). In order to avoid overlapping, some qualitative counterparty information has not been included among the staging criteria, as it is already considered in the rating models;
- backstop indicators, including:
  - the presence of exposures with a significant past due balance for more than 30 days;
  - the presence of a regulatory probation period of 24 months for forbearance measures;
  - the absence of a rating or the presence of a default status at the credit origination date;
  - the presence of exposures with a rating class at the reporting date that is considered "high risk";
  - the presence of a threefold increase in PD lifetime at the reporting date compared to PD lifetime at origin ("Threefold increase").

29 The "multi-scenario" lifetime PD delta is calculated as the weighted average of the stand-alone lifetime PD deltas calculated under different types of scenario and using as weights the probabilities of occurrence assigned to each scenario (favourable, baseline and adverse).

For a homogeneous application of the impairment model between portfolios of the Bank, the classification criteria in stages for the portfolio of debt securities were taken, where possible, from the staging logic applied to the loan portfolio. Specifically, the Bank has defined a staging model for debt securities based on the following criteria:

- management of an "inventory" of debit securities for staging purposes, applying the FIFO method to relieve sold tranches from the portfolio;
- model for identifying significant increases in credit risk, in order to classify debt securities in Stage 1 or Stage 2, based on the following criteria:
  - primary use of the internal rating model and, if unavailable, reference to an external rating agency;
  - determination of the rating downgrade threshold based on a comparison of rating classes at origination with rating classes at the measurement date (notching between rating classes);
- classification in Stage 3 of all debt securities in default at the reporting date, applying the definition of default contained in the ISDA document entitled "Credit Derivatives Definition" of 2003.

Should the conditions giving rise to the SICR cease to apply at a subsequent measurement date, the financial instrument is once again measured with reference to the 12-month ECL, which might result in a write-back to the income statement.
It should be noted, however, that in the event of reclassification of a loan from non-performing (Stage 3) to performing, the Bank does not deem necessary a forced classification in Stage 2 with the application of a Lifetime ECL, since no probation period has been set for the return from Stage 3 to Stage 1. In this case, the stage assignment approach mentioned previously will be valid. In line with this approach and with the regulatory requirements, also in the event of a return from Stage 2 to Stage 1, probation periods are not envisaged as the combination of the various SICR rules implemented already permits an adequate level of prudence in the case of a return to Stage 1.
The only exception to this concerns the application of the regulations on "forborne exposures", for which the Bank expects that the official rating valid on the day the forborne attribute is activated may not be changed before twelve months have elapsed.

Lastly, to replace the overlay dedicated to the extreme flood event that hit the Emilia-Romagna Region, as part of the correct quantification of emerging risk factors, and therefore of the impact on the Expected Credit Loss, a Collective Staging Assessment of specific clusters of the portfolio is envisaged to maximise available and relevant information, with appropriate modification of the Stage 2 classification of the positions falling into these clusters through the implementation of a 'Collective Staging Assessment', in the event that emerging risk factors cannot be adequately intercepted on individual counterparties by the risk models for the evaluation of the Significant Increase of Credit Risk (SICR).

Risks and uncertainties inherent in the current macroeconomic environment - Management Overlays applied in the assessment of credit risk

The general and sectoral macroeconomic scenario is still subject to considerable uncertainty caused by the geopolitical tensions that have spread to the Middle East following the outbreak of the Russia-Ukraine conflict and the international sanctions that followed; there is also a growing international awareness of climate risk and the measures being taken to address it.
Said elevated uncertainty prompts BPER Banca to continuously control and monitor, in particular, credit risk and the related balance sheet assessments.
In this regard, the Parent Company has carried out analyses to identify the best methods of intervention on the credit risk measurement and forecasting systems, later aligning them with the prevailing context and trying to avoid being excessively pro-cyclical in the definition of collective provisions, as indicated by the Regulators (among others especially ESMA and ECB).

An explanation is provided below of the method of application of the Management Overlays as 'correction factors' applied to the ECL, already introduced in the previous paragraph "Uncertainties in the use of estimates", including:

- the "expert" attribution of the probability of occurrence of the macroeconomic scenarios considered by the model (so-called "multi-scenario") of ECL, in particular by intervening on the choice of the adverse scenario considered (so-called "extreme adverse" scenario as the most pessimistic macroeconomic scenario, formulated by the provider used by BPER Banca and customised by BPER according to the guidelines of its Market Study, Research and Innovation office), and increasing the relative probability of occurrence to 50%. The probability of occurrence of the "baseline" scenario was also set at 50%, leading to the absence of impact of the remaining "best" scenario - probability of occurrence equal to 0%;
- the application of a prudential correction factor to the ECL, downstream of the model's results, which pays special attention to the "high-risk" economic sectors, in order to take account of the probability of the customer encountering financial difficulties, also considering fears of negative effects on the economy stemming from the potential exacerbation of energy costs and raw materials due to the outbreak of crisis in the Middle East, as well as the ongoing conflict between Russia and Ukraine. Similarly, the adjusting provisions of direct exposures to banks resident in Russia were booked to the same overlay. Following the introduction of the new framework for the identification and the management of vulnerable sectors which acts on the performing loan portfolio for the Large Corporate and SMEs segments, Long-term Property SMEs, Retail SMEs and Small Market Players segments, this correction factor was removed from the performing component (Stage 1 and 2) of these customer segments, but was maintained for the non-performing component (Stage 3).

B. Purchased or Originated Credit Impaired (POCI) financial assets

If a credit exposure (including those acquired through business combinations) classified at the time of initial recognition in balance sheet item *"Financial assets measured at fair value through other comprehensive income"* or in item *"Financial assets measured at amortised cost"* becomes impaired, it is identified as "Purchased or Originated Credit Impaired - POCI".
By convention, POCI financial assets are classified in Stage 3 on initial recognition.
Should these assets become performing, following an improvement in the creditworthiness of the counterparty, they are reclassified to Stage 2.
They can never be classified in Stage 1, as the expected credit loss must always be calculated over the residual duration.
In addition to what was said above, the Bank identifies as POCI financial assets any credit exposures originating from the restructuring of impaired exposures that resulted in the granting of significant new funds.

C. Intangible assets with an indefinite useful life

As regards testing goodwill for impairment, when preparing the Financial Report, BPER Banca carries out specific impairment tests on an annual basis as required by the accounting standards, normally at 31 December of each year, unless there have been changes or there are completely new situations that are likely to have had a material impact on the carrying amounts of assets and on the assumptions used the previous time the assets were measured (particularly the assumptions used to calculate the discount rate and profit forecast (budget and business plans) of the Companies or CGUs whose goodwill is to be tested, i.e. subsidiaries and associates).
Para. 9 of IAS 36 requires an assessment to be made on each accounting reference date about whether or not an asset may be impaired; in addition, paras. 12 to 14 of IAS 36 describe certain situations that might be evidence of impairment.
In the case of goodwill, the cash generating unit (CGU) to which it has been allocated is tested for impairment. Any reduction in the value of goodwill is based on the difference between the recoverable amount of the CGU and its carrying amount if the latter is higher, up to the amount of goodwill on the books. The recoverable amount is the higher of the cash-generating unit's fair value, net of any selling costs, or its related value in use. The difference between the book value and the value in use is recognised in the income statement as "*Net impairment losses/write-backs on intangible assets*".

D. Equity investments

The Bank's equity investments are also subjected to impairment testing. In particular, the impairment test is carried out on an annual basis as required by the accounting standards, normally as at 31 December each year, unless there are changes or situations of discontinuity of particular importance with respect to the values and assumptions taken as a point of reference in the previous test; if specific impairment triggers are identified, the recoverable amount shall be determined, represented by the higher of the asset's fair value less costs of disposal and its value in use. These valuations are conducted in accordance with best market valuation practices (such as mainly income/financial valuation methods and, only residually, equity methods).

E. Property, plant, equipment and intangible assets with a finite useful life

Property, plant, equipment and intangible assets with a finite useful life, with the exception of properties held for investment purposes, are subjected to impairment testing if there is evidence that their carrying amounts may no longer be recoverable. The recoverable amount is determined with reference to the fair value of the property, plant and equipment or intangible asset, less costs of disposal, or to its value in use if this can be determined and exceeds fair value.
With regard to property, plant and equipment consisting in Property used in operations (IAS 16), paragraph 5 of IAS 36[30] applied by the Bank leads to the conclusion that the only difference between an asset's fair value and its fair value less costs of disposal is the direct incremental costs attributable to the disposal of the asset. Two options are therefore possible:

- If the disposal costs are negligible, the recoverable amount of the revalued asset is necessarily close to its revalued amount. In this case, after the revaluation requirements have been applied, it is unlikely that the revalued asset is impaired;
- If the disposal costs are not negligible, the fair value less costs of disposal of the revalued asset is necessarily less than its fair value. Therefore, the revalued asset will be impaired.

If there is an indication that the remaining useful life of property may need to be significantly reviewed, this may be also be relevant for the recognition of an impairment.
In relation to the methods for determining the fair value, please refer to the following paragraph "Information on fair value".

As with property owned by the Bank, the right-of-use assets recognised in relation to leased buildings used in operations (IFRS 16) are also subjected to periodic impairment tests that consider their expected use (decisions to close branches and related contract amendments already carried out) and suitable market indications regarding the costs to be incurred in order to rent them out.

30 Pursuant to para. 5 of IAS 36, impairment tests apply to assets that are carried at revalued amount in accordance with other IFRSs, such as the revaluation model in IAS 16 (i.e. fair value at the date of the revaluation less any subsequent accumulated depreciation).

24. Business combinations: purchase price allocation

Introduction

The following description covers the general process required by IFRS 3 for the recognition of business combinations, being transactions or other events in which a company acquires control over one or more business activities and expects to consolidate the assets, liabilities and contingent liabilities acquired at their respective fair values, including any identifiable intangible assets not already recorded in the financial statements of the acquired business.
According to IFRS 3[31], a specific analysis to identify the characteristics of "Company's Business", has to be carried out with respect to the acquired entity, in order to identify a business combination to be accounted for according to the Acquisition Method.
BPER Banca then proceeds with a qualitative analysis of the characteristics of the assets acquired in order to verify the simultaneous presence of i. Factors of production, ii. Processes, iii. Production as defined in IFRS 3, in particular with respect to the concept of Substantive Process.
Subsequently, on the basis of the Acquisition Method and on the date of acquisition of control, BPER Banca allocates the price of the combination (Purchase Price Allocation - PPA) by recognising the assets acquired, liabilities assumed (including contingent liabilities) and minority interests to the related fair value, in addition to identifying the implicit intangible assets previously not accounted for in the accounts of the acquiree. Any differences that emerge between the price paid for the acquisition (also measured at fair value and considering any "potential consideration") and the fair value (net of tax effect) of the assets and liabilities acquired are, if positive, recognised as goodwill in the balance sheet and, if negative, credited to the income statement as badwill (or "gain on a bargain purchase").
IFRS 3 allows for the final allocation of the cost of the business combination to be made within twelve months of the acquisition date.

Fair value of purchased assets and liabilities

When accounting for a business combination, the Bank determines the fair value of the assets, liabilities and contingent liabilities purchased. Such amount is only identified separately if, at the acquisition date, the following criteria are met:

- in the case of assets other than intangible assets, it is likely that the purchaser will obtain any future economic benefits;
- in the case of liabilities other than contingent liabilities, it is likely that their settlement will require the use of resources capable of producing economic benefits;
- in the case of an intangible asset (IAS 38) or a contingent liability (IAS 37), the related fair value can be measured in a reliable manner.

Financial assets and liabilities must be measured at their fair value on the date of the business combination, even if they are measured using other criteria in the financial statements of the acquired company. The fair value of financial instruments not listed in active markets is determined in the manner described in chapter "Information on fair value", applying the internal measurement model that is most appropriate for the instrument concerned.

Identification of intangible assets

Depending on the characteristics of the business acquired, an analysis is performed to identify any unrecorded assets that should be recognised separately, for example customer-related intangibles or client relationship, and marketing-related intangibles (brand name).

Customer-related intangible assets: these are recognised as intangible assets when they are separable and can be measured reliably, even though they may not always derive from contractual rights such as marketing-related intangibles.
This category includes:

- client lists: these comprise all the information held about clients (database containing: names, addresses, transaction history, demographic information etc.) that has a recognised market value, on condition that it can be rented or exchanged; such information cannot be treated as an intangible asset if it is considered so confidential that the combination agreement forbids its sale, rental or exchange in other forms;
- contracts with clients and the client relationships established as a consequence: contracts with clients satisfy the contractual/legal requirement for the recognition of an intangible asset, even if the combination contract forbids their sale or transfer separately from the business acquired; this category also includes long-established contacts with clients, even if there is no formal contract, and all other non-contractual relationships that can be separated and measured on their own;
- non-contractual relations with clients: this category includes all intangible assets that, being separable and transferable independently of the business acquired, may be valued individually and recognised as intangibles.

31 The amendments made to IFRS 3 with Commission Regulation (EU) 2020/551 have modified para. 3 and ii) introduced paras. B7 - B12D, substantially revising the definition of "business" for the purpose of identifying transactions that can be classified as "business combinations".

Marketing-related intangible assets: trademarks, commercial names, service brands, collective names and quality marks that derive from contractual rights or which are usually separable. Such assets reflect the collection of productive conditions that are economically correlated with the commercial name, the relationship with the market, and the reach of distribution.
An intangible asset must be measured initially at cost. If acquired as part of a business combination, its cost is its fair value at the time control is obtained.
Fair value, in this context, reflects market expectations about the likelihood that the owner will obtain the future economic benefits deriving from the asset. The entity must assess the probability of obtaining future economic benefits using reasonable and justifiable assumptions that reflect Management's best estimate of the economic conditions that will apply over the useful life of the asset.
The accounting standards do not specify the methodology to be used to measure the fair value of such assets but, among the possible alternatives, preference is given to those making reference to observable market prices. Failing this, the accounting standards allow the use of valuation models that include assumptions which are generally used and recognised by the market.
The fair value of customer-related intangible assets is determined by discounting the profit flows generated by deposits over the expected residual period of the relationships outstanding at the time of acquisition.
In general, brands are valued using market methods as well as methods based on the flows deriving from their management or a royalty recognised by the market.

Determination of Goodwill (Gain on a bargain purchase or "Badwill")

Goodwill represents the unallocated amount of purchase cost, being the excess of the cost of the business combination over the net fair value of the identifiable assets, liabilities and contingent liabilities acquired (including those intangibles and contingent liabilities that satisfy the requirements for recognition in the financial statements).
This represents the consideration recognised by the purchaser in exchange for the future economic benefits deriving from assets that cannot be identified individually and recognised separately. In substance, this includes the value of the expected synergies, the corporate image of the company acquired, its know how, its professionalism, its procedures and other non-specific factors.
The goodwill acquired as a result of a business combination is not amortised. The Bank verifies each year, or at the end of the period in which a business combination was carried out and whenever there is evidence of possible impairment, that the recorded value of goodwill has not been impaired (impairment test).
If the residual amount allocated to the purchase value is negative, it is recognised as a benefit in the income statement under item *"Gain on a bargain purchase"*.

Business combinations among entities under common control

A business combination involving entities or businesses under common control ("Business combination under common control") is a business combination in which all of the entities or businesses are ultimately controlled by the same party or parties both before and after the combination and such control is not transitory[32].
This type of transaction[33] is excluded from the scope of IFRS 3[34].
In the event that such transactions occur, the BPER Banca Group defines their accounting treatment in accordance with Assirevi preliminary guidelines on IFRS (OPI) No. 1 "Accounting treatment of "business combinations under common control" in the Separate and Consolidated Financial Report and No. 2 "Accounting treatment of mergers in the Separate Financial Report".
With particular reference to transactions that do not have economic substance (or that do not have a significant influence on the future cash flows of the net assets transferred), the BPER Banca Group applies the "Principle of continuity of values", which results in the recognition in the statement of financial position of values equal to those that would have resulted if the combined companies had always been combined[35].

32 IFRS 3 § B1:

33 Except for own mergers.

34 IFRS 3 § 2(c).

35 The net assets of the entity acquired and of the acquiring entity are recorded at the book values that they had in their respective accounts before the transaction. Subsequent accounting entries continue by carrying forward the values used for the previous entry. The income statement is the sum of the income statements of the two integrated entities at the date of the transaction. Adjustments are made to standardise the application of accounting policies and to eliminate intercompany items.

A.3 – INFORMATION ON TRANSFERS OF FINANCIAL ASSETS BETWEEN PORTFOLIOS

No financial assets were reclassified during the year.

A.4 – INFORMATION ON FAIR VALUE

Qualitative Information

Techniques for the determination of fair value

Paragraph 9 of IFRS 13 defines fair value 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".
When determining whether the fair value at initial recognition equals the transaction price, it is necessary to take into account factors specific to the transaction and to the asset and liability. It follows that, if the transaction price (consideration) differs from fair value, the difference should be recognised in the income statement.
It is also established that fair value excludes transaction costs.
In addition to the measurement of stand-alone financial instruments at fair value, the Bank may also measure groups of similar assets and liabilities at fair value, where it is permitted to do so.
Measurement at fair value assumes that the transaction to sell an asset or transfer a liability takes place in a principal market, defined as the market with the greatest volume and level of trading for the asset or liability to be measured. In the absence of a principal market, reference should be made to the most advantageous market, which is the market that maximises the amount that would be received to sell an asset or minimises the amount that would be paid to transfer a liability, after taking into account transaction costs.

Identification of active markets

The process for measurement of fair value starts with determining whether there is an active market with regularly available quoted prices.
In order to consider a market as active, the Bank takes account of the following factors:

- number of participants;
- frequency of price quotation or price update;
- the presence and size of a bid-ask spread;
- trading volume.

Whether a financial instrument qualifies as traded on an active market can only be determined through extensive research of all the existing markets in order to identify the principal or most advantageous market, taking into account "all information that is reasonably available" (IFRS 13 § 17). This needs to be done for each financial instrument for which the fair value has to be determined.
To determine whether, based on the information that is available, a market can be considered to be active, the Bank assesses the importance and relevance of factors that include the following:

- low level of recent trading activity;
- available prices are not current;
- available prices vary significantly over time or between market-makers;
- it can be demonstrated that indices that previously had a close correlation with the fair value of an asset or a liability no longer have this correlation based on recent indications of fair value of that asset or liability;
- the presence of a significant increase in the embedded risk premiums (or default rates) of the transactions being considered or in quoted prices;
- the presence of a wide bid-ask spread or of a significant increase in it;
- a significant decline in the level of trading activity;
- a lack of publicly available information.

If compliance with the necessary requirements is verified periodically, a financial instrument can be considered to be traded on one or more active markets. Within the possible markets, a search is undertaken to identify the principal market or, in the absence of a principal market, the most advantageous market.

Fair value is determined with reference to:
- the closing bid price for assets held or liabilities to be issued;
- the closing ask price for liabilities already issued or assets to be purchased.

Closing bid and ask prices are the bid and ask prices referred to by the entity that regulates the market on which an instrument is traded.
In the absence of reference bid and ask prices, the last price set by the entity which regulates the market could be taken, provided that this price has the following features: advertising, liquidity, prompt adaptation to changing conditions and availability as envisaged by the standards.
For assets and liabilities with offsetting positions in market risks, the average of the bid and ask price can be used, provided that this is commonly used by market participants and is consistent with the objective of measuring fair value in accordance with IFRS 13.

In the case of open-ended mutual funds, the Bank considers the Net Asset Value (NAV) as the best expression of the fair value of the instrument. No adjustments are made to the NAV to take into account the interval between the date redemption is requested and the actual redemption date (considered insignificant).
In the case of listed closed-end funds, the fair value is derived from the market quotation.

With regard to foreign shares, if these are listed on regulated stock exchanges, then they are considered to be traded in an active market. The price provided for this type of share, if the bid-ask spread is not available, is the last price. On the contrary, equity trading in OTC markets is not considered to take place in an active market.
Listed derivatives are measured using the last prices supplied by the clearing house.
Financial instruments listed on non-active markets are considered as "unlisted" instruments.
With regard to bonds not listed on regulated markets, in view of the role played by the Bank in the institutional market for financial instruments, the Bloomberg Professional system has been identified as an active market for front office operations, if the prices recorded therein have the appropriate features mentioned above.

Identification of the fair value of financial instruments not listed on active markets

If the market for a financial instrument does not meet the conditions required to qualify as an active market, the fair value of the instrument is determined through the use of valuation techniques.
Valuation techniques indicated by international accounting standards are:
- market approach: this uses prices and other relevant information generated by market transactions involving comparable assets;
- cost approach: this reflects the amount that would be required currently to replace the service capacity of an asset ("current replacement cost");
- income approach: this converts future cash flows or income and expenses to a single current amount.

For the Bank, the following valuation techniques are valid:
- market approach for identical or comparable assets and liabilities;
- use of matrix pricing;
- present value techniques;
- option pricing models;
- the multi-period excess earnings method.

These techniques may be used if:
- they maximise the use of market data, while minimising the use of Bank estimates and assumptions;
- they reasonably reflect how the market expects the price to be determined;
- the fair value measurement is determined on the basis of the value indicated by current market expectations and the risk and yield of the instrument being valued;
- they reflect the assumptions that market participants would use when pricing an asset or liability;
- they are consistent with commonly accepted methodologies;
- they are periodically subjected to verification and calibration to verify their capability to determine a fair value in line with actual trading prices for the instrument being valued.

In summary, the Bank's preference is to adopt a market approach for the determination of fair value, even if an active market does not exist. Only in the event that it is not possible to apply the above valuation techniques, quantitative valuation methods may be used.

It is apparent that regulations governing valuation techniques do not authorise a neutral and objective use of quantitative methods. However, their use should be understood to be the development by the Bank of an internal process that matches the fair value measurement with a price at which an instrument could be exchanged in a market transaction at current conditions. As part of this process, it would thus appear necessary to give priority to the use of recent transaction prices (prices on non-active markets, prices provided by third-party participants), or the prices of similar instruments. In this context, quantitative methods can provide a benchmark to supplement, or correct, any differences between the instrument being valued and that observed in the market, or to reflect the impact of changes in the economic environment on market transactions.
Valuation techniques used to measure fair value are applied consistently. A change in a valuation technique or its application is appropriate if the change results in a measurement that is equally or more representative of fair value in the circumstances. That might be the case if any of the following events take place:

- new markets develop;
- new information becomes available;
- information previously used is no longer available;
- valuation techniques improve;
- market conditions change.

A.4.1 Fair value Levels 2 and 3: valuation techniques and inputs used

Valuation techniques

Specific techniques are applied in relation to particular types of financial instrument, in order to correctly identify their characteristics.

Equity instruments

For all unlisted shares, the valuation methodologies set out above apply. Failing this, they are measured at cost.
For unlisted shares, other than equity investments, the methods used the most for fair value measurement fall into the following categories:

- discounted cash flow;
- the use of multiples.

These methods require the availability of a significant amount of data to estimate future cash flows generated by a company or to identify the correct market multiples. They use uncertain estimates of various parameters (cash flows, dividends, beta, risk premium, cost of capital, asset values, etc.), the measurement of which is subjective and which do not always reflect market conditions. This leads to a valuation of a distribution of theoretical fair values. Where it is not possible to reliably determine the fair value with the above methods, securities and instruments are measured at cost.
As an alternative to the valuation techniques above, the value of the share may be based on book value, computed as the ratio between equity and the number of issued ordinary shares.

Plain vanilla debt securities

With regard to plain vanilla debt securities, the valuation technique applied is discounted cash flow analysis. There are three steps:

- mapping of cash flows: recognition of the cash flows expected from the instrument and their distribution of the duration of the contract;
- selection of the discounting curve, having regard for the risk factors affecting the cash flows;
- calculation of the present value of the instrument at the measurement date.

Having identified the cash flows, the appropriate discounting curve is calculated using the discount rate adjustment approach, which takes account of both rate risk and credit/liquidity risk. This information is used to calculate the instrument's fair value, as the sum of the present values of its cash flows.

Structured debt securities

With regard to certificates issued by the Company, in the absence of observable prices in active markets, measurement is performed using valuation techniques based on a discounted cash flow model, capable of considering all factors deemed relevant by market participants in determining the price of a hypothetical transaction.
In particular, to determine its creditworthiness, BPER Banca uses market prices, if available, or the spreads implicit in comparable issuances in active markets (Euro TLX).
The derivative components embedded in the instruments are valued using the most widely accepted derivative valuation techniques on the market, as described below.

Closed-end funds

In order to take into account some specific features of unlisted closed-end real estate funds, such as the underlying's lack of liquidity, the absence of a liquid market and the specificity of the underlying, the most up-to-date NAV available may be corrected by a Price Adjustment (a.k.a. Price Adjustment) that takes account of the different components (expected and unexpected losses) that are relevant for determining the future cash flows arising from the disposal of the underlying assets.

Private equity funds

The primary benchmark for the valuation of closed-end private equity funds is the NAV, which is periodically updated by the asset management company in accordance with the guidelines established by the Bank of Italy for the preparation of management reports. The NAV is corrected by a difference (a.k.a. Price Adjustment), calibrated according to the individual assets of each fund, which incorporates both the stock market volatility of their returns in the relevant sectors and size clusters, as well as their risk premium (Sharpe ratio).

Funds that specialise in managing NPLs

In order to consider certain characteristics of unlisted closed-end funds that invest in non-performing loans (NPLs), such as the fair value measurement of their underlying assets and the absence of a liquid market, the most recent available NAV is adjusted by a margin (a.k.a. Price Adjustment) if the fund's expected future return is unprofitable compared to an estimated benchmark, taking into account the market rate scenario, the uncertainty regarding the recovery of the underlying exposures, and the corresponding risk premium (Sharpe ratio).

Asset-Backed Securities (ABS)

The primary basis for valuing the asset-backed securities (ABS) in the portfolio is their fair value, determined using methodologies that reflect the characteristics of the expected cash flows arising from the underlying assets and the specific operating rules of the securitisation structures. With the aim of maximising the use of market information, the Bank has defined valuation methods according to the following hierarchy:

- "qualified" contributions (contribution approach);
- method based on market information (comparable approach);
- internal measurement model (waterfall).

With particular reference to the internal model approach, the valuation is carried out by means of a Monte Carlo simulation of the cash flows generated by the securitised assets and their allocation to the various tranches issued, in accordance with the contractually defined payment priorities and any trigger mechanisms in place. The fair value of the individual tranches is therefore determined as the average of the discounted cash flows resulting from the various simulated scenarios, ensuring consistency with the risk profile and subordination of the instruments. Furthermore, should the estimated fair value of the higher-risk tranches, such as the mezzanine and junior tranches, exceed the nominal (par) value, 'expert' intervention may be required to verify and, where necessary, adjust such gains.

Derivative instruments

The fair value of derivatives is determined using quantitative models that differ depending on the type of instrument concerned. In particular, a distinction is made between:

- Over-The-Counter (OTC) options represented by either stand-alone options or options embedded in complex financial instruments. Pricing techniques include:
  - options with pay-off that can be calculated precisely, priced using models generally accepted by the market (e.g. Black & Scholes and variants);
  - options with pay-off that cannot be calculated precisely, usually priced using simulation techniques (typically "Montecarlo" simulations);
- Interest Rate Swaps (IRS): the fair value of IRS is determined using net discounted cash flow analysis. In the case of a structured IRS, the instrument is decomposed into a plain component and an optional component ("building blocks"), so that their separate values can be determined and summed;
- Forward Outright contracts: the fair value measurement of FX Forward Outright contracts is given by the amount to be traded forward times the strike price, adjusted for the current difference between the spot exchange rate and the forward exchange rate.
- Credit default swaps (CDS): for the fair value measurement of CDS, the Standard ISDA model (v1) developed by Markit Group Ltd. is used
- Commodity Swap: the "net discounted cash flow analysis" technique is used for fair value measurement, applied to both fixed price flows (strike) and variable price flows;
- FX Swap: the "net discounted cash flow analysis" technique is used for FX Swap measurement, applied to the spot leg and the forward leg.
- Equity Swap: the "net discounted cash flow analysis" technique is used for fair value measurement, applied to the leg referring to the underlying stock and the fixed rate leg.

Tax credits classified in the trading portfolio

Depending on the features of the assets in question, the fair value at initial recognition - which represents the total price paid to acquire the tax credit (including any additional charges) - incorporates the time value of money and the ability to use it within the relevant maturity period, thus incorporating elements of uncertainty related to the absence of an active market. At subsequent measurement dates, fair value is determined by discounting the future cash flows, as specified in the forward sale agreements entered into by BPER Banca (dates and forward sale prices set), at current market risk-free rates, increased by the same risk/commercial spread determined at initial recognition (which is not expected to change significantly over time), so that only the change in the risk-free component that has occurred since the purchase date is recognised.

Forward currency transactions

These transactions are measured with reference to the forward rates at period end for maturities corresponding to those of the contracts to be priced.

Balance sheet items measured at amortised cost

For financial instruments measured at amortised cost, the fair value is determined for the sole purpose of providing appropriate information in the Financial Report.
The fair value of loans with a contractual duration of less than twelve months is estimated to be their book value; the fair value of other loans is obtained by discounting the contract cash flows, net of the expected losses determined with reference to the credit rating of the borrower, using the corresponding rate curve for their maturities.

Credit Valuation Adjustment (CVA) and Debit Valuation Adjustment (DVA)

Current regulations state that the pricing of a derivative, in addition to being based on market factors, should also reflect the Credit risk of the counterparty determined by a Credit Valuation Adjustment (CVA) and a Debit Valuation Adjustment (DVA).
To assess the credit risk of the counterparty, the Bank adopts the following methodology.
The term Credit Valuation Adjustment (CVA) refers to an adjustment in order to properly reflect the credit risk of the derivative counterparty made on the valuation of an OTC derivative (on positions with a positive fair value) transaction entered into by the Bank with an external counterparty and may be considered to be the market value of a potential loss amount derived from changes in market prices, due to a worsening of the credit or default risk of the counterparty.

Conversely, the term Debit Valuation Adjustment (DVA) refers to an adjustment in order to properly reflect the Bank's own default risk made on the valuation of an OTC derivative (on positions with a negative fair value) entered into by the Bank with an external counterparty, i.e. the market value of a potential gain derived from changes in market prices, due to a worsening of the Bank's credit or default risk.
For the quantification of a CVA and a DVA, under certain conditions, IFRS 13 refers to a calculation that must be made by netting set or by counterparty and, thus, based on net exposure and not at individual contract level. In addition, it is necessary to consider whether any collateral has been provided or if there are any netting agreements.
The Bank currently makes use of bilateral agreements for the netting of derivative contracts, in accordance with which the reciprocal mark to market receivable and payable positions are offset automatically on a daily basis, leading to a single net balance, without any novation: this results in margin settlement being made solely by the net creditor. The foregoing has led to a considerable reduction in exposure to credit risk and, consequently, the impact of CVAs and DVAs on fair value.
In particular, for the Bank, there are two factors that mitigate the impact of creditworthiness on fair value:

- the signing of ISDA (International Swap and Derivatives Association, the international standard of reference on OTC derivatives) agreements with major corporate counterparties and all institutional counterparties in OTC derivatives. Credit Support Annexes(CSA) were also concluded with institutional counterparties to regulate the pledging of collateral and further reduce the current exposure and resulting risk;
- the entry into force of the new platform on EMIR (European Market Infrastructure Regulation), with reference to the exclusion of derivatives stipulated on this platform/market from the scope of the CVA/DVA. On the basis of the assessments made, it is presumable that a large part of derivative transactions will be included in the new system as they are mainly composed of derivatives eligible for the purposes of the regulation.

IFRS 13 does not indicate a specific methodology for the calculation of CVAs and DVAs, but it requires the use of valuation techniques that, on the one hand, must be appropriate for the data available and, on the other hand, maximise the use of observable market data.
With reference to the above, in order to align with the best market practice, the Bank decided to make use of use the bilateral CVA approach that considers the presence of two components to the calculation, with the aim of including the potential loss/gain arising from changes in the credit risk of the counterparty/Bank, but taking into account the joint probability of default by counterparties.

Market parameters

The following types of yield curve are used:

- "par swap" curves;
- bond curves derived from baskets of bonds;
- corporate curves by issuer, rating, and sector.

The following are derived from the "par swap" curves:

- zero coupon curves;
- forward rate curves;
- discount factor curves.

The zero coupon rate curves are obtained using the bootstrapping technique. These are used to extrapolate the discount factors used to determine the present value of the cash flows generated by the financial instruments to be priced. The forward rates are implicit in the zero coupon curve are determined with reference to the non-arbitrage theory.
The issuer curves are obtained by adding to the par swap rates the spreads that reflect the credit rating of the instrument's issuer. These are used to price unlisted bonds.
The credit rating curve of the Bank is obtained by creating a basket of issues by banking issuers that have similar characteristics and ratings. This is used to price all issued bonds.
The prices thus obtained are applied daily to organised systems of trading for the bonds issued by the Group Banks (HI-MTF) that are reflected in the fair value valuation in the financial statements.

Volatility and other parameters

Volatilities and correlations are used principally to price unlisted derivatives. The volatilities are classified as follows:

- historical volatilities, estimated as the standard deviation of a time series of daily observations of the logarithm of the yields of the underlying concerned;
- contributed volatilities, obtained from information providers;
- implicit volatilities, obtained from the market prices of listed options.

With regard to the correlations, multi-variant derivatives are priced using historical correlations.

Methods and frequency of identifying the fair value of own properties

For the purpose of determining the fair value of its properties, the Bank uses an independent external firm of expert appraisers. The mandate given to this firm envisages the possible methods of estimating fair values, depending on the characteristics, intended use and potential of each property, with the most relevant ones including[36]:

- comparative method: the value of the property derives from a comparison with current market prices for comparable properties through an adjustment process that appreciates the peculiarities of the property being valued with respect to the characteristics of the comparable properties. Specifically, unit market values and lease payments are determined on the basis of surveys of the reference real estate market for each individual asset, using the "Asking Prices" and "Asking Rents" found for similar assets at the date of the estimate, appropriately adjusted to reflect the characteristics of the assets being measured. Data from past transactions was not used as the information available is limited and does not reflect the most recent macroeconomic/financial conditions.
- Discounted Cash Flow (DCF) method: the value of the property derives from discounting the cash flows expected from the lease agreements and/or from the proceeds of sales, net of costs pertaining to the property; the procedure applied to determine the discount rates and capitalisation (or return) rates used in the DCF model was the "BuildUp Approach" was applied, according to which spreads commensurate with the investment risk related to each individual asset are added to the "risk-free" financial yields (10-year BTPs and 10-year EURIRS) found at the date of the estimate. Additional risk-outs were also prudently considered for the rates of return. The rates of return thus obtained were also compared, where available, with data obtained from the real estate market of reference;
- transformation method: transformation value means the market value of the asset in the hypothesis of its transformation according to the use envisaged by the urban planning instruments. The transformation value is obtained by determining the final market value of the property after the transformation, after deducting the costs to be incurred to carry out the transformation, taking into account the element of risk related to the uncertainty of the timing of the intervention and the future trend of the property market.

36 The specific characteristics of some assets could require different valuation methodologies from those indicated, whose application is shared by the specialised company with the competent functions of BPER Banca, once the consistency with the need to determine a fair value has been evaluated.

Real estate valuations also take due account of "climate risk", understood as the physical risk and transition risk to which the properties themselves are exposed, considering that: i. the parameters used for the valuations vary according to the geographical area in which the properties are located and the degree of exposure to extreme climatic events; ii. the valuations specifically implement certain certifications (e.g. "well", "lead" or "breem") on the individual property, while the Energy Performance Certificates - APE (*Attestazioni di Prestazione Energetica*) are already summarised in the valuation parameters used.

With regard to the frequency of evaluation updates, for properties held for investment purposes, the Bank requests a "desktop" valuation every year from a firm of expert appraisers, according to which the fair value is determined on the basis of the average value of comparable properties, without requiring an on-site inspection. Only for properties (individual buildings) with a value greater than the materiality threshold internally defined or in the event of a significant difference in value compared with the previous year, the Bank periodically requests from a firm of expert appraisers a "full" valuation from the appraisal firm, according to which the fair value is determined on the basis of all information relating to the property, also acquired through an on-site inspection.
A "full" valuation is also provided for in the event of unexpected and non-recurring events affecting specific properties, which could impact their value.
For properties used in operations, the Bank provides for an annual updating of the valuations in "desktop" mode. On the other hand, a "full" valuation is carried out only for properties that show a significant difference between their carrying amount at the measurement date and the "desktop" fair value estimate.
For the purposes of determining the fair value and useful life, the external appraiser takes into account any extraordinary maintenance costs (e.g. costs incurred for the expansion, modernisation or improvement of the structural elements of the property).

A.4.2 Measurement process and sensitivity

Financial assets and liabilities measured at fair value and classified in Level 3 of the fair value hierarchy mainly consist of:

- minority equity investments (unlisted equity instruments), often held in order to preserve local roots, or for the development of commercial relationships (measured at fair value mainly on the basis of equity methods);
- investments in asset-backed securities (ABS) classified as "*Financial assets measured at fair value through profit or loss - other financial assets mandatorily measured at fair value*"[37];
- investments in closed-end real estate investment funds, classified as "Financial assets measured at fair value through profit or loss - other financial assets mandatorily measured at fair value" and acquired in exchange for real estate disposals;
- investments in closed-end alternative investment funds, classified as "Financial assets measured at fair value through profit or loss - other financial assets mandatorily measured at fair value" and acquired in exchange for disposals of UTP loan portfolios.

IFRS 13 requires that an analysis of the sensitivity of the fair value measurement to changes in unobservable inputs be provided for assets measured at fair value on a recurring basis and classified in Level 3 of the fair value hierarchy. The following analysis is provided for ABS instruments, Real Estate Funds and Non-Performing Loans Funds measured at fair value:

Financial asset/liability	Non-observable parameter	Change in parameter	Sensitivity (in thousands)	Change in parameter	Sensitivity (in thousands)
Investments in Asset Backed Securities	Risk Premium*	+10 bps	(4)	-10 bps	4
Investments in Real Estate Funds	Fund-specific risk premium**	+50 bps	(174)	-50 bps	170
Investments in Non-Performing Loan Funds	Fund-specific risk premium***	+50 bps	(1,362)	-50 bps	1,352
Investments in Private Equity Funds	Fund-specific risk premium****	+50 bps	(533)	-50 bps	533

* Investments in Asset-Backed Securities: the unobservable parameter used to construct the sensitivity is the risk premium by volatility point used for the risk-adjustment of risk parameters in securitisation transactions (Borsa Italiana risk premium).
** Investments in Real Estate Funds: the unobservable parameters used in the construction of the sensitivity are those underlying the specific risk premium of the fund considered in the construction of the NAV adjustment component.
*** Investments in NPL Funds: the unobservable parameters used in the construction of the sensitivity are those underlying the specific risk premium of the fund considered in the construction of the NAV adjustment component.
**** Investments in Private Equity Funds: the unobservable parameters used in the construction of the sensitivity are those underlying the specific risk premium of the fund considered in the construction of the NAV adjustment component.

37 For the sake of completeness, it should be noted that the portfolio contains ABS securities measured at amortised cost as they are part of the Hold To Collect (HTC) business model and with technical-financial characteristics such as to have passed the SPPI test required by IFRS 9. The fair value is also calculated for these instruments and provided for disclosure purposes only.

For the other instruments held in the portfolio (derivatives and equity instruments, in particular), no quantitative sensitivity analysis of the fair value was carried out with respect to the change in unobservable inputs, as either the fair value was drawn from third-party sources without making any adjustment, or it is the result of a model whose inputs are specific to the entity being valued (for example, the company's equity figures) and for which it is not reasonably conceivable to provide alternative amounts.

A.4.3 Fair value hierarchy

The Bank classifies its financial assets and liabilities by decreasing levels of fair value quality on the basis of the following principles:

- Fair value level 1. Measurement is based on the price of the financial instrument concerned, being a quoted price in an active market.
- Fair value level 2. Measurement is not based on quoted prices in active markets for the financial instrument concerned, but on meaningful prices obtained from non-active markets or reliable info-providers, or on prices determined using an appropriate valuation technique largely based on observable market parameters, including credit spreads, derived from quotations of instruments that are substantially similar in terms of risk factors considered. The objective of the use of valuation techniques is to reaffirm the aim of obtaining a closing price at the valuation date from the point of view of a market participant that holds the financial instrument.
- Fair value level 3. Measurement is based on various inputs that include subjective parameters, that is, parameters whose value cannot be derived from quoted prices observable in active markets. Since the parameters are not observable directly in the market, it follows that the value is required to make estimates and assumptions.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorised within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.
The Bank has defined the analyses to be carried out in the event of:

- the analyses to be performed in the event of changes in valuation techniques used to measure fair value;
- the policy for determining when transfers between fair value hierarchy levels are deemed to have occurred and which is constantly adhered to.

As a general principle, to be allocated to Level 1 of the fair value hierarchy, if there is a quoted price in an active market for an asset or a liability, that price should be used without adjustment when measuring fair value. In fact, the fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs.
An allocation to Levels 2 and 3 depends on how the inputs used for the fair value measurement of an asset or liability are categorised within different levels of the fair value hierarchy: in those cases, the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Assessing the significance of a particular input to the entire measurement requires judgement, taking into account factors specific to the asset or liability.

The availability of relevant inputs and their relative subjectivity might affect the selection of appropriate valuation techniques.

A.4.4 Other information

IFRS 13 requires an entity to "disclose information that helps users of an entity's financial statements to assess the following:

- for assets and liabilities that are measured at fair value on a recurring or non-recurring basis in the statement of financial position after initial recognition, the valuation techniques and inputs used to develop those measurements;
- for recurring fair value measurements using significant unobservable inputs (Level 3), the effect of the measurements on profit or loss or other comprehensive income for the period.

The Bank has a procedure in place to:

- identify transfers between levels;
- analyse and document the reasons for such transfers;
- monitor and control the reliability of the fair value of financial instruments.

In particular, for assets and liabilities measured at fair value on a recurring and non-recurring basis, adequate disclosure is made of the following aspects:

- the fair value measurement at the end of the reporting period, and for non-recurring fair value measurements, the reasons for the measurement;
- the level of the fair value hierarchy within which the fair value measurements are categorised in their entirety (Level 1, 2 or 3);
- for assets and liabilities categorised within Level 2 or 3, a description of the valuation techniques and inputs used and the reasons for any changes in valuation techniques used.

The Bank provides, for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis, the amounts of any transfers between Level 1 and Level 2 of the fair value hierarchy, the reasons for those transfers and the policy for determining when transfers between levels are deemed to have occurred, while, for those categorised on a recurring basis within Level 3 of the fair value hierarchy, a reconciliation is provided from the opening balances to the closing balances.
Information is also provided on the policy for determining when transfers between fair value hierarchy levels are deemed to have occurred.

For assets or liabilities categorised within Level 3 of the fair value hierarchy, the following disclosures are provided:

- quantitative information about the significant unobservable inputs used in the fair value measurement;
- for recurring fair value measurements, the amount of the total gains or losses for the period included in profit or loss that is attributable to the change in unrealised gains or losses relating to those assets and liabilities held at the end of the reporting period, and the item(s) in profit or loss in which those unrealised gains or losses are recognised;
- a description of the valuation processes used for recurring and non-recurring fair value measurements;
- a narrative description of the sensitivity of the fair value measurement to changes in unobservable inputs if a change in those inputs to a different amount might result in a significantly higher or lower fair value measurement.

For financial assets and liabilities measured at amortised cost (not thus measured at fair value, but with fair value disclosure obligations) the following information is provided:

- the fair value hierarchy level;
- a description of the valuation techniques adopted for Levels 2 and 3, as well as the inputs used;
- if there has been any change in the valuation technique, a description of the change and the reason for it.

For own financial liabilities measured at fair value with credit enhancement (e.g. inseparable guarantees), information is provided on the existence of credit enhancement and the impact thereof on the determination of the fair value of the liability.
The application of the fair value option to loans and receivables and financial liabilities requires disclosure of the change in fair value attributable solely to changes in the credit risk associated with the instrument.
As mentioned, the risk factors are included in the discount curve using the discount rate adjustment approach.
This approach involves making separate and independent estimates of the various risk components (rate risk and credit risk), so that the partial fair value can be determined considering the changes in just one risk factor.

The following factors are considered in relation to credit risk:

- the risk-free market rate observed at the valuation date;
- the credit spread observed at the initial recording date or the previous valuation date;
- the credit spread observed at the valuation date.

The market fair value at the measurement date is compared with the fair value calculated using the credit risk observed at the initial recording date (or, alternatively, at the previous valuation date). This makes it possible to determine the changes in fair value due solely to changes in credit risk on a cumulative or periodic basis.

Quantitative information

A.4.5 Fair value hierarchy

A.4.5.1 Assets and liabilities measured at fair value on a recurring basis: breakdown by fair value levels

Assets/Liabilities measured at fair value	31.12.2025			31.12.2024		
	L1	L2	L3	L1	L2	L3
1. Financial assets measured at fair value through profit or loss	101,578	911,665	492,888	121,892	703,155	430,069
a) Financial assets held for trading	58,262	773,890	3,177	78,917	607,637	6,046
b) Financial assets designated at fair value	-	-	-	-	-	-
c) Other financial assets mandatorily measured at fair value	43,316	137,775	489,711	42,975	95,518	424,023
2. Financial assets measured at fair value through other comprehensive income	3,798,300	218,602	649,224	4,638,048	231,595	612,991
3. Hedging derivatives	-	779,557	-	-	649,351	-
4. Property, plant and equipment	-	-	1,160,862	-	-	1,182,821
5. Intangible assets	-	-	-	-	-	-
Total	**3,899,878**	**1,909,824**	**2,302,974**	**4,759,940**	**1,584,101**	**2,225,881**
1. Financial liabilities held for trading	4,555	313,168	3,751	94	247,918	4,334
2. Financial liabilities designated at fair value	-	3,385,873	-	-	2,615,611	-
3. Hedging derivatives	-	87,684	-	-	210,347	-
Total	**4,555**	**3,786,725**	**3,751**	**94**	**3,073,876**	**4,334**

Transfers of assets from Level 2 to Level 1 of the fair value hierarchy during the period amounted to Euro 103,387 thousand and those from Level 1 to Level 2 amounted to Euro 135,119 thousand.
The former were marked by an improvement in the market tradability of the instruments in terms of the volume, breadth and depth of the prices quoted and the number of contributors. The latter are due to a reduction in the number of contributors below the minimum threshold.

Key: L1 = Level 1; L2 = Level 2 L3 = Level 3

A.4.5.2 Annual changes in assets measured at fair value on a recurring basis (level 3)

	Financial assets measured at fair value through profit or loss				Financial assets measured at fair value through other comprehensive income	Hedging derivatives	Property, plant and equipment	Intangible assets
	Total	of which: a) financial assets held for trading	of which: b) financial assets designated at fair value	of which: c) other financial assets mandatorily measured at fair value				
1. Opening balance	**430,069**	**6,046**	**-**	**424,023**	**612,991**	**-**	**1,182,821**	**-**
2. Increases	**132,521**	**4**	**-**	**132,517**	**46,339**	**-**	**52,327**	**-**
2.1. Purchases	113,094	-	-	113,094	413	-	-	-
2.2. Gains recognised to:	19,388	4	-	19,384	23,691	-	29,545	-
2.2.1. Income Statement	19,388	4	-	19,384	-	-	15,472	-
- of which capital gains	18,144	4	-	18,140	-	-	-	-
2.2.2. Shareholders' equity	-	X	X	X	23,691	-	14,073	-
2.3. Transfers from other levels	-	-	-	-	-	-	9,425	-
2.4. Other increases	39	-	-	39	22,235	-	13,357	-
3. Decreases	**69,702**	**2,873**	**-**	**66,829**	**10,106**	**-**	**74,286**	**-**
3.1. Sales	109	55	-	54	2,226	-	4,596	-
3.2. Refunds	49,792	-	-	49,792	-	-	-	-
3.3. Losses recognised to:	19,798	2,818	-	16,980	7,829	-	13,008	-
3.3.1. Income Statement	19,798	2,818	-	16,980	-	-	13,008	-
- of which capital losses	19,590	2,818	-	16,772	-	-	-	-
3.3.2. Shareholders' equity	-	X	X	X	7,829	-	-	-
3.4. Transfers from other levels	-	-	-	-	-	-	36,834	-
3.5. Other decreases	3	-	-	3	51	-	19,848	-
4. Closing balance	**492,888**	**3,177**	**-**	**489,711**	**649,224**	**-**	**1,160,862**	**-**

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	**4,334**	**-**	**-**
2. Increases	**39**	**-**	**-**
2.1 Issues	-	-	-
2.2. Losses recognised to:	39	-	-
2.2.1. Income Statement	39	-	-
- of which capital losses	39	-	-
2.2.2. Shareholders' equity	X	-	-
2.3. Transfers from other levels	-	-	-
2.4. Other increases	-	-	-
3. Decreases	**622**	**-**	**-**
3.1. Refunds	-	-	-
3.2. Repurchases	-	-	-
3.3. Gains recognised to:	622	-	-
3.3.1. Income Statement	622	-	-
- of which capital gains	622	-	-
3.3.2. Shareholders' equity	X	-	-
3.4. Transfers from other levels	-	-	-
3.5. Other decreases	-	-	-
4. Closing balance	**3,751**	**-**	**-**

A.4.5.4 Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis: breakdown by fair value levels

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 measured at amortised cost	110,724,026	22,850,008	365,303	88,803,160	104,690,421	18,353,109	451,920	88,528,632
2. Property, plant and equipment held for investment	-	-	-	-	-	-	-	-
3. Non-current assets and disposal groups held for sale	297,733	-	-	29,325	26,104	-	-	17,111
Total	**111,021,759**	**22,850,008**	**365,303**	**88,832,485**	**104,716,525**	**18,353,109**	**451,920**	**88,545,743**
1. Financial liabilities measured at amortised cost	117,055,527	6,447,552	2,470,022	108,270,243	113,628,470	6,831,554	3,253,390	103,639,454
2. Liabilities associated with assets classified as held for sale	320,753	-	-	-	-	-	-	-
Total	**117,376,280**	**6,447,552**	**2,470,022**	**108,270,243**	**113,628,470**	**6,831,554**	**3,253,390**	**103,639,454**

Key: BV = Book Value; L1 = Level 1; L2 = Level 2; L3 = Level 3

A.5 – INFORMATION ON "DAY ONE PROFIT/LOSS"

In the case of Level 3 transactions, the fair value according to the model may differ from the transaction price: in the case of a positive difference (day one profit), this is amortised over the residual life of the instrument; in case of a negative difference (day-one loss), it is charged to the income statement for prudential purposes.

There were no differences at 31 December 2025 between the value of transactions and their corresponding fair values.

PART B

Information on the Balance Sheet

ASSETS

Section 1 – Cash and cash equivalents

Item 10

1.1 Cash and cash equivalents: breakdown

	Total 31.12.2025	Total 31.12.2024
a) Cash	713,252	709,297
b) Current accounts and on demand deposits with Central Banks	7,199,085	6,654,183
c) Current accounts and on demand deposits with banks	425,266	540,984
Total	**8,337,603**	**7,904,464**

The balance of the item as at 31 December 2025 includes, as envisaged in the 8th update of Bank of Italy Circular No. 262/2005, all on demand loans to banks and central banks in the technical forms of deposits and current accounts, having the nature of cash and cash equivalents pursuant to IAS 7, despite continuing to respect the criteria for the recognition, measurement and derecognition of income statement items of the category "Assets at amortised cost". As at 31 December 2025, investments in overnight deposits with Central Banks increased to Euro 7,199.1 million (up 8.19% compared with 31 December 2024), whilst current accounts and deposits rose by Euro 686.1 million compared with 31 December 2024.

Section 2 – Financial assets measured at fair value through profit or loss

Item 20

2.1 Financial assets held for trading: breakdown by product

Description/Amounts	Total 31.12.2025			Total 31.12.2024		
	L1	L2	L3	L1	L2	L3
A. On-balance-sheet assets						
1. Debt securities	49,292	32,514	1	76,913	20,207	-
1.1 Structured securities	-	19,061	-	-	12,869	-
1.2 Other debt securities	49,292	13,453	1	76,913	7,338	-
2. Equity instruments	8,967	1,257	-	2,002	769	52
3. UCITS units	1	-	-	-	-	-
4. Loans	-	-	-	-	-	-
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	-	-	-	-
Total (A)	**58,260**	**33,771**	**1**	**78,915**	**20,976**	**52**
B. Derivative instruments						
1. Financial derivatives	2	740,119	3,176	2	586,661	5,994
1.1 trading	2	321,404	3,176	2	586,661	5,994
1.2 connected with the fair value option	-	418,715	-	-	-	-
1.3 other	-	-	-	-	-	-
2. Credit derivatives	-	-	-	-	-	-
2.1 trading	-	-	-	-	-	-
2.2 connected with the fair value option	-	-	-	-	-	-
2.3 other	-	-	-	-	-	-
Total (B)	**2**	**740,119**	**3,176**	**2**	**586,661**	**5,994**
Total (A+B)	**58,262**	**773,890**	**3,177**	**78,917**	**607,637**	**6,046**

An explanation of the fair value hierarchy used for classification has been given in Part A.4 of these Explanatory Notes.

Key: L1=Level 1; L2=Level 2; L3=Level 3

2.2 Financial assets held for trading: breakdown by borrowers/issuers/counterparties

Description/Amounts	Total 31.12.2025	Total 31.12.2024
A. On-balance-sheet assets		
1. Debt securities	81,807	97,120
a) Central Banks	-	-
b) Public Administrations	37,203	51,186
c) Banks	28,958	35,312
d) Other financial companies	5,870	6,609
of which: Insurance companies	-	-
e) Non-financial companies	9,776	4,013
2. Equity instruments	10,224	2,823
a) Banks	2,109	1
b) Other financial companies	2,608	1,148
of which: Insurance companies	278	-
c) Non financial companies	5,507	1,674
d) Other issuers	-	-
3. UCITS units	1	-
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 (A)	**92,032**	**99,943**
B. Derivative instruments	**-**	**-**
a) Central counterparties	-	-
b) Other	743,297	592,657
Total (B)	**743,297**	**592,657**
Total (A+B)	**835,329**	**692,600**

2.3 Financial assets designated at fair value: breakdown by product

There are no amounts for this item in this Separate Financial Report.

2.4 Financial assets designated at fair value: breakdown by borrowers/issuers

There are no amounts for this item in this Separate Financial Report.

2.4-*bis* Financial liabilities designated at fair value: method of use of the fair value option

There are no amounts for this item in this Separate Financial Report.

2.5 Other financial assets mandatorily measured at fair value: breakdown by product

Description/Amounts	Total 31.12.2025			Total 31.12.2024		
	L1	L2	L3	L1	L2	L3
1. Debt securities	**-**	**-**	**20,669**	**-**	**-**	**26,455**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	-	-	20,669	-	-	26,455
2. Equity instruments	**-**	**-**	**14,007**	**2,401**	**-**	**11,704**
3. UCITS units	**43,316**	**-**	**424,973**	**40,574**	**-**	**355,591**
4. Loans	**-**	**137,775**	**30,062**	**-**	**95,518**	**30,273**
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	137,775	30,062	-	95,518	30,273
Total	**43,316**	**137,775**	**489,711**	**42,975**	**95,518**	**424,023**

An explanation of the fair value hierarchy used for classification has been given in Part A.4 of these Explanatory Notes.

Key: L1 = Level 1; L2 = Level 2 L3 = Level 3

2.6 Other financial assets mandatorily measured at fair value: breakdown by borrowers/issuer

	Total 31.12.2025	Total 31.12.2024
1. Equity instruments	**14,007**	**14,105**
of which: banks	422	333
of which: other financial companies	13,016	10,783
of which: non-financial companies	569	2,989
2. Debt securities	**20,669**	**26,455**
a) Central Banks	-	-
b) Public Administrations	-	-
c) Banks	-	-
d) Other financial companies	20,669	26,455
of which: Insurance companies	-	-
e) Non-financial companies	-	-
3. UCITS units	**468,289**	**396,165**
4. Loans	**167,837**	**125,791**
a) Central Banks	-	-
b) Public Administrations	-	-
c) Banks	-	-
d) Other financial companies	28,159	27,795
of which: Insurance companies	-	27,795
e) Non-financial companies	139,324	97,755
f) Households	354	241
Total	**670,802**	**562,516**

2.6-bis UCITS units breakdown

Description	31.12.2025	31.12.2024
1. Equities	7,416	5,630
2. Property - closed end	27,888	28,947
3. Equities - open end	55,240	8,721
4. Balanced - open end	5,442	5,144
5. Bonds - open end	8,058	7,799
6. Equities - closed end	123,887	109,353
7. Speculative securities	21,848	16,482
8. Bonds - short term	-	-
9. Bonds - long term	-	-
10. Other	218,510	214,089
Total	**468,289**	**396,165**

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

Description/Amounts	Total 31.12.2025			Total 31.12.2024		
	L1	L2	L3	L1	L2	L3
1. Debt securities	**3,785,108**	**214,289**	**-**	**4,624,375**	**227,690**	**-**
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	3,785,108	214,289	-	4,624,375	227,690	-
2. Equity instruments	**13,192**	**4,313**	**649,224**	**13,673**	**3,905**	**612,991**
3. Loans	**-**	**-**	**-**	**-**	**-**	**-**
Total	**3,798,300**	**218,602**	**649,224**	**4,638,048**	**231,595**	**612,991**

An explanation of the fair value hierarchy used for classification has been given in Part A.4 of these Explanatory Notes.

Key: L1 = Level 1; L2 = Level 2 L3 = Level 3

3.2 Financial assets measured at fair value through other comprehensive income: breakdown by borrowers/issuers

Description/Amounts	Total 31.12.2025	Total 31.12.2024
1. Debt securities	**3,999,397**	**4,852,065**
a) Central Banks	-	-
b) Public Administrations	2,138,234	2,298,312
c) Banks	954,454	1,331,328
d) Other financial companies	383,811	498,473
of which: Insurance companies	8,427	8,184
e) Non-financial companies	522,898	723,952
2. Equity instruments	**666,729**	**630,569**
a) Banks	250,978	251,712
b) Other issuers:	415,751	378,857
- other financial companies	303,306	262,227
of which: Insurance companies	247,182	225,073
- non financial companies	112,400	116,589
- other	45	41
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	**4,666,126**	**5,482,634**

3.3 Financial assets measured at fair value through other comprehensive income: gross value and total impairment provisions

	Gross value					Total impairment provisions				Total partial write-offs (*)
	Stage 1	of which: Low credit risk instruments	Stage 2	Stage 3	Purchased or originated credit impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired	
Debt securities	3,879,278	-	121,765	287	-	1,291	585	57	-	-
Loans	-	-	-	-	-	-	-	-	-	-
Total 31.12.2025	**3,879,278**	**-**	**121,765**	**287**	**-**	**1,291**	**585**	**57**	**-**	**-**
Total 31.12.2024	**4,711,643**	**-**	**142,202**	**-**	**-**	**1,731**	**49**	**-**	**-**	**-**

* Amount to be shown for information purposes

At 31 December 2025 none of the debt securities classified in Stage 3 have been written off.

For the approach used in the presentation of the gross value and total impairment provisions of impaired financial assets, reference should be made to Part A of these Explanatory Notes.

Section 4 – Financial assets measured at amortised cost

Item 40

4.1 Financial assets measured at amortised cost: breakdown by product of loans to banks

Type of transaction/Amounts	Total 31.12.2025						Total 31.12.2024					
	Book Value			Fair value			Book Value			Fair value		
	Stage 1 and 2	Stage 3	Purchased or originated credit impaired	L1	L2	L3	Stage 1 and 2	Stage 3	Purchased or originated credit impaired	L1	L2	L3
A. Loans to Central Banks	**1,053,584**	**-**	**-**	**-**	**-**	**1,053,584**	**1,011,476**	**-**	**-**	**-**	**-**	**1,011,476**
1. Time deposits	-	-	-	X	X	X	-	-	-	X	X	X
2. Compulsory reserve	1,053,584	-	-	X	X	X	1,011,476	-	-	X	X	X
3. Repurchase agreements	-	-	-	X	X	X	-	-	-	X	X	X
4. Other	-	-	-	X	X	X	-	-	-	X	X	X
B. Loans to banks	**11,066,409**	**-**	**-**	**4,561,463**	**235,900**	**6,170,139**	**11,349,936**	**-**	**-**	**5,699,053**	**235,514**	**5,223,752**
1. Loans	6,170,139	-	-	-	-	6,170,139	5,223,752	-	-	-	-	5,223,752
1.1.Current accounts	-	-	-	X	X	X	-	-	-	X	X	X
1.2. Time deposits	4,029,360	-	-	X	X	X	3,343,298	-	-	X	X	X
1.3. Other loans:	2,140,779	-	-	X	X	X	1,880,454	-	-	X	X	X
- Repurchase agreements	1,564,581	-	-	X	X	X	1,658,368	-	-	X	X	X
- Finance leases	-	-	-	X	X	X	-	-	-	X	X	X
- Other	576,198	-	-	X	X	X	222,086	-	-	X	X	X
2. Debt securities	4,896,270	-	-	4,561,463	235,900	-	6,126,184	-	-	5,699,053	235,514	-
2.1 Structured securities	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Other debt securities	4,896,270	-	-	4,561,463	235,900	-	6,126,184	-	-	5,699,053	235,514	-
Total	**12,119,993**	**-**	**-**	**4,561,463**	**235,900**	**7,223,723**	**12,361,412**	**-**	**-**	**5,699,053**	**235,514**	**6,235,228**

An explanation of the fair value hierarchy used for classification has been given in Part A.4 of these Explanatory Notes.

Key: L1 = Level 1; L2 = Level 2 L3 = Level 3

4.2 Financial assets measured at amortised cost: breakdown by product of loans to customers

Type of transaction/Amounts	Total 31.12.2025						Total 31.12.2024					
	Book Value			Fair value			Book Value			Fair value		
	Stage 1 and 2	Stage 3	Purchased or originated credit impaired	L1	L2	L3	Stage 1 and 2	Stage 3	Purchased or originated credit impaired	L1	L2	L3
1. Loans	**78,662,137**	**731,609**	**255,723**	**-**	**-**	**81,130,611**	**77,235,424**	**752,962**	**345,858**	**-**	**-**	**81,706,496**
1.1. Current accounts	6,350,804	80,418	19,272	X	X	X	6,289,045	77,909	29,106	X	X	X
1.2. Repurchase agreements	776,161	-	-	X	X	X	-	-	-	X	X	X
1.3. Mortgage loans	57,423,920	527,309	218,041	X	X	X	56,951,043	548,604	277,970	X	X	X
1.4. Credit cards, personal loans and fifth-of-salary/pension-backed loans	810,413	6,357	1,672	X	X	X	821,108	5,704	1,456	X	X	X
1.5. Finance leases	-	11	-	X	X	X	4,346	2	-	X	X	X
1.6. Factoring	-	-	-	X	X	X	-	-	-	X	X	X
1.7. Other loans	13,300,839	117,514	16,738	X	X	X	13,169,882	120,743	37,326	X	X	X
2. Debt securities	**18,637,243**	**317,321**	**-**	**18,288,545**	**129,403**	**448,826**	**13,639,740**	**355,025**	**-**	**12,654,056**	**216,406**	**586,908**
2.1. Structured securities	-	-	-	-	-	-	-	-	-	-	-	-
2.2. Other debt securities	18,637,243	317,321	-	18,288,545	129,403	448,826	13,639,740	355,025	-	12,654,056	216,406	586,908
Total	**97,299,380**	**1,048,930**	**255,723**	**18,288,545**	**129,403**	**81,579,437**	**90,875,164**	**1,107,987**	**345,858**	**12,654,056**	**216,406**	**82,293,404**

The sub-item "Other loans", limited to the performing component (consisting of Stage 1 and 2 equal to Euro 13,301 million, as well as the portion of POCI assets classified in Stage 2, equal to Euro 6 million), is composed as follows: Euro 8,933 million of bullet loans (-0.70%), Euro 2,308 million of advances on invoices and bills subject to collection (-7.94%), Euro 1,180 million of import/export advances (-3.67%), Euro 41 million of credit assignments (-6.82%) and Euro 845 million of other miscellaneous items (+99.29%).

An explanation of the fair value hierarchy used for classification has been given in Part A.4 of these Explanatory Notes.

Key: L1 = Level 1; L2 = Level 2 L3 = Level 3

4.3 Financial assets measured at amortised cost: breakdown by borrowers/issuers of loans to customers

Type of transaction/Amounts	Total 31.12.2025			Total 31.12.2024		
	Stage 1 and 2	Stage 3	Purchased or originated credit impaired	Stage 1 and 2	Stage 3	Purchased or originated credit impaired
1. Debt securities	**18,637,243**	**317,321**	**-**	**13,639,740**	**355,025**	**-**
a) Public Administration	17,552,260	-	-	12,221,556	-	-
b) Other financial companies	775,052	317,321	-	1,067,452	355,025	-
of which: Insurance companies	5,021	-	-	5,016	-	-
c) Non financial companies	309,931	-	-	350,732	-	-
2. Loans:	**78,662,137**	**731,609**	**255,723**	**77,235,424**	**752,962**	**345,858**
a) Public Administration	2,911,814	72	1	2,627,646	327	-
b) Other financial companies	10,691,365	3,801	639	9,306,499	15,095	498
of which: Insurance companies	166,277	-	-	124,360	-	-
c) Non financial companies	30,626,684	412,330	162,586	31,548,253	413,201	232,245
d) Households	34,432,274	315,406	92,497	33,753,026	324,339	113,115
Total	**97,299,380**	**1,048,930**	**255,723**	**90,875,164**	**1,107,987**	**345,858**

Debt securities of Other financial companies classified under Stage 3 credit impairment are primarily represented by Senior tranches of ABS guaranteed by GACS, classified to that stage from the end of 2024 following underperformance in expected recoveries.

The classification of loans to customers between Stage 1 and Stage 2 is shown below, analysed by type of product and counterparty.

4.3-*bis* Financial assets measured at amortised cost - details of loans to customers: breakdown by type of product, stage and type of counterparty

Type of Product/Counterparty	Public Administrations			Other financial companies		
	Gross exposure	Total impairment provisions	Net exposure	Gross exposure	Total impairment provisions	Net exposure
Loans						
Current accounts	**200,686**	**(3,505)**	**197,181**	**2,739,915**	**(9,192)**	**2,730,723**
of which Stage 1	191,578	(448)	191,130	2,707,361	(3,227)	2,704,134
of which Stage 2	9,020	(3,035)	5,985	25,361	(413)	24,948
of which Stage 3	87	(22)	65	7,072	(5,462)	1,610
of which: purchased or originated credit impaired	1	-	1	121	(90)	31
Repurchase agreements	**-**	**-**	**-**	**776,167**	**(6)**	**776,161**
of which Stage 1	-	-	-	776,167	(6)	776,161
of which Stage 2	-	-	-	-	-	-
of which Stage 3	-	-	-	-	-	-
of which: purchased or originated credit impaired financial assets	-	-	-	-	-	-
Mortgage loans	2,598,635	(962)	2,597,673	3,520,752	(21,063)	3,499,689
of which Stage 1	2,587,174	(773)	2,586,401	3,352,183	(7,782)	3,344,401
of which Stage 2	11,461	(189)	11,272	164,241	(11,161)	153,080
of which Stage 3	-	-	-	2,818	(1,215)	1,603
of which: purchased or originated credit impaired	-	-	-	1,510	(905)	605
Other loans	**117,055**	**(22)**	**117,033**	**3,717,430**	**(28,198)**	**3,689,232**
of which Stage 1	116,772	(16)	116,756	3,652,042	(11,207)	3,640,835
of which Stage 2	274	(4)	270	49,760	(1,954)	47,806
of which Stage 3	9	(2)	7	15,613	(15,025)	588
of which: purchased or originated credit impaired	-	-	-	15	(12)	3
Total	**2,916,376**	**(4,489)**	**2,911,887**	**10,754,264**	**(58,459)**	**10,695,805**

(cont.)

Type of Product/Counterparty	Non-financial companies			Households			Total (net exposure)
	Gross exposure	Total impairment provisions	Net exposure	Gross exposure	Total impairment provisions	Net exposure	
Loans							
Current accounts	**3,052,380**	**(235,731)**	**2,816,649**	**797,382**	**(91,441)**	**705,941**	**6,450,494**
of which Stage 1	2,379,561	(13,028)	2,366,533	533,067	(3,762)	529,305	5,791,102
of which Stage 2	406,289	(21,736)	384,553	160,956	(16,740)	144,216	559,702
of which Stage 3	196,023	(145,252)	50,771	88,733	(60,761)	27,972	80,418
of which: purchased or originated credit impaired	70,507	(55,715)	14,792	14,626	(10,178)	4,448	19,272
Repurchase agreements	**-**	**-**	**-**	**-**	**-**	**-**	**776,161**
of which Stage 1	-	-	-	-	-	-	776,161
of which Stage 2	-	-	-	-	-	-	-
of which Stage 3	-	-	-	-	-	-	-
of which: purchased or originated credit impaired financial assets	-	-	-	-	-	-	-
Mortgage loans	**19,317,920**	**(459,569)**	**18,858,351**	**33,578,124**	**(364,567)**	**33,213,557**	**58,169,270**
of which Stage 1	16,418,851	(46,899)	16,371,952	31,235,217	(32,082)	31,203,135	53,505,889
of which Stage 2	2,194,716	(101,184)	2,093,532	1,754,535	(94,388)	1,660,147	3,918,031
of which Stage 3	520,598	(260,304)	260,294	477,949	(212,537)	265,412	527,309
of which: purchased or originated credit impaired	183,755	(51,182)	132,573	110,423	(25,560)	84,863	218,041
Other loans	**9,789,542**	**(262,942)**	**9,526,600**	**956,718**	**(36,039)**	**920,679**	**14,253,544**
of which Stage 1	8,637,029	(23,860)	8,613,169	845,508	(1,712)	843,796	13,214,556
of which Stage 2	824,640	(27,695)	796,945	53,387	(1,712)	51,675	896,696
of which Stage 3	281,014	(179,749)	101,265	50,851	(28,829)	22,022	123,882
of which: purchased or originated credit impaired	46,859	(31,638)	15,221	6,972	(3,786)	3,186	18,410
Total	**32,159,842**	**(958,242)**	**31,201,600**	**35,332,224**	**(492,047)**	**34,840,177**	**79,649,469**

4.4 Financial assets measured at amortised cost: gross value and total impairment provisions

	Gross value					Total impairment provisions				Total partial write-offs (*)
	Stage 1	of which: Low credit risk instruments	Stage 2	Stage 3	Purchased or originated credit impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired	
Debt securities	23,215,709	-	324,686	326,333	-	6,488	394	9,012	-	-
Loans	80,656,699	-	5,674,579	1,640,767	434,789	145,326	300,092	909,158	179,066	13,791
Total 31.12.2025	**103,872,408**	**-**	**5,999,265**	**1,967,100**	**434,789**	**151,814**	**300,486**	**918,170**	**179,066**	**13,791**
Total 31.12.2024	**96,654,394**	**-**	**7,088,765**	**1,898,159**	**549,605**	**174,991**	**331,592**	**790,172**	**203,747**	**23,492**

* Amount to be shown for information purposes

For the approach used in the presentation of the gross value and total impairment provisions of impaired financial assets, reference should be made to Part A of these Explanatory Notes. Note that default interest is only recorded at the time of actual collection.

The loans that constitute new liquidity granted through public guarantee mechanisms issued in response to the Covid-19 pandemic are reported below

Gross value				Total impairment provisions			
Stage 1	Stage 2	Stage 3	Credit-impaired purchased or originated	Stage 1	Stage 2	Stage 3	Credit-impaired purchased or originated
1,219,178	174,968	226,706	8,968	499	1,071	86,299	3,115

Section 5 – Hedging derivatives
Item 50

5.1 Hedging derivatives: breakdown by type of hedge and hierarchy level

	FV 31.12.2025			NV 31.12.2025	FV 31.12.2024			NV 31.12.2024
	L1	L2	L3		L1	L2	L3	
A. Financial derivatives								
1. Fair Value	-	777,935	-	15,782,724	-	649,351	-	9,265,174
2. Cash flows	-	1,622	-	51,064	-	-	-	-
3. Foreign investments	-	-	-	-	-	-	-	-
B. Credit derivatives								
1. Fair Value	-	-	-	-	-	-	-	-
2. Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**779,557**	**-**	**15,833,788**	**-**	**649,351**	**-**	**9,265,174**

An explanation of the fair value hierarchy used for classification has been given in Part A.4 of these Explanatory Notes.

Key: VN = Notional Value; L1 = Level 1; L2 = Level 2 L3 = Level 3

5.2 Hedging derivatives: breakdown by hedged portfolio and type of hedge

Transactions/Type of hedge	Fair Value						Cash flows			Foreign investments
	Specific						General	Specific	General	
	debt securities and interest rates	equity instruments and stock indexes	currencies and gold	credit	commodities	other				
1. Financial assets measured at fair value through other comprehensive income	32,903	-	-	-	X	X	X	-	X	X
2. Financial assets measured at amortised cost	560,510	X	-	-	X	X	X	1,622	X	X
3. Portfolio	X	X	X	X	X	X	85,030	X	-	X
4. Other transactions	-	-	-	-	-	-	X	-	X	-
Total assets	**593,413**	**-**	**-**	**-**	**-**	**-**	**85,030**	**1,622**	**-**	**-**
1. Financial Liabilities	99,492	X	-	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	-	X	-	X
Total liabilities	**99,492**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
1. Forecast transactions	X	X	X	X	X	X	X	-	X	X
2. Portfolio of financial assets and liabilities	X	X	X	X	X	X	-	X	-	-

Section 6 – Change in value of macro-hedged financial assets
Item 60

6.1 Change in value of hedged financial assets: breakdown by hedged portfolio

Change in value of hedged financial assets / Values	Total 31.12.2025	Total 31.12.2024
1. Positive changes	**-**	**-**
1.1 to specific portfolios:	-	-
a) financial assets measured at amortised cost	-	-
b) financial assets measured at fair value through other comprehensive income	-	-
1.2 overall	-	-
2. Negative changes	**84,444**	**-**
2.1 to specific portfolios:	84,444	-
a) financial assets measured at amortised cost	84,444	-
b) financial assets measured at fair value through other comprehensive income	-	-
2.2 overall	-	-
Total	**84,444**	**-**

Section 7 – Equity investments
Item 70

7.1 Equity investments: information on shareholdings

Company name	Registered office	Operational head office	% held	% Available votes
A. Wholly-owned companies				
Direct:				
1. Adras s.p.a.	Milan	Milan	100.000	
2. Arca Holding s.p.a.	Milan	Milan	57.061	
3. Banca Cesare Ponti s.p.a.	Milan	Milan	100.000	
4. Banca Popolare di Sondrio s.p.a.	Sondrio	Sondrio	80.691	81.331
5. Bibanca s.p.a.	Sassari	Sassari	99.088	
6. BPER Bank Luxembourg	Luxembourg	Luxembourg	100.000	
7. Banco di Sardegna s.p.a.	Cagliari	Sassari	99.492	100.000
8. BPER Factor s.p.a.	Bologna	Bologna	100.000	
9. BPER Real Estate	Modena	Modena	78.988	
10. BPER Trust Company s.p.a.	Modena	Modena	100.000	
11. Carige Covered Bond S.r.l.	Genoa	Genoa	60.000	
12. Commerciale Piccapietra s.r.l.	Genoa	Genoa	100.000	
13. Estense Covered Bond s.r.l.	Conegliano	Conegliano	60.000	
14. Estense CPT Covered Bond s.r.l.	Conegliano	Conegliano	60.000	
15. Finitalia s.p.a.	Milan	Milan	100.000	
16. Lanterna Finance s.r.l.	Genoa	Genoa	5.000	
17. Lanterna Mortgage s.r.l.	Genoa	Genoa	5.000	
18. Modena Terminal s.r.l.	Campogalliano	Campogalliano	100.000	
19. Sardaleasing s.p.a.	Sassari	Milan/Bologna	52.846	
B. Companies subject to joint control				
1. Gility s.r.l. Benefit Corporation	Milan	Milan	42.565	
C. Companies subject to significant influence				
1. Alba Leasing s.p.a.	Milan	Milan	28.397	
2. Gardant Bridge Servicing s.p.a.	Rome	Rome	30.000	
3. Cassa di Risparmio di Fossano s.p.a.	Fossano	Fossano	23.077	
4. Cassa di Risparmio di Savigliano s.p.a.	Savigliano	Savigliano	31.006	
5. Lanciano Fiera - Polo Fieristico d'Abruzzo Consorzio	Lanciano	Lanciano	33.333	
6. Nuova Erzelli S.r.l.	Genoa	Genoa	40.000	
7. Resiban s.p.a.	Modena	Modena	20.000	
8. Unione Fiduciaria s.p.a.	Milan	Milan	24.000	

The "% Available votes" column is only used if the actual share of votes exercisable at the Ordinary Shareholders' Meeting is different from the interest held in the company's share capital.

7.2 Significant equity investments: book value, fair value and dividends earned

7.3 Significant equity investments: accounting information

7.4 Non-significant equity investments: accounting information

The information set out in these tables is not required to be provided by banks that prepare consolidated financial statements pursuant to this Circular.

Impairment tests of equity investments

As required by IAS/IFRS, and in compliance with the provisions of IAS 36, the carrying amount of each equity investment was subjected to review in order to verify the existence or otherwise of objective evidence that would be grounds for considering that the carrying amount of the assets is not fully recoverable or check that it was reasonable with respect to its recoverable value. In the presence of impairment indicators, or at least upon closing the Separate Financial Report each year, the impairment test is carried out, which requires the estimation of the recoverable value of the investment, which is the greater of the fair value less costs to sell and the value in use, and the comparison with the relevant carrying value. Where the recoverable value is lower than the carrying value and in the event of any impairment, a value adjustment must be recognised; on the contrary, if the recoverable value of the equity investment is higher than the carrying value the latter must not be modified unless it had been written down in previous years. In the latter case, a write-back must be recognised for the amount of the positive difference between the recoverable value and the carrying value with the maximum limit of the write-downs effected previously.

With reference to significant interests or interests in companies subject to joint control, evaluations were carried out based on market methodologies (such as transaction or market multiples) or, alternatively, evaluations based on the estimate of expected cash flows discounted using the Dividend Discount Model or Discounted Cash Flow or, lastly, alternative methods; the selection of one or more evaluation methodologies was made taking into account the information set available.

As regards significant controlling interests, the carrying amounts of the individual equity investments held were verified, some of which corresponding to the legal entities/CGUs to which goodwill is allocated, by comparing it with the associated recoverable value, generally and not exclusively estimated as equal to the value in use, by discounting future flows at an appropriate cost of capital. With regard to the estimation of elements useful to develop the financial method, the latest forecasts available have been used, as approved by the Board of Directors of each entity and processed for the sole purpose of the annual impairment test and of other Financial Report assessments. The estimation of the cost of equity was carried out on the basis of the Capital Pricing Asset Model (CAPM), taking into account the specificity of the entity assessed, such as being part of the BPER Banca Group and sharing its systemic and operational risks with the other Group entities. The latter aspect also influenced the determination of Supervisory Target requirements, useful to estimate the potentially distributable cash flows, which are determined on the basis of recommendations provided by the Supervisory Authority to the Group and of the minimum requirements set by regulations in force, according to the business specificity and the entity's characteristics. For further information on the description of the financial method used and on the nature and origin of specific inputs used in estimating the retrievable value, please refer to "Section 10 - Intangible Assets" of the Consolidated Explanatory Notes.

In the absence of the necessary forecasts for estimating future flows, one or more analytical and/or market methods are used based on the information available and the nature of the entity, including therein the estimate of the recoverable value based on the amount of the upated company's net assets.

The checks conducted revealed an overall framework of sustainability of the book values, with the exception of some equity investments that required some downward adjustments of the carrying amounts. The total amount of these adjustments is Euro 3.1 million, the most significant of which relate to the shareholdings held in BPER Real Estate (whose asset base, which takes into account the valuation of assets held on the basis of the most up-to-date market parameters, revealed the need to recognise a write-down of Euro 1.5 million) and Gility (Euro -1.5 million).

7.5 Equity investments: annual changes

	Total 31.12.2025	Total 31.12.2024
A. Opening balance	**2,321,574**	**2,256,389**
B. Increases	**4,516,106**	**294,472**
B.1 Purchases	4,496,775	205,584
B.2 Write-backs	-	-
B.3 Revaluations	-	-
B.4 Other increases	19,331	88,888
C. Decreases	**107,839**	**229,287**
C.1 Sales	20,286	992
C.2 Adjustments	3,135	119,548
C.3 Impairment	-	-
C.4 Other decreases	84,418	108,747
D. Closing balance	**6,729,841**	**2,321,574**
E. Total revaluations	**-**	**-**
F. Total adjustments	**434,558**	**431,423**

The increases recorded under item B.1 – Purchases, relate primarily to the acquisition of 364,293,545 ordinary shares in Banca Popolare di Sondrio s.p.a., for a total consideration of Euro 4,496.36 million, following the voluntary public tender and exchange offer launched on all of the issuer's shares.

Item B.4 – 'Other increases' mainly comprises the value of shares allocated to employees of Group companies participating in the LTI Plan, recognised in accordance with the provisions of incentive plans based on financial instruments.

With regard to decreases, item C.1 – Sales reflects the disposal of a 5.1% interest in the share capital of Alba Leasing s.p.a. This transaction reduced BPER Banca's shareholding to 28.398%.

"Adjustments" (item C.2) refers to write-downs resulting from impairment tests carried out in accordance with the applicable accounting standards.

Finally, item C.4 – Other decreases is mainly attributable to the cancellation of share capital carried out by the subsidiary Bibanca (Euro 84.4 million;) following disposal of the e-money business to BPER Banca.

7.6 Commitments referred to equity investments in companies subject to joint control

Please refer to information disclosed in the Consolidated Financial Report.

7.7 Commitments related to equity investments in companies subject to significant influence

Please refer to information disclosed in the Consolidated Financial Report.

7.8 Significant restrictions

Please refer to information disclosed in the Consolidated Financial Report.

7.9 Other information

Please refer to information disclosed in the Consolidated Financial Report.

Section 8 – Property, plant and equipment
Item 80

8.1 Property, plant and equipment used in operations: breakdown of assets measured at cost

Description/Amounts	Total 31.12.2025	Total 31.12.2024
1. Assets owned	**269,412**	**276,642**
a) land	-	-
b) buildings	-	-
c) furniture	59,950	62,259
d) electronic systems	97,095	95,272
e) other	112,367	119,111
2. Rights of use acquired through leases	**394,932**	**377,920**
a) land	-	-
b) buildings	322,036	316,798
c) furniture	-	-
d) electronic systems	64,949	55,614
e) other	7,947	5,508
Total	**664,344**	**654,562**
of which: arising from the enforcement of guarantees received	-	-

8.2 Property, plant and equipment held for investment: breakdown of assets measured at cost

There is no property, plant or equipment held for investment purposes measured at cost in this Separate Financial Report.

8.3 Property, plant and equipment used in operations: breakdown of revalued assets

Description/Amounts	Total 31.12.2025			Total 31.12.2024		
	L1	L2	L3	L1	L2	L3
1. Assets owned	**-**	**-**	**932,145**	**-**	**-**	**939,442**
a) land	-	-	506,846	-	-	502,586
b) buildings	-	-	425,299	-	-	436,856
c) furniture	-	-	-	-	-	-
d) electronic systems	-	-	-	-	-	-
e) other	-	-	-	-	-	-
2. Rights of use acquired through leases	**-**	**-**	**-**	**-**	**-**	**-**
a) land	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-
c) furniture	-	-	-	-	-	-
d) electronic systems	-	-	-	-	-	-
e) other	-	-	-	-	-	-
Total	**-**	**-**	**932,145**	**-**	**-**	**939,442**
of which: arising from the enforcement of guarantees received	-	-	-	-	-	-

Key: L1 = Level 1; L2 = Level 2 L3 = Level 3

8.4 Property, plant and equipment held for investment: breakdown of assets measured at fair value

Description/Amounts	Total 31.12.2025			Total 31.12.2024		
	L1	L2	L3	L1	L2	L3
1. Assets owned	**-**	**-**	**228,717**	**-**	**-**	**243,379**
a) land	-	-	106,454	-	-	109,871
b) buildings	-	-	122,263	-	-	133,508
2. Rights of use acquired through leases	**-**	**-**	**-**	**-**	**-**	**-**
a) land	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-
Total	**-**	**-**	**228,717**	**-**	**-**	**243,379**
of which: arising from the enforcement of guarantees received	-	-	-	-	-	-

For more information, please see part A – Accounting Policies in these Explanatory Notes.

Key: L1 = Level 1; L2 = Level 2 L3 = Level 3

8.5 Inventories of property, plant and equipment governed by IAS 2: breakdown

There are no amounts for this item in this Separate Financial Report.

8.6 Property, plant and equipment used in operations: annual changes

	Land	Buildings	Furniture	Electronic systems	Other	Total
A. Gross opening balance	**403,726**	**1,015,511**	**255,235**	**395,143**	**524,502**	**2,594,117**
A.1 Total net value adjustments	(98,860)	261,857	192,976	244,257	399,883	1,000,113
A.2 Net opening balance	**502,586**	**753,654**	**62,259**	**150,886**	**124,619**	**1,594,004**
B. Increases:	**10,329**	**93,237**	**4,752**	**86,495**	**62,898**	**257,711**
B.1 Purchases	-	36,274	776	31,233	25,775	94,058
B.2 Capitalised expenditure on improvements	-	2,916	-	-	-	2,916
B.3 Write-backs	294	1,896	-	-	-	2,190
B.4 Positive changes in fair value allocated to	9,096	9,638	-	-	-	18,734
a) shareholders' equity	6,893	7,180	-	-	-	14,073
b) profit or loss	2,203	2,458	-	-	-	4,661
B.5 Positive exchange differences	-	-	-	-	-	-
B.6 Transfers from property, plant and equipment held for investment	939	1,337	-	-	-	2,276
B.7 Other decreases	-	41,176	3,976	55,262	37,123	137,537
C. Decreases:	**6,069**	**99,556**	**7,061**	**75,337**	**67,203**	**255,226**
C.1 Sales	-	-	162	136	2,364	2,662
C.2 Depreciation	-	72,835	3,053	46,123	27,757	149,768
C.3 Impairment losses allocated to	-	387	-	-	-	387
a) shareholders' equity	-	-	-	-	-	-
b) profit or loss	-	387	-	-	-	387
C.4 Negative changes in fair value allocated to	1,786	2,245	-	-	-	4,031
a) shareholders' equity	-	-	-	-	-	-
b) profit or loss	1,786	2,245	-	-	-	4,031
C.5 Negative exchange differences	-	-	-	-	-	-
C.6 Transfers to:	4,283	5,446	-	-	-	9,729
a) property, plant and equipment held for investment	3,319	2,641	-	-	-	5,960
b) Non-current assets and groups of assets held for sale	964	2,805	-	-	-	3,769
C.7 Other decreases	-	18,643	3,846	29,078	37,082	88,649
D. Net closing balance	**506,846**	**747,335**	**59,950**	**162,044**	**120,314**	**1,596,489**
D.1 Total net value adjustments	(106,463)	267,887	186,713	261,676	397,984	1,007,797
D.2 Gross closing balance	**400,383**	**1,015,222**	**246,663**	**423,720**	**518,298**	**2,604,286**
E. Carried at cost	**496,935**	**613,677**	**-**	**-**	**-**	**1,110,612**

8.7 Property, plant and equipment held for investment: annual changes

	Total	
	Land	Buildings
A. Opening balance	**109,871**	**133,508**
B. Increases	**12,124**	**13,312**
B.1 Purchases	-	-
B.2 Capitalised expenditure on improvements	-	7,160
B.3 Increases in fair value	7,439	2,177
B.4 Write-backs	-	-
B.5 Positive exchange differences	-	-
B.6 Transfers from property, plant and equipment used in operations	3,319	2,641
B.7 Other decreases	1,366	1,334
C. Decreases	**15,541**	**24,557**
C.1 Sales	2,302	1,714
C.2 Depreciation	-	-
C.3 Decreases in fair value	1,219	7,758
C.4 Impairment losses	-	-
C.5 Negative exchange differences	-	-
C.6 Transfers to:	12,020	15,085
a) property, plant and equipment used in operations	939	1,337
b) Non-current assets and groups of assets held for sale	11,081	13,748
C.7 Other decreases	-	-
D. Closing balance	**106,454**	**122,263**
E. Valuation at fair value	-	-

8.7-*bis* Useful life of the main categories of fixed assets

Category	Useful life
Land	not depreciated
Real estate	based on the useful life identified from specific appraisals
Office furniture and machines	100 months
Furnishings	80 months
Lifting equipment	160 months
Motor vehicles	48 months
Alarm systems	40 months
EDP hardware	60 months

8.8 Inventories of property, plant and equipment governed by IAS 2: annual changes

There are no amounts for this item in this Separate Financial Report.

8.9 Commitments to purchase property, plant and equipment

There are no amounts for this item in this Separate Financial Report.

Section 9 – Intangible assets

Item 90

9.1 Intangible assets: breakdown by asset type

Description/Amounts	Total 31.12.2025		Total 31.12.2024	
	Finite useful life	Indefinite useful life	Finite useful life	Indefinite useful life
A.1 Goodwill	**X**	**-**	**X**	**-**
A.2 Other intangible assets	**548,980**	**-**	**528,594**	**-**
of which Software	548,935	-	528,548	-
A.2.1 Assets measured at cost	548,980	-	528,594	-
a) intangible assets generated internally	-	-	-	-
b) other assets	548,980	-	528,594	-
A.2.2 Assets measured at fair value	-	-	-	-
a) intangible assets generated internally	-	-	-	-
b) other assets	-	-	-	-
Total	**548,980**	**-**	**528,594**	**-**

"Other intangible assets" mainly comprise applications software measured at cost and amortised on a straight-line basis over a period, not exceeding five years, that depends on the degree of obsolescence involved.

9.2 Intangible assets: annual changes

	Goodwill	Other intangible assets: generated internally		Other intangible assets: other		Total
		FIN	INDEF	FIN	INDEF	
A. Opening balance	**284,810**	**-**	**-**	**1,090,108**	**-**	**1,374,918**
A.1 Total net value adjustments	284,810	-	-	561,514	-	846,324
A.2 Net opening balance	**-**	**-**	**-**	**528,594**	**-**	**528,594**
B. Increases	**-**	**-**	**-**	**189,393**	**-**	**189,393**
B.1 Purchases	-	-	-	187,854	-	187,854
B.2 Increases in internal intangible assets	X	-	-	-	-	-
B.3 Write-backs	X	-	-	-	-	-
B.4 Increases in fair value	-	-	-	-	-	-
- shareholders' equity	X	-	-	-	-	-
- profit or loss	X	-	-	-	-	-
B.5 Positive exchange differences	-	-	-	-	-	-
B.6 Other decreases	-	-	-	1,539	-	1,539
C. Decreases	**-**	**-**	**-**	**169,007**	**-**	**169,007**
C.1 Sales	-	-	-	15	-	15
C.2 Adjustments	-	-	-	168,992	-	168,992
- Depreciation	X	-	-	142,219	-	142,219
- Impairment losses	-	-	-	26,773	-	26,773
+ shareholders' equity	X	-	-	-	-	-
+ profit or loss	-	-	-	26,773	-	26,773
C.3 Decreases in fair value:	-	-	-	-	-	-
- shareholders' equity	X	-	-	-	-	-
- profit or loss	X	-	-	-	-	-
C.4 Transfers to non-current assets held for sale	-	-	-	-	-	-
C.5 Negative exchange differences	-	-	-	-	-	-
C.6 Other decreases	-	-	-	-	-	-
D. Net closing balance	**-**	**-**	**-**	**548,980**	**-**	**548,980**
D.1 Total net value adjustments	284,810	-	-	730,506	-	1,015,316
E. Gross closing balance	**284,810**	**-**	**-**	**1,279,486**	**-**	**1,564,296**

All intangible assets are measured at cost. The impairment test carried out in compliance with IAS 36 did not identify any need to recognise an impairment loss.

Key: Key = DEF definite life INDEF = indefinite life

9.3 Intangible assets: other information

There is no information to be disclosed other than that already provided in this section.

Section 10 – Tax assets and liabilities

Asset item 100 and liability item 60

10.1 Deferred tax assets: breakdown

	IRES	IRAP	Total 31.12.2025	Total 31.12.2024
Impairment losses on loans to customers	151,220	17,985	169,205	165,155
Impairment losses on equity investments and securities	22,139	5,821	27,960	49,253
Goodwill convertible into tax credits	223,355	51,228	274,583	266,874
Non-convertible goodwill	2,072	510	2,582	15,248
Personnel provisions	197,796	42,493	240,289	242,945
Endorsement credits, clawback action during bankruptcy proceedings and outstanding lawsuits	58,551	4,749	63,300	83,220
Impairment losses on loans to customers FTA IFRS 9	117,109	29,770	146,879	140,829
Non-convertible tax losses	17,912	-	17,912	188,135
ACE carried forward	711	-	711	7,570
Property, plant and equipment and intangible assets	251	86	337	1,431
Other deferred tax assets	30,195	507	30,702	30,728
Total	**821,311**	**153,149**	**974,460**	**1,191,388**

"Deferred tax assets" are determined on the basis of IRES and IRAP tax rates which are expected to be in force at the time of their recovery.
The total includes, for an amount of Euro 443.8 million, deferred tax assets relating to value adjustments to loans to customers, goodwill convertible to tax credits pursuant to Law 214/2011.
The remaining deferred tax assets, for a total of Euro 530.7 million, refer for Euro 512.1 million to deductible temporary differences, for Euro 17.9 million to non-convertible tax losses and Euro 0.7 million to surplus ACE (Allowance for Corporate Equity). These deferred tax assets were recognised on the basis of the positive outcome of the probability test carried out in compliance with the provisions of IAS 12, assuming a time horizon of 5 years for the purposes of the recovery forecasts; the future taxable income considered is consistent with the financial forecasts recently updated in January/February 2026. The decrease in the items "Tax losses not convertible into tax credits" and "ACE carried forward" is mainly attributable to the use of tax losses and ACE surplus amounts to reduce the taxable amount subject to IRES and RES surcharges for the 2025 tax year.
As at 31 December 2025, no deferred tax assets were recognised that are recoverable beyond the time horizon taken into consideration for the probability test, for an amount of Euro 88.8 million, largely due to mismatches between the carrying amount and the tax base of goodwill, properties, other property, plant equipment and intangible assets, and personnel funds.

10.2 Deferred tax liabilities: breakdown

	IRES	IRAP	Total 31.12.2025	Total 31.12.2024
Payments to FITD (Interbank Deposit Protection Fund)	149	41	190	179
Revaluations of equity investments and securities	17,424	22,038	39,462	16,688
Capital gains on shares and other securities	937	119	1,056	1,633
Personnel provisions	-	-	-	1,579
Property, plant and equipment and intangible assets	10,172	2,800	12,972	12,232
Other deferred taxes	4,901	5	4,906	4,912
Total	**33,583**	**25,003**	**58,586**	**37,223**

"Deferred tax liabilities" are determined on the basis of IRES and IRAP tax rates which are expected to be in force at the time of their recovery.
The item "Other deferred tax liabilities" refers primarily to the mismatch between the carrying amount and the tax base of tax receivables held for sale.
As at 31 December 2025, no deferred tax liabilities were recognised with regard to temporary differences relating to investments in subsidiaries, branches, associates and companies under joint control.

10.3 Changes in deferred tax assets (through profit or loss)

	Total 31.12.2025	Total 31.12.2024
1. Initial amount	**1,119,831**	**1,505,698**
2. Increases	**117,778**	**156,013**
2.1 Deferred tax assets recognised in the year	91,149	156,013
a) relating to previous years	11,402	47,907
b) due to changes in accounting criteria	-	-
c) write-backs	-	-
d) other	79,747	108,106
2.2 New taxes or tax rate increases	25,433	-
2.3 Other increases	1,196	-
3. Decreases	**312,511**	**541,880**
3.1 Deferred tax assets derecognised in the year	312,511	537,607
a) reversals	14,472	216,383
b) write-offs	-	-
c) due to changes in accounting criteria	-	-
d) other	298,039	321,224
3.2 Decreases in tax rates	-	-
3.3 Other decreases:	-	4,273
a) conversion into tax credit under Law No. 214/2011	-	-
b) other	-	4,273
4. Final amount	**925,098**	**1,119,831**

The amount recognised under 2.1 a) "Deferred tax assets recognised in the year - relating to previous years" mainly refers to DTAs recognised in the year following the passing of the probability test relating to provisions for redundancies (for an amount of Euro 10.9 million) and amortisation of tax-aligned goodwill recoverable in 2030 (for an amount of Euro 0.5 million).
Item 2.1 d) "Deferred tax assets recognised in the year - other" mainly includes the increases in deferred tax assets on provisions for personnel funds for an amount of Euro 62 million, provisions for the pending litigation fund for an amount of Euro 11,7 million and for signature loans for an amount of Euro 5.5 million.
Item 2.2 "New taxes or tax rate increases" reflects the increase in deferred tax assets due to the higher IRAP (regional production tax) rate introduced by the 2026 Budget Law for the 2026-2028 three-year period.
Item 2.3 "Other increases" mainly includes the accounting balances of BiBanca s.p.a.'s deferred tax assets transferred to BPER following the demerger of the e-money business completed by deed dated 16 January 2025, relating to provisions for legal proceedings of Euro 0.5 million, impairment losses on loans of Euro 0.4 million, and personnel provisions of Euro 0.2 million.
The amount in 3.1 a) "Deferred tax assets derecognised in the year - reversals", primarily includes the cancellations of deferred tax assets pursuant to Law 214/2011 connected to the write-downs of loans to customers and tax amortisation of goodwill for an amount of Euro 13.3 million and tax amortisation of hardware and software for an amount of Euro 1.1 million
The amount under 3.1 d) "Deferred tax assets derecognised for the year - other" includes the reversal of deferred tax assets related to draw-downs of personnel provisions of Euro 21.5 million, draw-downs of the redundancy fund and early-retirement incentive of Euro 60.5 million, draw-downs of the litigation fund for an amount of Euro 32.4 million, and draw-downs of the fund for clawback actions and signature loans for an amount of Euro 5.7 million. The amount also refers to Euro 175.8 million worth of DTAs related to the portion of tax losses and ACE surplus amounts used to reduce individual and group taxable income.

10.3 *bis* Changes in deferred tax assets pursuant to Law 214/2011 (with offsetting entry to profit and loss)

	Total 31.12.2025	Total 31.12.2024
1. Initial amount	**432,029**	**589,982**
2. Increases	**11,846**	**-**
3. Decreases	**87**	**157,953**
3.1 Reversals	87	157,953
3.2 Conversion into tax credit	-	-
a) from losses for the year	-	-
b) from tax losses	-	-
3.3 Other decreases	-	-
4. Final amount	**443,788**	**432,029**

Art. 2, paragraphs 55 et seq. of Decree Law No. 225/2010, converted into Law by art. 1, para. 1, Law. No. 10/2011, as later amended by Article 9, para. 1b), of Law Decree 201/2011 introduced the system of converting into tax credits the DTAs recognised in the financial statements relating to value adjustments pursuant to Article 106, para. 3 of the TUIR (Consolidated Income Tax Act), to the value of goodwill and other intangible assets and the part of the IRES tax losses resulting from (and within the limits of) the deduction of the aforementioned items for the year.
Subsequently, Art. 1, para. 168 of Italian Law No 147/2013 extended the aforementioned conversion scheme to IRAP (regional production tax) DTAs relating to the same negative items that contributed to the formation of the "negative net production value".
This table shows the changes that took place during the year limited to these categories of DTAs (called "noble").
Item 2.2 "New taxes or tax rate increases" includes increases in deferred tax assets in connection with the higher IRAP (regional production tax) rate introduced by the 2026 Budget Law for the three-year period 2026–2028.
Item 3.1 "Reversals" represents the reversals for the year as a result of the deduction in the year of value adjustments on loans recognised in previous years and the deduction of which had been deferred in accordance with the regulations in force at the time, and of the amortisation of goodwill.

10.4 Changes in deferred tax liabilities (through profit or loss)

	Total 31.12.2025	Total 31.12.2024
1. Initial amount	**8,050**	**6,909**
2. Increases	**301**	**2,331**
2.1 Deferred tax liabilities recognised in the year	14	2,331
a) relating to previous years	-	-
b) due to changes in accounting criteria	-	-
c) other	14	2,331
2.2 New taxes or tax rate increases	287	-
2.3 Other increases	-	-
3. Decreases	**2,197**	**1,190**
3.1 Deferred tax liabilities derecognised in the year	2,197	1,190
a) reversals	-	-
b) due to changes in accounting criteria	-	-
c) other	2,197	1,190
3.2 Decreases in tax rates	-	-
3.3 Other decreases	-	-
4. Final amount	**6,154**	**8,050**

Item 2.1 c) "*Deferred tax liabilities recognised in the year* - other" refers to deferred tax liabilities recognised on the taxable portion of capital gains from the fair value measurement of securities. and equity investments
Item 2.2 "New taxes or tax rate increases" includes increases in deferred tax liabilities in connection with the higher IRAP (regional production tax) rate introduced by the 2026 Budget Law for the three-year period 2026–2028.
Item 3.1 c) "Deferred tax liabilities derecognised for the year - other" refers to deferred tax liabilities for Euro 0.6 million derecognised following the realisation of securities and equity investments.

10.5 Changes in deferred tax assets (through shareholders' equity)

	Total 31.12.2025	Total 31.12.2024
1. Initial amount	**71,557**	**95,023**
2. Increases	**2,502**	**4,927**
2.1 Deferred tax assets recognised in the year	2,502	4,927
a) relating to previous years	-	-
b) due to changes in accounting criteria	-	-
c) other	2,502	4,927
2.2 New taxes or tax rate increases	-	-
2.3 Other increases	-	-
3. Decreases	**24,697**	**28,393**
3.1 Deferred tax assets derecognised in the year	24,697	28,356
a) reversals	-	-
b) write-offs	-	-
c) due to changes in accounting criteria	-	-
d) other	24,697	28,356
3.2 Decreases in tax rates	-	-
3.3 Other decreases	-	37
4. Final amount	**49,362**	**71,557**

Item 2.1 c) "Deferred tax assets recognised in the year – other" relates to Euro 1.7 million arising from the fair value measurement of securities in the HTC&S portfolio, Euro 0.5 million relating to the impact of the measurement of CFH derivatives, and Euro 0.2 million relating to deferred tax assets associated with the provision for the Section A pension fund.
Item 3.1 d) "Deferred tax assets derecognised during the year - other" refers mainly to the impact of the fair value measurement of securities in the HTC&S portfolio on deferred tax assets for an amount of Euro 22.8 million and to the reduction in deferred tax assets recognised following the draw-down of pension fund Section A for an amount of Euro 1.8 million.

10.6 Changes in deferred tax liabilities (through shareholders' equity)

	Total 31.12.2025	Total 31.12.2024
1. Initial amount	**29,173**	**27,357**
2. Increases	**25,015**	**5,466**
2.1 Deferred tax liabilities recognised in the year	17,651	5,466
a) relating to previous years	-	-
b) due to changes in accounting criteria	-	-
c) other	17,651	5,466
2.2 New taxes or tax rate increases	6,318	-
2.3 Other increases	1,046	-
3. Decreases	**1,756**	**3,650**
3.1 Deferred tax liabilities derecognised in the year	1,756	3,650
a) reversals	-	-
b) due to changes in accounting criteria	-	-
c) other	1,756	3,650
3.2 Decreases in tax rates	-	-
3.3 Other decreases	-	-
4. Final amount	**52,432**	**29,173**

Item 2.1 c) "Deferred tax liabilities recognised in the year - other" refers mainly to deferred tax liabilities recognised on the fair value measurement of securities in the HTC&S portfolio for an amount of Euro 17.6 million.
Item 2.2 "New taxes or tax rate increases" includes increases in deferred tax liabilities recognised as a result of the higher IRAP (regional production tax) rate introduced by the 2026 Budget Law for the three-year period 2026–2028.
Item 2.3 "Other increases" includes the accounting balances of BiBanca s.p.a.'s deferred tax liabilities transferred to BPER following the demerger of the e-money business, which was completed by deed dated 16 January 2025.
Item 3.1 c) "Deferred tax liabilities derecognised for the year - other" refers mainly to deferred tax liabilities recognised on the fair value measurement of securities in the HTC&S portfolio for an amount of Euro 1.7 million.

10.7 Other information

Current tax assets

	31.12.2025	31.12.2024
IRES provisions	-	119,233
IRAP provisions	93,112	63,134
Additional provisions	10,354	151
Other assets and withholdings	441,447	370,182
Gross current tax assets	**544,913**	**552,699**
Offset current tax liabilities	318,859	173,579
Net current tax assets	**226,054**	**379,120**

Current tax liabilities

	31.12.2025	31.12.2024
Tax debt for IRES	250,916	101,592
Tax debt for IRAP	100,219	71,987
Other payables for current income taxes	144,517	-
Gross current tax liabilities	**495,652**	**173,579**
Offset current tax assets	318,859	173,579
Gross current tax liabilities	**176,793**	**-**

Changes in gross current tax liabilities

	31.12.2025	31.12.2024
Balance at the end of the prior year	**173,579**	**61,126**
Decreases	**173,579**	**60,831**
- uses for payment of income taxes	-	-
- uses for payment of other taxes	-	-
- other decreases	173,579	60,831
Increases	**495,652**	**173,284**
- provisioning:	-	-
- income taxes: parent company	100,219	71,987
- income taxes: members of domestic tax group	395,433	101,297
- substitute tax pursuant to law 147/2013, art. 1, paragraph 150	-	-
- substitute tax (Pres. Decree 185/2008, art. 15, para. 10	-	-
- substitute tax pursuant to law 244/2007, art. 1, paragraph 48	-	-
- other increases	-	-
Total gross current tax liabilities	**495,652**	**173,579**

Section 11 – Non-current assets and disposal groups classified as held for sale and related liabilities

Asset item 110 and liability item 70

11.1 Non-current assets and disposal groups classified as held for sale: breakdown by assets

	31.12.2025	31.12.2024
A. Assets held for sale		
A.1 Financial assets	256,688	-
A.2 Equity investments	11,720	8,993
A.3 Property, plant and equipment	29,325	17,111
of which: arising from the enforcement of guarantees received	1,612	1,778
A.4 Intangible assets	-	-
A.5 Other non-current assets	-	-
Total A	**297,733**	**26,104**
of which measured at cost	268,408	8,993
of which measured at fair value level 1	-	-
of which measured at fair value level 2	-	-
of which measured at fair value level 3	29,325	17,111
B. Discontinued operations		
B.1 Financial assets measured at fair value through profit or 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 measured at amortised cost	-	-
B.4 Equity investments	-	-
B.5 Property, plant and equipment	-	-
of which: arising from the enforcement of guarantees received	-	-
B.6 Intangible assets	-	-
B.7 Other assets	-	-
Total B	**-**	**-**
of which measured at cost	-	-
of which measured at fair value level 1	-	-
of which measured at fair value level 2	-	-
of which measured at fair value level 3	-	-

(cont.)

	31.12.2025	31.12.2024
C. Liabilities associated with assets classified as held for sale		
C.1 Due to banks/customers	320,461	-
C.2 Securities	191	-
C.3 Other liabilities	101	-
Total C	**320,753**	**-**
of which measured at cost	320,753	-
of which measured at fair value level 1	-	-
of which measured at fair value level 2	-	-
of which measured at fair value level 3	-	-
D. Liabilities associated with discontinued operations		
D.1 Financial liabilities measured at 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 measured at cost	-	-
of which measured at fair value level 1	-	-
of which measured at fair value level 2	-	-
of which measured at fair value level 3	-	-

The item "Equity investments" is represented by the value of the subsidiary Modena Terminal.
"Property, plant and equipment" include properties for which the disposal process has already begun.
Financial assets and liabilities, comprising debts, securities and other liabilities, correspond to the assets and liabilities relating to the branches subject to a ruling by the Italian Competition and Market Authority (*Autorità Garante della Concorrenza e dei Mercati* - AGCM), which has ordered their disposal on the market; - iii. Property, plant and equipment (immovables), for which the disposal process has already begun.

11.2 Other information

There is no information to be disclosed other than that already provided in this section.

Section 12 – Other assets

Item 120

12.1 Other assets: breakdown

	31.12.2025	31.12.2024
Taxes withheld on interest, withholdings and tax credits on dividends, advance taxation	337,011	309,969
Sundry amounts to be charged to customers	198,660	179,735
Bank charges to be debited to customers or banks	94,319	107,434
Cheques being processed	103	40
Cheques drawn on other banks	70,582	90,047
Items relating to securities transactions	16,283	42,365
Leasehold improvement expenditure	10,152	12,346
Gold, silver and precious metals	70,608	80,367
Accrued income and prepaid expenses	5,949	7,407
Tax credits purchased from third parties	3,642,279	4,489,185
Other items for sundry purposes	82,527	63,038
Credit for tax consolidation	22,246	36,004
Total	**4,550,719**	**5,417,937**

There are no contract assets, as defined in IFRS 15.
The item "Tax credits purchased from third parties" includes tax credits purchased from third parties under the Relaunch Decree No. 34/2020, measured at amortised cost, for the portion to be recovered by offsetting, and measured at fair value, for the amount corresponding to the sales contracts entered into at the end of the reporting period. The nominal value of tax credits acquired as at 31 December 2025, net of offsets, amounted to Euro 4,016.4 million (Euro 5,001.1 million as at 31 December 2024).
In light of the complexity of the regulatory scenario described, despite the control protocols adopted by the Bank both in the phase of acquiring the tax credit and in its technical assessment, it is believed that BPER Banca remains exposed to a compliance/operational risk that, in the event of irregularities by the selling parties, could cause a deferral in the use of the receivables acquired. In respect of said risk, the Bank made an allocation to the Provisions for risks and charges, better detailed in a later section of these Explanatory Notes, dedicated to liability items.

LIABILITIES

Section 1 – Financial liabilities measured at amortised cost

Item 10

1.1 Financial liabilities measured at amortised cost: breakdown by product of due to banks

Type of transaction/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	**-**	**X**	**X**	**X**	**-**	**X**	**X**	**X**
2. Due to banks	**13,311,956**	**X**	**X**	**X**	**12,536,802**	**X**	**X**	**X**
2.1 Current accounts and demand deposits	7,585,546	X	X	X	6,592,996	X	X	X
2.2 Time deposits	852,207	X	X	X	917,989	X	X	X
2.3 Loans	3,748,177	X	X	X	4,145,850	X	X	X
2.3.1 Repurchase agreements	3,576,928	X	X	X	3,939,351	X	X	X
2.3.2 Other	171,249	X	X	X	206,499	X	X	X
2.4 Payables for commitments to repurchase own equity instruments	-	X	X	X	-	X	X	X
2.5 Lease liabilities	13,029	X	X	X	15,365	X	X	X
2.6 Other liabilities	1,112,997	X	X	X	864,602	X	X	X
Total	**13,311,956**	**-**	**-**	**13,311,956**	**12,536,802**	**-**	**-**	**12,536,802**

An explanation of the fair value hierarchy used for classification has been given in Part A.4 of the Explanatory Notes in chapter "Techniques for the determination of fair value".
Fair value is assumed to be the same as the carrying amount since they are sight or short-term transactions.

Key: BV = Book Value; L1 = Level 1; L2 = Level 2; L3 = Level 3

1.2 Financial liabilities measured at amortised cost: breakdown by product of due to customers

Type of transaction/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	**80,630,601**	**X**	**X**	**X**	**80,402,700**	**X**	**X**	**X**
2. Time deposits	**1,595,514**	**X**	**X**	**X**	**1,768,726**	**X**	**X**	**X**
3. Loans	**11,473,598**	**X**	**X**	**X**	**6,848,110**	**X**	**X**	**X**
3.1 Repurchase agreements	6,001,532	X	X	X	1,825,110	X	X	X
3.2 Other	5,472,066	X	X	X	5,023,000	X	X	X
4. Payables for commitments to repurchase own equity instruments	**-**	**X**	**X**	**X**	**-**	**X**	**X**	**X**
5. Lease liabilities	**399,979**	**X**	**X**	**X**	**378,296**	**X**	**X**	**X**
6. Other liabilities	**602,765**	**X**	**X**	**X**	**550,637**	**X**	**X**	**X**
Total	**94,702,457**	**-**	**-**	**94,702,457**	**89,948,469**	**-**	**-**	**89,948,469**

An explanation of the fair value hierarchy used for classification has been given in Part A.4 of the Explanatory Notes in chapter "Techniques for the determination of fair value".
Fair value is assumed to be the same as the carrying amount since they are sight or short-term transactions.

Key: BV = Book Value; L1 = Level 1; L2 = Level 2; L3 = Level 3

1.3 Financial liabilities measured at amortised cost: breakdown, by product, of securities issued

Type of transaction/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	8,785,284	6,447,552	2,470,022	-	9,989,016	6,831,554	3,253,390	-
1.1 structured	-	-	-	-	-	-	-	-
1.2 other	8,785,284	6,447,552	2,470,022	-	9,989,016	6,831,554	3,253,390	-
2. other securities	255,830	-	-	255,830	1,154,183	-	-	1,154,183
2.1 structured	-	-	-	-	-	-	-	-
2.2 other	255,830	-	-	255,830	1,154,183	-	-	1,154,183
Total	**9,041,114**	**6,447,552**	**2,470,022**	**255,830**	**11,143,199**	**6,831,554**	**3,253,390**	**1,154,183**

"Bonds" include Euro 1,064 million of subordinated debt, none of which are convertible into shares. In the "Level 3" column of point 2.2, the fair value is assumed to be the same as the book value as these are short-term transactions.
An explanation of the fair value hierarchy used for classification has been given in Part A.4 of the Explanatory Notes in chapter "Techniques for the determination of fair value".

Key: BV = Book Value; L1 = Level 1; L2 = Level 2; L3 = Level 3

1.4 Breakdown of subordinated securities

	Book Value 31.12.2025	Nominal value 31.12.2025	Book Value 31.12.2024	Nominal value 31.12.2024
BPER Banca s.p.a. EMTN subordinated non-convertible bond 3.625%, 2020-2030 callable	-	-	411,004	400,000
BPER Banca s.p.a. EMTN subordinated non-convertible bond 3.875%, 2022-2032 callable	617,235	600,000	615,339	600,000
BPER Banca s.p.a. Tier II subordinated non-convertible bond 5%, 2022-2032 callable	12,015	12,000	12,015	12,000
BPER Banca s.p.a. EMTN subordinated non-convertible bond 8.625%, 2022-2033 callable	434,463	400,000	437,317	400,000
Banca Monte Lucca s.p.a. bond loan Fixed rate with Reset, Tier II, 2020-2030 callable	-	-	1,022	1,208
Total non-convertible bonds	**1,063,713**	**1,012,000**	**1,476,697**	**1,413,208**
Total bonds	**1,063,713**	**1,012,000**	**1,476,697**	**1,413,208**

There are no convertible subordinated bonds outstanding at 31 December 2025 (as was the case in December 2024).

1.5 Breakdown of structured debts

There are no amounts to be disclosed in these Financial Statements.

1.6 Lease liabilities

Time bands	Present value 31.12.2025	Present value 31.12.2024
Up to 3 months	18,887	18,465
>3 months to 1 year	50,792	52,533
> 1 to 5 years	220,633	206,056
> 5 years	122,696	116,607
Total	**413,008**	**393,661**

Section 2 – Financial liabilities held for trading
Item 20

2.1 Financial liabilities held for trading: breakdown by product

Type of transaction/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	-	-	-	-	-	-	-	-	-	-
2. Due to customers	4,461	4,555	-	-	4,555	3	94	-	-	94
3. Debt securities	-	-	-	-	X	-	-	-	-	X
3.1 Bonds	-	-	-	-	X	-	-	-	-	X
3.1.1 Structured	-	-	-	-	X	-	-	-	-	X
3.1.2 Other bonds	-	-	-	-	X	-	-	-	-	X
3.2 Other securities	-	-	-	-	X	-	-	-	-	X
3.2.1 Structured	-	-	-	-	X	-	-	-	-	X
3.2.2 Other	-	-	-	-	X	-	-	-	-	X
Total A	**4,461**	**4,555**	**-**	**-**	**4,555**	**3**	**94**	**-**	**-**	**94**
B. Derivative instruments										
1. Financial derivatives	X	-	313,168	3,751	X	X	-	247,918	4,334	X
1.1 Trading	X	-	280,425	3,751	X	X	-	247,918	4,334	X
1.2 Connected with the fair value option	X	-	32,743	-	X	X	-	-	-	X
1.3 Other	X	-	-	-	X	X	-	-	-	X
2. Credit derivatives	X	-	-	-	X	X	-	-	-	X
2.1 Trading	X	-	-	-	X	X	-	-	-	X
2.2 Connected with the fair value option	X	-	-	-	X	X	-	-	-	X
2.3 Other	X	-	-	-	X	X	-	-	-	X
Total B	**X**	**-**	**313,168**	**3,751**	**X**	**X**	**-**	**247,918**	**4,334**	**X**
Total (A+B)	**X**	**4,555**	**313,168**	**3,751**	**X**	**X**	**94**	**247,918**	**4,334**	**X**

An explanation of the fair value hierarchy used for classification has been given in Part A.4 of the Explanatory Notes in chapter "Techniques for the determination of fair value".

Key: BV = Book Value; L1 = Level 1; L2 = Level 2; L3 = Level 3
Fair value* = Fair value calculated excluding value adjustments due to changes in the credit rating of the issuer since the date of issue

2.2 Breakdown of "Financial liabilities held for trading": subordinated liabilities

There are no amounts for this item in this Separate Financial Report.

2.3 Breakdown of "Financial liabilities held for trading": structured debts

There are no amounts for this item in this Separate Financial Report.

Section 3 – Financial liabilities designated at fair value

Item 30

3.1 Financial liabilities designated at fair value: breakdown by product

Type of transaction/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	X
- financial guarantees granted	-	X	X	X	X	X	X	X	X	X
2. Due to customers	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Structured	-	-	-	-	X	-	-	-	-	X
2.2 Other	-	-	-	-	X	-	-	-	-	X
of which:										
- commitments to disburse funds	-	X	X	X	X	X	X	X	X	X
- financial guarantees granted	-	X	X	X	X	X	X	X	X	X
3. Debt securities	**3,287,463**	**-**	**3,385,873**	**-**	**3,422,947**	**2,560,861**	**-**	**2,615,611**	**-**	**2,660,951**
3.1 Structured	3,287,463	-	3,385,873	-	X	2,560,861	-	2,615,611	-	X
3.2 Other	-	-	-	-	X	-	-	-	-	X
Total	**3,287,463**	**-**	**3,385,873**	**-**	**3,422,947**	**2,560,861**	**-**	**2,615,611**	**-**	**2,660,951**

The item includes certificates with unconditionally protected capital (structured debt securities). Classification into this category derives primarily from the reconciliation of these liabilities to the portfolios managed by Capital Market, which, according to the Group's policies, are measured at fair value considering the objectives pursued and reported performance. In addition, this classification makes it possible to pursue a "natural hedge" of derivatives entered into in order to "balance" the risks assumed with derivatives embedded in issued liabilities (derivatives that were classified as "trading" when recognised).
The increase recorded in 2025 is due to the issuing of 11 new certificates, for a currently outstanding total nominal value of Euro 1,064 million.

Key: NV = Notional Value; L1 = Level 1; L2 = Level 2 L3 = Level 3
Fair value* = Fair value calculated excluding value adjustments due to changes in the credit rating of the issuer since the date of issue.

3.1 bis Financial liabilities designated at fair value: method of use of the fair value option

Description/Amounts	31.12.2025	31.12.2024
a) Natural hedges through derivatives	-	-
b) Natural hedges with other financial instruments	-	-
c) Other types of accounting mismatch	-	-
d) Financial instruments managed and measured at fair value	3,385,873	2,615,611
e) Embedded structured derivative products	-	-
Total	**3,385,873**	**2,615,611**

3.2 Breakdown of "Financial liabilities designated at fair value": subordinated liabilities

There are no amounts for this item in this Separate Financial Report.

Section 4 – Hedging derivatives
Item 40

4.1 Hedging derivatives: breakdown by type of hedge and hierarchy levels

	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	**-**	**87,684**	**-**	**4,042,870**	**-**	**210,347**	**-**	**5,378,211**
1) Fair value	-	87,684	-	4,042,870	-	207,098	-	5,320,458
2) Cash flows	-	-	-	-	-	3,249	-	57,753
3) Foreign investments	-	-	-	-	-	-	-	-
B. Credit derivatives	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	**-**	**87,684**	**-**	**4,042,870**	**-**	**210,347**	**-**	**5,378,211**

An explanation of the fair value hierarchy used for classification has been given in Part A.4 of the Explanatory Notes in chapter "Techniques for the determination of fair value".

Key: NV = Notional Value; L1 = Level 1; L2 = Level 2 L3 = Level 3

4.2 Hedging derivatives: breakdown by hedged portfolio and type of hedge

Transactions/Type of hedge	Fair Value						Cash flows			Foreign investments
	Specific						General	Specific	General	
	debt securities and interest rates	equity instruments and stock indexes	currencies and gold	credit	commodities	other				
1. Financial assets measured at fair value through other comprehensive income	304	-	-	-	X	X	X	-	X	X
2. Financial assets measured at amortised cost	41,428	X	-	-	X	X	X	-	X	X
3. Portfolio	X	X	X	X	X	X	-	X	-	X
4. Other transactions	-	-	-	-	-	-	X	-	X	-
Total assets	**41,732**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Financial Liabilities	2,253	X	-	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	43,699	X	-	X
Total liabilities	**2,253**	**-**	**-**	**-**	**-**	**-**	**43,699**	**-**	**-**	**-**
1. Forecast transactions	X	X	X	X	X	X	X	-	X	X
2. Portfolio of financial assets and liabilities	X	X	X	X	X	X	-	X	-	-

Section 5 – Change in value of macro-hedged financial liabilities

Item 50

5.1 Change in value of hedged financial liabilities: breakdown by hedged portfolio

Change in value of hedged financial liabilities / Values	Total 31.12.2025	Total 31.12.2024
1. Positive adjustment of financial liabilities	-	-
2. Negative adjustment of financial liabilities	(43,704)	(81,843)
Total	**(43,704)**	**(81,843)**

The balance of the item represents the valuation effect as at 31 December 2025 of the liability items (modelled direct funding, qualifying as "Demand Items") identified as subject to macro hedging of interest rate risk, as part of the macro-hedge accounting qualified strategy.

Section 6 – Tax liabilities

Item 60

Please refer to the information provided in section 10, Assets.

Section 7 – Liabilities associated with assets classified as held for sale

Item 70

Please refer to the information provided in section 11, Assets.

Section 8 – Other liabilities

Item 80

8.1 Other liabilities: breakdown

	31.12.2025	31.12.2024
Amounts due to banks	6,582	16,625
Amounts due to customers	782,893	1,015,185
Net adjustments on collection of receivables for third parties	864,985	872,117
Staff emoluments and related social contributions	77,304	77,872
Amounts due to third parties for coupons, securities and dividends to be collected	4,171	10,108
Amounts due to the tax authorities on behalf of customers and personnel	274,458	270,856
Bank transfers for clearance	13,037	14,905
Advances for the purchase of securities	16	15
Due to suppliers	296,608	299,608
Third-party payments as surety for loans	400	485
Accrued expenses and deferred income	88,672	106,590
Other liabilities to third parties	384,419	368,758
Payables due to members of the tax group	5,788	6,934
Total	**2,799,333**	**3,060,058**

From the analysis carried out for the purposes of IFRS 15, a single type of contract liability has been identified, amounting to Euro 17.1 million classified under the caption "Accrued liabilities and deferred income", which refers to the portion of consideration paid in advance by customers for warranty services provided by the Bank for a period of time ("over time performance obligation"), relating to the portion not yet accrued at the end of the period.

Section 9 – Employee termination indemnities
Item 90

9.1 Employee termination indemnities: annual changes

	Total 31.12.2025	Total 31.12.2024
A. Opening balance	**108,627**	**130,975**
B. Increases	**3,007**	**3,533**
B.1 Provisions for the year	2,886	3,533
B.2 Other decreases	121	-
C. Decreases	**24,063**	**25,881**
C.1 Benefits paid	17,298	12,125
C.2 Other decreases	6,765	13,756
D. Closing balance	**87,571**	**108,627**
Total	**87,571**	**108,627**

The item "Other decreases" (C.2) refers to the portion of termination indemnities transferred to complementary pension funds (Euro 5.6 million).

9.2 Other information

The following tables detail the changes in employee termination indemnities, as well as the principal demographic and financial assumptions made in order to quantify the provision using the Projected Unit Credit Method (pursuant to IAS 19 Revised, § 65-67); lastly, table 9.2.3 presents the comparative information required by law.

9.2.1 Changes in employee termination indemnities during the year

Description/Amounts	31.12.2025	31.12.2024
A. Opening balance	**108,627**	**130,975**
B. Increases	**3,007**	**3,533**
1. Current service cost	-	-
2. Financial charges	2,886	3,533
3. Contribution to the plan by employees	-	-
4. Actuarial losses	-	-
5. Exchange differences	-	-
6. Past service cost	-	-
7. Other	121	-
C. Decreases	**24,063**	**25,881**
1. Benefits paid	17,298	12,125
2. Past service cost	-	-
3. Actuarial gains	1,126	4
4. Exchange differences	-	-
5. Curtailments	-	-
6. Settlement	-	-
7. Other	5,639	13,752
D. Closing balance	**87,571**	**108,627**

The item "Other decreases" (C.7) refers to the portion of termination indemnities transferred to complementary pension funds (Euro 5.6 million).

9.2.2 Description of the main actuarial assumptions - termination indemnities

Main actuarial assumptions/Percentages	31.12.2025	31.12.2024
Discount rates	3.24%	2.97%
Expected increase in remuneration	n/a	n/a
Turnover	1.99%	1.99%
Inflation rate	2.00%	2.00%
Interest rate adopted for the calculation of interest cost	2.97%	3.03%

In addition to the average data included in the table, the approach taken to identify the principal actuarial assumptions is described below:

- Discount rates: the curve of "Euro Composite AA" rates for prime corporate bonds listed in the Euro market on the measurement date has been used.
- Turnover: time series analysis of the events giving rise to terminations and adjustments to take account of any "anomalies" that occurred in the past. The assumptions made about turnover took account of grade, vintage, age and gender.
- Inflation rate: a rate of 2.00% was used.
- Net interest cost: it was calculated at a rate that reflected the duration of the liability.

Demographic assumptions

As regards the demographic bases, the analyses performed on the time series of staff of companies included in the scope of consolidation focused on monitoring the trend in the following reasons for elimination:

- rate of employee mortality: the ISTAT life expectancy table of resident population was used, broken down by age and gender;
- rate of employee disability: the tables used for the INPS model to generate "Initial projections for 2010" were used;
- frequency and amount of advances on termination indemnities: in order to take into account the effects that these advances have on the timing of severance payments and, consequently on the discounting of the Company's liability, a probability table for the release of part of the accrued volumes was created. The frequency of advance payments and the average percentage of termination indemnities requested as an advance were taken from corporate data;
- probability of retirement, resignation, dismissal: this was taken from corporate data; in particular, a table showing the propensity of departure from the Company was created, based on age and gender. With regard to retirement, the calculation considered a 100% probability of satisfying the AGO requirements aligned with Decree 4/2019.

9.2.3 Comparative information: history of plan

Description/Amounts	31.12.2025	31.12.2024	31.12.2023	31.12.2022
1. Present value of provisions (+)	87,571	108,627	130,975	152,929
2. Fair value of assets servicing the plan (-)	-	-	-	-
3. Plan deficit (surplus) (+/-)	87,571	108,627	130,975	152,929
4. Adjustments to plan liabilities based on historical experience - actuarial (gains)/losses	(1,126)	(4)	4,043	(16,414)
5. Adjustments to plan assets based on historical experience	-	-	-	-

The "Adjustments to plan assets based on historical experience" solely comprise actuarial gains and losses.

9.2.4 Sensitivity analysis and information on the amount, timing and uncertainty of financial cash flows

As required by IAS 19 Revised, we carried out a sensitivity analysis on employee termination indemnities with respect to the more significant actuarial assumptions to show how the liability would change in relation to possible fluctuations in each of these assumptions. In particular, the following table shows how the provision would change in the event of a 50 basis point increase or decrease in the discount and inflation rates compared with the parameters actually used.

Employee termination indemnities	31.12.2025	+50 bps	-50 bps
	DBO	DBO	DBO
discount rates	87,571	85,348	89,909
inflation rate	87,571	89,335	85,855

In compliance with the requirements of IAS 19 Revised with regard to additional disclosures, an estimate of future cash flows was carried out at 31 December 2025, as shown in the following table:

Employee termination indemnities	1st year	2nd year	3rd year	4th year	5th year
Future cash-flows	15,217	5,883	7,023	6,405	6,963

Section 10 – Provisions for risks and charges
Item 100

10.1 Provisions for risk and charges: breakdown

Description/Amounts	Total 31.12.2025	Total 31.12.2024
1. Impairment provisions for credit risk related to commitments and financial guarantees granted	67,456	46,989
2. Impairment provisions related to other commitments and guarantees granted	28,196	45,279
3. Provisions for pension and similar obligations	103,283	115,297
4. Other provisions for risk and charges	884,860	1,043,382
4.1 legal and fiscal disputes	150,304	201,288
4.2 personnel charges	616,449	670,884
4.3 other	118,107	171,210
Total	**1,083,795**	**1,250,947**

10.2 Provisions for risks and charges: annual changes

	Impairment provisions related to other commitments and guarantees granted	Provisions for pensions and similar obligations	Other provisions for risk and charges	Total
A. Opening balance	**45,279**	**115,297**	**1,043,382**	**1,203,958**
B. Increases	**6,796**	**3,483**	**203,570**	**213,849**
B.1 Provisions for the year	1,675	-	192,763	194,438
B.2 Time value changes	-	3,483	7,724	11,207
B.3 Increases due to discount-rate adjustments	-	-	313	313
B.4 Other increases	5,121	-	2,770	7,891
C. Decreases	**23,879**	**15,497**	**362,092**	**401,468**
C.1 Use during the year	-	8,696	281,892	290,588
C.2 Decreases due to discount rate adjustments	-	6,801	-	6,801
C.3 Other decreases	23,879	-	80,200	104,079
D. Closing balance	**28,196**	**103,283**	**884,860**	**1,016,339**

The changes due to discount rate adjustments also include actuarial gains and losses, considering not just interest rate movements, but also other demographic and financial factors, where applicable.
The item "Provisions in the year", relating to "Other provisions for risks and charges" mainly includes Euro 115.4 million worth of provisions for the workforce optimisation manoeuvre as per the agreement signed on 19 December 2025.

10.3 Impairment provisions for credit risk related to commitments and financial guarantees granted

	Impairment provisions for credit risk related to commitments and financial guarantees granted				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired	Total
1. Commitments to disburse funds	2,408	1,837	-	-	4,245
2. Financial guarantees granted	6,189	5,398	51,624	-	63,211
Total	**8,597**	**7,235**	**51,624**	**-**	**67,456**

10.4 Provisions for other commitments and other guarantees granted

This item consists solely of provisions for other commitments.

10.5 Provisions for pension with defined-benefits

10.5.1. Features of provisions and related risks

FIP BPER Banca s.p.a.

The in-house supplementary pension fund is not a separate legal entity and its assets are held together with those of the Bank; it is made up entirely of Section "A", classifiable as a "defined benefit" scheme.
Under the Regulations for Section A, beneficiaries receive a supplementary pension subject to revaluation, the cost of which is borne entirely by the Bank.
This section comprises all current employees hired by the Bank prior to 28 April 1993; it also includes all retired beneficiaries, or their heirs, of supplementary pension payments deriving from earlier agreements signed by BPER Banca or by the banks absorbed by the latter over time.
The following tables report the changes in the Fund.
The actuarial gains and losses relating to Section A are recognised as an equity reserve.

The benefits provided by Fund Section A represent post-employment defined benefits, as governed by IAS 19 Revised; accordingly, the liability for these benefits is determined using the actuarial "Projected Unit Credit Method" applied in relation to termination indemnities.

During the financial year, the merge into Section A of the Pension Fund for BPER Banca staff of the other pension schemes existing at the end of 2024, resulting from previous business combinations, was completed.

10.5.2 Changes in the year of net liabilities (assets) with defined-benefits and redemption rights

Description/Amounts	31.12.2025	31.12.2024
Opening balance	**115,297**	**119,782**
A. Increases	**3,483**	**4,401**
1. Current service cost	-	-
2. Financial charges	3,483	3,522
3. Contribution to the plan by employees	-	-
4. Actuarial losses	-	879
5. Exchange differences	-	-
6. Past service cost	-	-
7. Other	-	-
B. Decreases	**15,497**	**8,886**
1. Benefits paid	8,696	8,886
2. Past service cost	-	-
3. Actuarial gains	6,801	-
4. Exchange differences	-	-
5. Curtailments	-	-
6. Settlement	-	-
7. Other	-	-
Closing balance	**103,283**	**115,297**

10.5.3 Information on fair value of plan assets

As mentioned already, the staff pension funds are in-house defined-benefit plans; the resources to be utilised to cover these liabilities are invested, without separate identification, in operating assets.

10.5.4 Description of the main actuarial assumptions

Main actuarial assumptions/Percentages	31.12.2025	31.12.2024
Discount rates	3.57%	3.17%
Expected increase in remuneration	n/a	n/a
Turnover	n/a	n/a
Inflation rate	2.00%	2.00%
Interest rate adopted for the calculation of interest cost	3.14%	3.05%

In addition to the average data included in the table, the approach taken to identify the principal actuarial assumptions is described below:

- the demographic assumptions made for the measurement were based on A62 tables on the probability of death of retired staff by gender;
- discount rates: the curve of "Euro Composite AA" rates for prime corporate bonds listed in the Euro market on the measurement date has been used.
- inflation rate: a fixed rate of 2.00% was used
- interest cost: it was calculated at a rate that reflected the duration of the liability.

10.5.5. Information on the amount, timing and uncertainty of financial cash flows

As required by IAS 19 Revised, a sensitivity analysis was carried out on the obligation of pension funds with respect to the more significant actuarial assumptions to show how the liability would change in relation to reasonably possible movements in each of these assumptions. The following table shows how the provision would change in the event of a 50 basis point increase or decrease in the discount rate compared with the parameters actually used.

Funds	31.12.2025	Discount rate +50 basis points	Discount rate -50 basis points
	DBO	DBO	DBO
Fund Section A	103,283	98,912	108,010

In compliance with the requirements of IAS 19 Revised with regard to additional disclosures, an estimate of future cash flows was carried out at 31 December 2025, as shown in the following table:

Funds	1st year	2nd year	3rd year	4th year	5th year
Fund Section A	8,768	8,534	8,290	8,034	7,764

10.5.6 Multi-employer plans

At 31 December 2025 there were no multi-employer plans in place.

10.5.7 Defined-benefit plans that share risks between entities under common control

At 31 December 2025 there were no plans of this type.

10.6 Provisions for risks and charges - other provisions

10.6.1 Legal disputes

	31.12.2025	31.12.2024
A. Opening balance	**201,288**	**212,404**
B. Increases	**37,005**	**40,683**
Provisions for the year	26,595	35,562
Other increases	10,410	5,121
C. Decreases	**87,989**	**51,799**
Other decreases	49,078	25,537
Uses for the year	38,911	26,262
D. Closing balance	**150,304**	**201,288**

The Bank operates in a highly regulated sector, that of banking, which exposes banks to various types of legal risks. We refer mainly to disputes arising from the provision of banking and financial services to customers, therefore relating mainly to aspects of compound interest and usury, contractual invalidity and unauthorised activities, tax disputes, loan origination and management in its various phases, performing or non-performing, including therein bankruptcy claw-backs.

The Bank and legal entities merged by absorption into the Parent Company were also subject to various audits by the Tax Authorities. These activities concerned the taxable income declared for the purpose of income tax, VAT, registration tax, and more generally the manner in which the tax legislation in force at the time was applied. As a consequence of said inspections, the BPER Banca Group is involved in a number of legal proceedings.

All Legal and tax disputes are subject to specific analysis by the competent structures of the Parent Company, in order to identify those for which the settlement is likely to require the use of resources intended to produce economic benefits and, consequently, require the allocation of provisions.

The legal and tax risks in respect of which no allocations were recognised were identified as "contingent liabilities", consisting in:

- possible obligations, in that it has yet to be confirmed whether the entity has a present obligation that could lead to an outflow of resources embodying economic benefits;
- present obligations that do not meet the recognition criteria in IAS 37 (because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a sufficiently reliable estimate of the amount of the obligation cannot be made).

Lastly, contingent liabilities with the possibility of any outflow in settlement being deemed "remote" do not require any disclosure, pursuant to the provisions of IAS 37.

In relation to the contingent liabilities (possible risks) stemming from disputes brought in civil proceedings by customers who were the recipients of banking and financial services provided by the bank, it should be noted that the high number of cases makes it difficult to provide a detailed list, while their varying natures makes it extremely difficult to group them into similar types. The total damages claimed by the claimants amounted to Euro 329.5 million as at 31 December 2025. In respect of this risk, even though not expressly required by IAS 37, the Bank has provisions in place mainly due to the acquisition of positions of possible risk from business combinations[38], the estimate and allocation of non-recurring legal expenses and the substantially prudential approach adopted in the risk assessments.

The update of the main situations of legal risk is presented below.

BPER Banca (formerly Emro Finance Ireland Ltd) - fiscal years 2005-2009

Recalling that the Bologna Regional Tax Commission ruled on the appeal filed by the Revenue Agency, reversing the first instance sentences, entirely in favour of the Bank, the Bank submitted an appeal to the Court of Cassation in partial acceptance of the appeal filed by the Revenue Agency and in the absolute conviction of the correctness of its actions, as early as on 13 June 2018 and is still awaiting a date to be set for the hearing.
In the meantime, the Commission accepted the Bank's request to suspend the enforceability of the second-level sentence.
Also in light of the fiscal opinion issued by professionals and advisors with proven experience who do not consider the risk of losing as probable, at the date of preparation of this Financial Report no amount was set aside in the provisions for risks and charges, but a provision for the estimated legal fees was recorded.

38 Pursuant to IFRS 3 - Business Combinations, possible risks also require fair value measurement at the Purchase Price Allocation stage.

10.6.2 Personnel charges

Description/Amounts	Other personnel provisions	
	31.12.2025	31.12.2024
Opening balance	**670,884**	**612,116**
Change in opening balances	-	-
A. Increases	**154,354**	**235,985**
1. Current service cost	147,534	227,693
2. Financial charges	4,972	8,289
3. Contribution to the plan by employees	-	-
4. Actuarial losses	891	3
5. Exchange differences	-	-
6. Past service cost	-	-
7. Other	957	-
B. Decreases	**208,789**	**177,217**
1. Benefits paid	198,386	165,202
2. Past service cost	-	-
3. Actuarial gains	135	590
4. Exchange differences	-	-
5. Curtailments	-	-
6. Settlement	-	-
7. Other	10,268	11,425
Closing balance	**616,449**	**670,884**

The item "Current service cost" includesthe provision of Euro 115.4 million relating to the workforce optimisation manoeuvre as per the agreement signed on 19 December 2025.

10.6.3 Other provisions

Items	31.12.2025		31.12.2024	
	Other provisions	Provision for charitable donations	Other provisions	Provision for charitable donations
A. Opening balance	**171,210**	**-**	**147,148**	**-**
B. Provisions	22,875	-	50,759	-
C. Uses	(75,978)	-	(26,697)	-
D. Closing balance	**118,107**	**-**	**171,210**	**-**

Section 11 – Redeemable shares

Item 120

There are no amounts in this Separate Financial Report.

Section 12 – Shareholders' equity

Items 110, 130, 140, 150, 160, 170 and 180

12.1 "Share capital" and "Treasury shares": breakdown

As at 31 December 2025, the share capital amounts to Euro 2,953,572 thousand, corresponding to 1,964,386,302 ordinary shares fully paid-up and with no par value; of these, 2,387,716 are allocated to the proprietary portfolio.

12.2 Share capital – Number of shares: annual changes

Description/Types	Ordinary	Other
A. Initial number of shares	**1,421,624,324**	**-**
- fully paid-in	1,421,624,324	-
- not fully paid-in	-	-
A.1 Treasury shares (-)	(6,112,499)	-
A.2 Shares outstanding: opening balance	1,415,511,825	-
B. Increases	**548,124,166**	**-**
B.1 New issues	542,761,978	-
- against payment:	542,761,978	-
- business combinations	-	-
- conversion of bonds	14,536,338	-
- exercise of warrants	-	-
- other	528,225,640	-
- for free:	-	-
- to employees	-	-
- to directors	-	-
- other	-	-
B.2 Sales of treasury shares	5,362,188	-
B.3 Other decreases	-	-
C. Decreases	**1,637,405**	**-**
C.1 Cancellation	-	-
C.2 Purchase of treasury shares	1,637,405	-
C.3 Business disposal transactions	-	-
C.4 Other decreases	-	-
D. Shares outstanding: closing balance	**1,961,998,586**	**-**
D.1 Treasury shares (+)	2,387,716	-
D.2 Final number of shares	1,964,386,302	-
- fully paid-in	1,964,386,302	-
- not fully paid-in	-	-

The following are recognised under item B.1 – New issues against payment:

- The shares issued after the voluntary conversion of part of the "Euro 150,000,000 Convertible Additional Tier 1 Capital Notes" issued on 25 July 2019 further to BPER Banca's Board of Directors resolution of 11 July 2019 on the basis of the power delegated by the extraordinary Shareholders' Meeting on 4 July 2019.
- The shares issued following the execution of the paid-in capital increase launched by BPER Banca, in divisible form and with the exclusion of option rights pursuant to Article 2441, paragraph 4, first sentence, of the Italian Civil Code. This capital increase was resolved to service the voluntary public tender and exchange offer (the "Offer") launched by BPER Banca on all the ordinary shares of Banca Popolare di Sondrio s.p.a.

Item B.2 "*Sales of treasury shares*" refers to treasury shares that BPER Banca has assigned free of charge to employees, in line with the provisions of the Remuneration Policies (e.g. for short-term and long-term incentive and/or severance schemes).

Item C.2 "*Purchase of treasury shares*" shows shares that BPER Banca purchased on the market to pay bonuses deriving from the application of short-term incentive schemes and ensure that additional shares are available to cover the alignment of the duration of the Long Term Incentive (LTI) Plan with that of the existing 2025-2027 Business Plan.
Information about transactions in treasury shares is presented in section 4.5 "Treasury shares held" of the Directors' Report on Operations.

12.3 Share capital - other information

The shares that make up the share capital of the Bank are not subject to rights, privileges or restrictions.
At the reporting date, the Bank directly owns 2,387,716 treasury shares.

12.4 Reserves from profits: other information

Description/Types	31.12.2025	31.12.2024
legal reserve	424,327	420,863
extraordinary reserve	4,475,727	4,097,030
other reserves	(289,080)	(122,275)
Total	**4,610,974**	**4,395,618**

12.5 Equity instruments: breakdown and change in year

Issuer	Interest rate	Step up	Issue date	Maturity date	Currency	Nominal Value (in Euro)
BPER Banca	8.75% fixed rate (up to the first Reset Date)	NO	25.07.2019	perpetual	Euro	150,000,000
BPER Banca	8.375% fixed rate (up to the first Reset Date)	NO	16.01.2024	perpetual	Euro	500,000,000
BPER Banca	6.50% fixed rate (up to the first Reset Date)	NO	20.11.2024	perpetual	Euro	500,000,000
BPER Banca	5.875% fixed rate (up to the first Reset Date)	NO	19.11.2025	perpetual	Euro	750,000,000

On 12 November 2025, BPER Banca successfully placed an Additional Tier 1 perpetual bond issuance, callable on 19 March 2031 (“First Reset Date”) and, thereafter, on any interest payment date, for a total principal amount of Euro 750 million.
The Notes, reserved for institutional investors, were placed at par with a fixed coupon of 5.875% until the First Reset Date, payable semi-annually. If not called by the Bank, the coupon will be redetermined by adding a reset spread of 357.2 bps to the 5-year mid swap rate in Euro as at the First Reset Date.

12.6 Reserves from profits: other information

Breakdown of Shareholders' Equity with reference to availability and distributability

As required by art. 2427 of the Italian Civil Code, paragraph 7-*bis*, the following table reports analytically the items of the Shareholders' Equity, with the indication of their origin, possibility of use and distribution, and their use in the last three financial years.

Nature and description of shareholders' equity		Amount	Tax-deferred reserves	(1) portion available for:		
				Cover losses	Increase in share capital	Allocation
Share capital		**2,953,572**	**242,772**			
Share capital reserves:		**5,004,364**		**5,233,081**	**5,233,081**	**5,233,081**
Share premium reserve		**4,589,105**		**4,589,105**	**4,589,105**	**4,589,105**
other reserves		415,259		643,976	643,976	643,976
- differences of shareholders' equity		(25,377)		-	-	-
- surplus/deficit from mergers		532,723		613,976	613,976	613,976
- extraordinary contribution pursuant to art. 1, para. 69 Law 199/2025	(2)	(79,643)		-	-	-
- reserve for reserved share capital increase		(42,444)		-	-	-
- reserve for call option premium on AT1 equity instruments		30,000		30,000	30,000	30,000
Reserves from profits:		**4,610,974**	**378,278**	**5,612,027**	**5,158,923**	**5,157,232**
ordinary / legal reserve		424,327		424,327	-	-
other reserves		4,186,647	378,278	5,187,700	5,158,923	5,157,232
- extraordinary reserve	(3)	4,475,727	86,488	4,475,727	4,475,727	4,475,727
- taxed reserve pursuant to Decree Law 660/1973		2,872		2,872	2,872	2,872
- reserve pursuant to art. 55 of Presidential Decree 917/86	(4)	9	9	-	-	-
- special reserve pursuant to art. 6 Law 461/1998		45,711		45,711	45,711	45,711
- concentration reserve under Law 218/1990 (Amato Law)	(5)	1,207	1,207	1,207	1,207	1,207
- special reserve pursuant to Law 124/93	(6)	963	963	963	963	-
- reserve of dividends on treasury shares held in the portfolio		10,776		10,776	10,776	10,776
- non-allocatable reserve - gains from FV or SE	(7)	28,777		28,777	-	-
- reserve from gains on FVO securities - available portion		280,664		280,664	280,664	280,664
- equity element of convertible instruments - available portion		6,771		6,771	6,771	6,771
- reserve for adjustments to pension Fund Section B		(2,941)		-	-	-
- contribution reserve		728		728	728	-
- reserve for disposal of business unit		1,209		-	-	-
- reserve for acquisition of business unit		(4)		-	-	-
- reserve from the demerger of the e-money business.		(65,207)		-	-	-
- FTA reserves		35,733		35,733	35,733	35,733
- profit (Loss) for the year (2004)		8,160		8,160	8,160	8,160
- reserve for First Time Adoption IFRS 9		(744,892)		-	-	-
- reserve for First Time Adoption IFRS 16		(382)		-	-	-
- reserve for revaluation of investment properties under IAS 40 investment		(6,196)		-	-	-
- reserve for Stock Option plan		(8,110)		-	-	-
- interest on AT1 equity instruments		(165,220)		-	-	-
- reserve for the extraordinary tax on the increase of the net interest income, pursuant to Law Decree n. 104/2023, art. 26, para. 5-bis	(8)	289,611	289,611	289,611	289,611	289,611
- other reserves	(9)	(9,319)		-	-	-
Valuation reserves:		**132,070**	**54**	**-**	**-**	**-**
- valuation reserves of financial assets measured at fair value through other comprehensive income		181,108		-	-	-
- Hedging of equity instruments designated at fair value through other comprehensive income		(9,150)		-	-	-
- fair value valuation reserve for property, plant and equipment		111,895		-	-	-
- reserve for cash flow hedges		(1,155)		-	-	-
- reserve for actuarial gains (losses)		(114,504)		-	-	-
- reserve on financial liabilities designated at fair value through profit or loss (variation due to changes in creditworthiness)		(36,178)		-	-	-

(cont.)

Nature and description of shareholders' equity		Amount	Tax-deferred reserves	(1) portion available for:		
				Cover losses	Increase in share capital	Allocation
- reserve for income balances of revaluation pursuant to art. 23 of Law No. 576/1975	(4)	54	54	-	-	-
Treasury shares		**(21,065)**		**-**	**-**	**-**
Advanced dividends		**(196,357)**		**-**	**-**	**-**
Equity instruments		**1,800,005**		**-**	**-**	**-**
Total shareholders' equity		**14,283,563**	**621,104**	**10,845,108**	**10,392,004**	**10,390,313**

(1) There have been no utilisations in the past 3 years.
(2) During the financial year, "Share capital reserves – Other" decreased by Euro 79.6 million, resulting from the allocation of the extraordinary contribution that the Bank is required to pay pursuant to art. 1, paragraph 69 of Law No. 199/2025, following the resolution adopted on 4 February 2026. In accordance with the accounting policy established under IAS 8, and consistent with the nature of the expenditure, this contribution has been recognised in shareholders' equity and allocated to reduce other capital reserves.
(3) The portion of the extraordinary reserve under tax suspension derives for an amount of Euro 86.5 million from the restriction put in place as a result of the realignment of tax values to the higher carrying values of certain properties and goodwill to the carrying values carried out in accordance with art. 110, paragraphs 8 and 8-*bis* of the Decree Law 104/2020. Any distribution of the reserve subject under tax suspension to shareholders determines taxation in a corresponding amount - before substitute tax paid for realignment purposes - for both the company and the recipient shareholders.
(4) The reserve contributes to the formation of income in the year and to the extent in which it is utilised for purposes other than the coverage of operating losses.
(5) In the event of distribution of the reserve to shareholders, the amount distributed contributes to the formation of the company's taxable income and the taxable income of shareholders. If the reserve is used to cover losses, profits shall not be distributed until the reserve has been reinstated or accordingly reduced through a resolution by the Extraordinary Shareholders' Meeting.
(6) The reserve contributes to the formation of the company's income in the year if and to the extent in which it is utilised for purposes other than the coverage of operating losses and the classification as capital.
(7) Pursuant to art. 6 of Legislative Decree 38/05, these reserves can only be used after using all other available reserves and the legal reserve.
(8) The reserve was constituted during the approval of the 2023 Financial Report, pursuant to art. 26, para. 5-*bis* of Law Decree n. 104 of 10 August 2023, and its amount was determined to be 2.5 times the one-off tax on the net interest income increase under the same art. 26. The reserve has a non-distribution constraint for the purpose of the extraordinary tax under art. 26. Any use, even partial, for the distribution to shareholders requires the Bank to pay the full extraordinary tax under art. 26, plus interest per annum for an amount equal to the annual interest rate on deposits with the European Central Bank starting from the date of the payment of the extraordinary tax under para. 4 of art. 26. The payment of the extraordinary tax is also mandatory if the reserve is indirectly (and de facto) attributed to the shareholders. If the reserve is used for a free share capital increase, any later refund of the share capital entails the obligation to pay the full windfall tax, plus interests. Finally, if the reserve is used to cover losses, when other reserves are available, the non-distribution constraint is transferred to the other reserves available, for the purposes of the extraordinary tax. At its meeting on 4 February 2026, the Bank's Board of Directors resolved to exercise the option provided for in art. 1, paragraph 69, of Law No. 199/2025 aimed at unlocking the reserve in question, subjecting the reserve existing at the end of the 2025 financial year to an extraordinary levy at a rate of 27.5%, amounting to Euro 79.6 million.
(9) The other reserves include the transfer to Other reserves of the Valuation reserves from realised gains/losses on equities at fair value through other comprehensive income, the transfer to Other reserves of the Valuation reserves from realised gains/losses on property used in operations and the deferred tax assets recorded on the impact of transition to IFRS 9, also taking into account the modification of the reference tax law, implemented with the 2019 Budget Law.

The negative elements of shareholders' equity reduce the availability of the positive elements.

Reserves from profits are generally established when the profit shown in the Separate Financial Report approved is specifically allocated to reserves.
The Italian Civil Code requires companies to set aside at least 5% of their profit for the year to a special reserve until it reaches one-fifth of the share capital. If, for whatever reason, the amount of the legal reserve falls below this limit of one-fifth of share capital, it has to be reinstated by setting aside at least one-twentieth of the profit until the shortfall is covered.
Lastly, this item includes any effects deriving from the first-time application of new international accounting standards.

For further details regarding the allocation of the profit for the year, please refer to the Directors' report on operations contained in this Separate Financial Report.

OTHER INFORMATION

1. Commitments and financial guarantees given (other than those designated at fair value)

	Nominal value on commitments and financial guarantees granted				Total 31.12.2025	Total 31.12.2024
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		
1. Commitments to disburse funds	**34,665,184**	**1,620,899**	**258,737**	**-**	**36,544,820**	**33,650,706**
a) Central Banks	-	-	-	-	-	-
b) Public Administrations	668,018	5,261	2	-	673,281	61,454
c) Banks	1,501,730	1,000	-	-	1,502,730	1,521,020
d) Other financial companies	3,445,690	39,652	163	-	3,485,505	3,522,723
e) Non-financial companies	27,501,808	1,476,852	251,588	-	29,230,248	26,927,138
f) Households	1,547,938	98,134	6,984	-	1,653,056	1,618,371
2. Financial guarantees granted	**6,761,178**	**246,252**	**119,439**	**-**	**7,126,869**	**1,088,879**
a) Central Banks	-	-	-	-	-	-
b) Public Administrations	92,082	25	676	-	92,783	23,414
c) Banks	934,739	-	102	-	934,841	341
d) Other financial companies	175,189	6,678	332	-	182,199	187,229
e) Non-financial companies	5,440,033	229,040	116,194	-	5,785,267	841,637
f) Households	119,135	10,509	2,135	-	131,779	36,258

2. Other commitments and other guarantees granted

	Nominal value	
	Total 31.12.2025	Total 31.12.2024
Other guarantees granted	**-**	**4,924,813**
of which: non-performing	-	65,910
a) Central Banks	-	1,623
b) Public Administrations	-	24,991
c) Banks	-	246,219
d) Other financial companies	-	118,506
e) Non-financial companies	-	4,410,756
f) Households	-	122,718
Other commitments	**1,858,399**	**2,086,480**
of which: non-performing	-	-
a) Central Banks	-	-
b) Public Administrations	-	-
c) Banks	-	-
d) Other financial companies	325,000	-
e) Non-financial companies	1,528,075	2,086,400
f) Households	5,324	80

3. Assets pledged as collateral for own liabilities and commitments

Portfolios	Amount 31.12.2025	Amount 31.12.2024
1. Financial assets measured at fair value through profit or loss	-	-
2. Financial assets measured at fair value through other comprehensive income	689,401	1,928,346
3. Financial assets measured at amortised cost	17,070,155	19,157,936
4. Property, plant and equipment	-	-
of which: inventories of property, plant and equipment	-	-

The assets sold to vehicle companies as part of Covered Bond transactions amounted to Euro 7,008 million.

4. Asset management and trading on behalf of third parties

Type of service	Amount
1. Trading on behalf of customers	
a) purchases	-
1. settled	-
2. unsettled	-
b) sales	-
1. settled	-
2. unsettled	-
2. Individual portfolio management	**5,352,218**
3. Custody and administration of securities	
a) third party securities held in deposit: related to depositary bank activities (excluding portfolio management)	-
1. securities issued by the Bank preparing the financial statements	-
2. other securities	-
b) third party securities held in deposit (excluding portfolio management): other	126,684,584
1. securities issued by the Bank preparing the financial statements	6,231,486
2. other securities	120,453,098
c) third party securities deposited with third parties	125,101,222
d) own portfolio securities deposited with third parties	42,400,658
4. Other transactions	**25,380,318**

5. Financial assets subject to offsetting, master netting agreements and similar

Type	Gross amount of financial assets (a)	Amount of financial liabilities offset in the balance sheet (b)	Net amount of financial assets shown in the balance sheet (c=a-b)	Related amounts not subject to offsetting in the balance sheet		Net amount (f=c-d-e) 31.12.2025	Net amount (f=c-d-e) 31.12.2024
				Financial instruments (d)	Cash deposits received as collateral (e)		
1. Derivatives	1,469,839	-	1,469,839	290,472	887,425	291,942	38,672
2. Repurchase agreements	2,340,742	-	2,340,742	2,330,491	-	10,251	23,184
3. Securities lending	-	-	-	-	-	-	-
4. Other	-	-	-	-	-	-	-
Total 31.12.2025	**3,810,581**	**-**	**3,810,581**	**2,620,963**	**887,425**	**302,193**	**X**
Total 31.12.2024	**2,846,583**	**-**	**2,846,583**	**1,978,581**	**806,146**	**X**	**61,856**

The amounts shown in the table relate to standard master agreements such as ISDA (International Swaps and Derivatives Association) and CSA (Credit Support Annex) agreements for derivatives and GMRA (Global Master Repurchase Agreement) for repurchase agreement transactions.
Under the agreements executed using the ISDA standard, offsetting of OTC derivative contracts is permitted in the event of default of either party to the agreement and, for almost all institutional counterparties, the terms of the CSA provide for cash collateral that is revised daily based on the contracts' underlying value.
Repurchase agreement transactions entered into with institutional counterparties are governed by the GMRA standard, which, in addition to the delivery of the securities pertaining to the transactions, provide for cash collateral that is revised daily based on the value of the securities.
None of the amounts shown has been offset in the financial statements as the criteria in paragraph 42 of IAS 32 are not satisfied.
For derivatives, the gross amounts (a) are recognised under item 20 a) "Financial assets measured at fair value through profit or loss - Financial assets held for trading" for Euro 690.3 million and under item 50 "Hedging derivatives" for Euro 779.6 million; the related financial instruments (d) consist of derivatives recorded under item 20 "Financial liabilities held for trading" and under item 40 "Hedging derivatives", whereas cash deposits received (e) are recorded under item 10 a) "Due to banks" and under item 10 b) "Due to customers".
For repurchase agreements, the gross amounts (a) are recognised under Item 40 "Financial assets measured at amortised cost – a) Loans to banks" for an amount of Euro 1,564.6 million; and b) Loans to customers for an amount of Euro 776.2 million; the related financial instruments (d) represent the value of the securities pertaining to the transactions, whereas cash deposits received (e) are recognised under item 10 a) "Due to banks".

6. Financial liabilities subject to offsetting, master netting agreements and similar

Type	Gross amount of financial assets (a)	Amount of financial assets offset in the balance sheet (b)	Net amount of financial liabilities shown in the balance sheet (c=a-b)	Related amounts not offset in the balance sheet		Net amount (f=c-d-e) 31.12.2025	Net amount (f=c-d-e) 31.12.2024
				Financial instruments (d)	Cash deposit pledged as collateral (e)		
1. Derivatives	327,726	-	327,726	290,472	26,814	10,440	6,354
2. Repurchase agreements	9,578,460	-	9,578,460	9,541,794	3,781	32,885	26,715
3. Securities lending	-	-	-	-	-	-	-
4. Other	-	-	-	-	-	-	-
Total 31.12.2025	**9,906,186**	**-**	**9,906,186**	**9,832,266**	**30,595**	**43,325**	**X**
Total 31.12.2024	**6,146,620**	**-**	**6,146,620**	**6,080,989**	**32,562**	**X**	**33,069**

The same considerations of the previous table are valid for framework agreements.
None of the amounts shown has been offset in the financial statements as the criteria in paragraph 42 of IAS 32 are not satisfied.
For derivatives, the gross amounts (a) are recorded under item 20 "Financial liabilities held for trading" for an amount of Euro 240 million and under item 40 "Hedging derivatives" for an amount of Euro 87.7 million; the related financial instruments (d) consist of opposite sign derivatives recorded under item 20 a) "Financial assets measured at fair value through profit or loss - Financial assets held for trading" and under item 50 "Hedging derivatives", whereas cash deposits made (e) are recorded under item 40 a) "Loans to banks" and item 40 b) "Loans to customers".
For repurchase agreements, the gross amounts (a) are recognised under item 10 a) "Due to banks" for an amount of Euro 3,577 million, and under item 10 b) "Due to customers" for an amount of Euro 6,001.5 million. The related financial instruments (d) represent the value of the securities pertaining to the transactions, whereas cash deposits made (e) are recognised under item 40 a) "Loans to banks" and, if any, 40 b) "Loans to customers".

7. Securities lending

There are no amounts for this item in this Separate Financial Report.

8. Disclosure on joint control activities

There are no amounts for this item in this Separate Financial Report.

PART C

Information on the 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 31.12.2025	Total 31.12.2024
1. Financial assets measured at fair value through profit or loss:	**7,119**	**365**	**-**	**7,484**	**6,330**
1.1 Financial assets held for trading	4,197	-	-	4,197	1,547
1.2 Financial assets designated at fair value	-	-	-	-	7
1.3 Other financial assets mandatorily measured at fair value	2,922	365	-	3,287	4,776
2. Financial assets measured at fair value through other comprehensive income	**91,962**	**-**	**X**	**91,962**	**97,331**
3. Financial assets measured at amortised cost:	**465,579**	**2,903,084**	**X**	**3,368,663**	**3,846,559**
3.1 Loans to banks	71,436	316,514	X	387,950	549,070
3.2 Loans to customers	394,143	2,586,570	X	2,980,713	3,297,489
4. Hedging derivatives	**X**	**X**	**82,245**	**82,245**	**247,722**
5. Other assets	**X**	**X**	**260,931**	**260,931**	**270,564**
6. Financial Liabilities	**X**	**X**	**X**	**-**	**-**
Total	**564,660**	**2,903,449**	**343,176**	**3,811,285**	**4,468,506**
of which: interest income on impaired financial assets	9,182	82,550	-	91,732	83,949
of which: interest income on finance lease	X	159	X	159	115

1.2 Interest and similar income: other information

1.2.1 Interest income on foreign currency financial assets

Items	31.12.2025	31.12.2024
Interest income on foreign currency financial assets	35,935	46,497

The item includes flows from derivatives hedging securities shown under assets.

1.3 Interest and similar expense: breakdown

Items/Technical forms	Loans	Debt Securities	Other transactions	Total 31.12.2025	Total 31.12.2024
1. Financial liabilities measured at amortised cost	**795,920**	**352,150**	**X**	**1,148,070**	**1,558,591**
1.1 Due to central banks	-	X	X	-	9,760
1.2 Due to banks	325,457	X	X	325,457	446,744
1.3 Due to customers	470,463	X	X	470,463	673,018
1.4 Debt securities issued	X	352,150	X	352,150	429,069
2. Financial liabilities held for trading	**125**	**-**	**-**	**125**	**16**
3. Financial liabilities designated at fair value	**-**	**-**	**-**	**-**	**-**
4. Other liabilities and provisions	**X**	**X**	**-**	**-**	**-**
5. Hedging derivatives	**X**	**X**	**28,723**	**28,723**	**151,522**
6. Financial assets	**X**	**X**	**X**	**-**	**-**
Total	**796,045**	**352,150**	**28,723**	**1,176,918**	**1,710,129**
of which: interest expense on lease liabilities	14,492	X	X	14,492	14,925

1.4. Interest and similar expense: other information

1.4.1 Interest expense on foreign currency liabilities

Items	31.12.2025	31.12.2024
Interest expense on foreign currency liabilities	110,384	157,808

Interest in foreign currency relates mainly to repurchase agreements with non-resident banks.

1.5 Spreads on hedging transactions

Items	Total 31.12.2025	Total 31.12.2024
A. Positive spreads on hedging transactions	381,917	546,163
B. Negative spreads on hedging transactions	(328,395)	(449,963)
C. Balance (A-B)	**53,522**	**96,200**

Section 2 – Commissions
Items 40 and 50

2.1 Commission income: breakdown

Type of service/Amounts	Total 31.12.2025	Total 31.12.2024
a) Financial instruments	389,327	355,993
1. Placement of securities	345,784	311,288
1.1 Through underwriting and/or on a firm commitment basis	-	-
1.2 Without a firm commitment basis	345,784	311,288
2. Reception, transmission and execution of orders on behalf of customers	19,840	20,169
2.1 Reception and transmission of orders for one or more financial instruments	19,840	20,169
2.2. Execution of orders on behalf of customers	-	-
3. Other commission income related to activities connected to financial instruments	23,703	24,536
of which: dealing on own account	2,610	2,220
of which: individual portfolio management	21,093	22,316
b) Corporate Finance	4,166	2,619
1. Mergers and acquisitions advisory	630	562
2. Treasury services	-	-
3. Other commission income related to corporate finance services	3,536	2,057
c) Investment advice	224	421
d) Clearing and settlement	-	-
e) Custody and administration	16,885	27,355
1. Depositary bank	-	-
2. Other commission income related to custody and administration services	16,885	27,355
f) Central administrative services for collective portfolio management	-	-
g) Fiduciary services	-	-
h) Payment services	695,133	593,925
1. Current accounts	318,188	318,150
2. Credit cards	77,658	-
3. Debit cards and other payment cards	138,526	100,703
4. Bank transfers and other payment orders	117,119	123,370
5. Other commission income related to payment services	43,642	51,702
i) Distribution of third-party services	291,344	293,432
1. Collective portfolio management	8,711	7,870
2. Insurance products	217,805	201,733
3. Other products	64,828	83,829
of which: individual portfolio management	1,803	2,643
j) Structured finance	51,243	43,937
k) Securitisation servicing	51	46
l) Commitments to disburse funds	-	-
m) Financial guarantees granted	47,773	48,957
of which: credit derivatives	-	-
n) Financing operations	214,186	208,521
of which: factoring transactions	-	-
o) Currency dealing	14,638	14,993
p) Commodities	-	-
q) Other commission income	58,672	56,110
of which: management of multilateral trading facilities	-	-
of which: management of organised trading facilities	-	-
Total	**1,783,642**	**1,646,309**

2.2 Commission income: distribution channels of products and services

Channels/Amounts	Total 31.12.2025	Total 31.12.2024
a) at own branches:	**658,221**	**627,036**
1. portfolio management	21,093	22,316
2. securities placement	345,784	311,288
3. third party services and products	291,344	293,432
b) out-of-branch offer:	**-**	**-**
1. portfolio management	-	-
2. securities placement	-	-
3. third party services and products	-	-
c) other distribution channels:	**-**	**-**
1. portfolio management	-	-
2. securities placement	-	-
3. third party services and products	-	-

2.3 Commission expense: breakdown

Type of services/Amounts	Total 31.12.2025	Total 31.12.2024
a) Financial instruments	23,566	16,937
of which: trading in financial instruments	6,465	1,567
of which: placement of financial instruments	9,251	7,073
of which: individual portfolio management	7,850	8,297
- Own portfolios	-	-
- Third party portfolios	7,850	8,297
b) Clearing and settlement	-	-
c) Custody and administration	6,180	5,684
d) Collection and payment services	101,565	83,110
of which: credit cards, debit cards and other payment cards	92,057	72,866
e) Securitisation servicing	-	-
f) Commitments to receive funds	-	-
g) Financial guarantees received	10,517	5,242
of which: credit derivatives	-	-
h) "Out-of-branch" offer of financial instruments, products and services	13,304	9,413
i) Currency dealing	-	-
j) Other commission expense	30,374	42,432
Total	**185,506**	**162,818**

Section 3 – Dividends and similar income
Item 70

3.1 Dividends and similar income: breakdown

Items/Income	Total 31.12.2025		Total 31.12.2024	
	Dividends	Similar income	Dividends	Similar income
A. Financial assets held for trading	1,610	-	7,915	1
B. Other financial assets mandatorily measured at fair value	230	18,462	109	7,170
C. Financial assets measured at fair value through other comprehensive income	35,669	-	24,854	-
D. Equity investments	212,840	-	168,729	-
Total	**250,349**	**18,462**	**201,607**	**7,171**

Section 4 – Net income from trading activities
Item 80

4.1 Net income from trading activities: breakdown

Transactions/Income items	Capital gains (A)	Profits on trading (B)	Capital losses (C)	Losses on trading (D)	Net Result [(A+B) - (C+D)]
1. Financial assets held for trading	**1,725**	**10,622**	**(346)**	**(3,308)**	**8,693**
1.1 Debt securities	362	2,324	(245)	(1,430)	1,011
1.2 Equity instruments	1,363	8,225	(101)	(1,840)	7,647
1.3 UCITS units	-	73	-	(38)	35
1.4 Loans	-	-	-	-	-
1.5 Other	-	-	-	-	-
2. Financial liabilities held for trading	**-**	**-**	**-**	**-**	**-**
2.1 Debt securities	-	-	-	-	-
2.2 Debts	-	-	-	-	-
2.3 Other	-	-	-	-	-
3. Financial assets and liabilities: exchange differences	**X**	**X**	**X**	**X**	**83,982**
4. Derivative instruments	**406,999**	**462,403**	**(258,053)**	**(424,311)**	**130,016**
4.1 Financial derivatives:	406,999	462,403	(258,053)	(424,311)	130,016
- on debt securities and interest rates	207,668	390,617	(130,336)	(370,270)	97,679
- on equities and stock indexes	183,420	34,690	(112,637)	(15,762)	89,711
- on currency and gold	X	X	X	X	(57,022)
- other	15,911	37,096	(15,080)	(38,279)	(352)
4.2 Credit derivatives	-	-	-	-	-
of which: natural hedges connected with the fair value option	X	X	X	X	-
Total	**408,724**	**473,025**	**(258,399)**	**(427,619)**	**222,691**

The item includes capital gains from valuation relating to the operational hedging of Certificates, for a total amount of Euro 143.1 million.

Section 5 – Net income from hedging activities
Item 90

5.1 Net income from hedging activities: breakdown

Income items/Amounts	Total 31.12.2025	Total 31.12.2024
A. Income from:		
A.1 Fair value hedges	399,160	151,885
A.2 Hedged financial assets (fair value)	54,081	222,707
A.3 Hedged financial liabilities (fair value)	53,278	25,253
A.4 Cash-flow hedging derivatives	-	-
A.5 Foreign currency assets and liabilities	-	-
Total income from hedging activity (A)	**506,519**	**399,845**
B. Charges from:		
B.1 Fair value hedges	110,591	248,081
B.2 Hedged financial assets (fair value)	345,375	17,666
B.3 Hedged financial liabilities (fair value)	54,147	132,241
B.4 Cash-flow hedging derivatives	-	-
B.5 Foreign currency assets and liabilities	-	-
Total charges from hedging activity (B)	**510,113**	**397,988**
C. Net income from hedging activities (A-B)	**(3,594)**	**1,857**
of which: result of hedging on net positions	**-**	**-**

Section 6 – Gains (Losses) on disposal or repurchase
Item 100

6.1 Gains (Losses) on disposal or repurchase: breakdown

Items/Income items	Total 31.12.2025			Total 31.12.2024		
	Gains	Losses	Net result	Gains	Losses	Net result
A. Financial assets						
1. Financial assets measured at amortised cost	41,762	(7,755)	34,007	74,167	(11,639)	62,528
1.1 Loans to banks	987	(717)	270	7,341	(1,180)	6,161
1.2 Loans to customers	40,775	(7,038)	33,737	66,826	(10,459)	56,367
2. Financial assets measured at fair value through other comprehensive income	11,164	(2,895)	8,269	9,208	(3,777)	5,431
2.1 Debt securities	11,164	(2,895)	8,269	9,208	(3,777)	5,431
2.2 Loans	-	-	-	-	-	-
Total assets (A)	**52,926**	**(10,650)**	**42,276**	**83,375**	**(15,416)**	**67,959**
B. Financial liabilities measured at amortised cost						
1. Due to banks	-	-	-	-	-	-
2. Due to customers	-	-	-	-	-	-
3. Debt securities issued	1,069	(93)	976	91	(74)	17
Total liabilities (B)	**1,069**	**(93)**	**976**	**91**	**(74)**	**17**

The net result relating to “Financial assets” refers to the disposal of loans (Euro 20.1 million) and debt securities classified in the HTC and HTC&S portfolios (Euro 22.2 million).

Section 7 – Net income on other financial assets and liabilities measured at fair value through profit or loss

Item 110

7.1 Net change in value of other financial assets and liabilities measured at fair value through profit or loss: breakdown of financial assets and liabilities designated at fair value

Transactions/Income items	Capital gains (A)	Gains on disposal (B)	Capital losses (C)	Losses on disposal (D)	Net Result [(A+B) - (C+D)]
1. Financial assets	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-
1.2 Loans	-	-	-	-	-
2. Financial Liabilities	**48,507**	**4,026**	**(105,758)**	**(139,344)**	**(192,569)**
2.1 Debt securities issued	48,507	4,026	(105,758)	(139,344)	(192,569)
2.2 Due to banks	-	-	-	-	-
2.3 Due to customers	-	-	-	-	-
3. Foreign currency financial assets and liabilities: exchange differences	**X**	**X**	**X**	**X**	**-**
Total	**48,507**	**4,026**	**(105,758)**	**(139,344)**	**(192,569)**

The results shown on Securities in Issue refer to the Certificates issued and are attributable to the change in fair value attributable to interest rate risk, to the change in fair value of the derivative component embedded in the instruments issued (which is similarly recognised with an entry of opposite sign in Item 80 "Net income from trading activities" against the valuation of derivatives entered into on the market to balance the bank's position), as well as to so-called "commercial margins", which pass through the Income Statement at the time of the first valuation of the financial instrument.

7.2 Net change in value of other financial assets and liabilities measured at fair value through profit or loss: breakdown of other financial assets mandatorily measured at fair value

Transactions/Income items	Capital gains (A)	Gains on disposal (B)	Capital losses (C)	Losses on disposal (D)	Net Result [(A+B) - (C+D)]
1. Financial assets	**24,219**	**20,374**	**(31,711)**	**(8)**	**12,874**
1.1 Debt securities	86	18,031	(1,681)	-	16,436
1.2 Equity instruments	2,176	140	(19)	-	2,297
1.3 UCITS units	21,539	2,203	(30,011)	(8)	(6,277)
1.4 Loans	418	-	-	-	418
2. Foreign currency financial assets: exchange differences	**X**	**X**	**X**	**X**	**(181)**
Total	**24,219**	**20,374**	**(31,711)**	**(8)**	**12,693**

Section 8 – Net impairment losses/write-backs for credit risk

Item 130

8.1 Net impairment losses for credit risk relating to financial assets measured at amortised cost: breakdown

Transactions/Income items	Impairment losses (1)						Write-backs (2)				Total 31.12.2025	Total 31.12.2024
	Stage 1	Stage 2	Stage 3		Purchased or originated credit impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		
			Write-offs	Other	Write-offs	Other						
A. Loans to banks	**(361)**	**-**	**-**	**-**	**-**	**-**	**-**	**2,585**	**-**	**-**	**2,224**	**22**
- Loans	(361)	-	-	-	-	-	-	2,585	-	-	2,224	22
- Debt securities	-	-	-	-	-	-	-	-	-	-	-	-
B. Loans to customers	**(1,612)**	**-**	**(7,678)**	**(473,121)**	**(1,711)**	**(46,513)**	**25,041**	**34,177**	**157,024**	**47,109**	**(267,284)**	**(247,569)**
- Loans	-	-	(7,678)	(473,121)	(1,711)	(46,513)	24,754	32,879	157,024	47,109	(267,257)	(238,159)
- Debt securities	(1,612)	-	-	-	-	-	287	1,298	-	-	(27)	(9,410)
Total	**(1,973)**	**-**	**(7,678)**	**(473,121)**	**(1,711)**	**(46,513)**	**25,041**	**36,762**	**157,024**	**47,109**	**(265,060)**	**(247,547)**

8.2 Net impairment losses for credit risk relating to financial assets measured at fair value through other comprehensive income: breakdown

Transactions/Income items	Impairment losses (1)						Write-backs (2)				Total 31.12.2025	Total 31.12.2024
	Stage 1	Stage 2	Stage 3		Purchased or originated credit impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		
			Write-offs	Other	Write-offs	Other						
A. Debt securities	**-**	**(590)**	**-**	**-**	**-**	**-**	**436**	**435**	**-**	**-**	**281**	**(209)**
B. Loans	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- to customers	-	-	-	-	-	-	-	-	-	-	-	-
- to banks	-	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**(590)**	**-**	**-**	**-**	**-**	**436**	**435**	**-**	**-**	**281**	**(209)**

Section 9 – Gains (Losses) from contractual modifications without derecognition

Item 140

9.1 Gains (losses) from contractual modifications: breakdown

The item in question includes the economic impact of contractual modifications that do not qualify for derecognition of the assets and which, as a result, entail a change in the related amortised cost based on discounting the new contractual flows at the original Internal Rate of Return (IRR).

The scope of the exposures under consideration is represented by a portion of the forborne exposures (performing and non-performing) or situations in which the contractual modification is linked to the borrower's financial difficulty and does not fall within the concept of a "substantial modification" for BPER Banca.

The impact calculated on the basis of this scope is added to the write-downs envisaged by the Bank in application of its own policies for the assessment of performing and non-performing loans and comes total losses for an amount of Euro 0.6 million (Euro 1.3 million as at 31 December 2024).

Section 10 – Administrative expenses
Item 160

10.1 Staff costs: breakdown

Type of costs/Amounts	Total 31.12.2025	Total 31.12.2024
1) Employees	**1,441,535**	**1,560,657**
a) wages and salaries	978,692	988,520
b) social security charges	255,636	255,746
c) termination indemnities	57,801	59,032
d) pension expenses	-	-
e) provision for employee termination indemnities	2,886	3,533
f) provision for pension and similar commitments:	3,483	2,969
- defined contribution plan	-	-
- defined benefit plans	3,483	2,969
g) payments to external supplementary pension funds:	34,618	35,810
- defined contribution plan	34,618	35,810
- defined benefit plans	-	-
h) costs from share-based payments	5,424	10,938
i) other personnel benefits	102,995	204,109
2) Other not-retired employees	**14,730**	**19,942**
3) Directors and Statutory Auditors	**7,629**	**7,743**
4) Retired employees	**77**	**617**
5) Recovery of costs for employees seconded to other companies	**(19,082)**	**(14,884)**
6) Reimbursement of cost of third-party employees seconded to the Bank	**11,556**	**11,978**
Total	**1,456,445**	**1,586,053**

The item "Other employee benefits" includes the provision for the workforce optimisation manoeuvre as per the agreement signed on 19 December 2025 (Euro 115.4 million as at 31 December 2025), as well as the release of surplus funds.

10.2 Average number of employees by category

	31.12.2025	31.12.2024
Employees:	**15,102**	**15,852**
a) Managers	251	269
b) Middle managers	5,486	5,641
c) Remaining employees	9,365	9,942
Other personnel	**212**	**287**

10.2 *bis* Average number of employees by category

	31.12.2025	31.12.2024
Employees:	**15,867**	**16,525**
a) Managers	254	278
b) Total 3rd and 4th level middle managers	2,365	2,311
c) Total 1st and 2nd level middle managers	3,457	3,547
d) Remaining employees	9,791	10,389
Other personnel	**226**	**133**

The number of employees does not include staff on leave (26 employees).

10.3 Defined benefit company pension funds: costs and revenues

Type of costs/Amounts	31.12.2025	31.12.2024
Provisions for defined-benefit pension plans	3,483	2,969

For more information on defined-benefit pension plans, please refer to Part B of these Explanatory Notes, section 10 “Provisions for risks and charges”.

10.4 Other employee benefits

Type of costs/Amounts	31.12.2025	31.12.2024
Other employee benefits	102,995	204,109

For more information on the composition of the item, please refer to the footnotes in table 10.1 Personnel expenses: breakdown

10.5 Other administrative expenses: breakdown

Items	31.12.2025	31.12.2024
Indirect taxes and duties	**246,635**	**240,883**
Stamp duty	204,867	198,825
Other indirect taxes with right of recourse	19,596	19,566
Municipal property tax	14,754	14,705
Other	7,418	7,787
Other costs	**663,829**	**741,493**
Maintenance and repairs	137,000	100,566
Rental expense	17,385	17,369
Post office, telephone and telegraph	18,126	14,422
Data transmission fees and use of databases	51,287	42,385
Advertising	25,113	31,886
Consulting and other professional services	177,612	183,679
Lease of IT hardware and software	66,333	83,962
Insurance	21,352	20,689
Cleaning of office premises	8,882	9,014
Printing and stationery	12,852	4,506
Energy and fuel	24,622	29,676
Transport	11,585	12,323
Staff training and expense refunds	11,470	13,505
Information and surveys	9,243	10,770
Security	8,618	8,578
Administrative services	11,396	13,102
Use of external data gathering and processing services	9,611	10,059
Membership fees	9,884	9,924
Condominium expenses	10,251	10,773
Contributions to systemic funds	8,240	98,230
Sundry other	12,967	16,075
Total	**910,464**	**982,376**

The item “Contributions to systemic funds” refers to the regular 2025 contribution to the DGS (Deposit Guarantee Scheme) of Euro 6.8 million and the estimated contribution to be paid to the Guarantee Fund for life insurance of Euro 1.4 million.

Section 11 – Net provisions for risks and charges
Item 170

11.1 Net provisions for credit risk on commitments to disburse funds and financial guarantees granted: breakdown

Type of risks and charges	Impairment losses				Write-backs				31.12.2025	31.12.2024
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		
Commitments to disburse funds	(64)	-	-	-	394	1,298	-	-	1,628	(132)
Financial guarantees granted	(1,949)	-	(12,944)	-	-	967	10,966	-	(2,960)	3,509
Total	**(2,013)**	**-**	**(12,944)**	**-**	**394**	**2,265**	**10,966**	**-**	**(1,332)**	**3,377**

11.2 Net provisions on other commitments and other guarantees granted: breakdown

Type of risks and charges	Impairment losses	Write-backs	31.12.2025	31.12.2024
Other guarantees granted	(1,673)	-	(1,673)	12,600
Other commitments	-	-	-	3,519
Total	**(1,673)**	**-**	**(1,673)**	**16,119**

11.3 Net provisions for other risks and charges: breakdown

Type of risks and charges	31.12.2025	31.12.2024
A. Provisions	**(48,040)**	**(91,860)**
1. for legal disputes	(29,406)	(41,101)
2. other	(18,634)	(50,759)
B. Write-backs	**18,226**	**23,641**
1. for legal disputes	15,644	14,241
2. other	2,582	9,400
Total	**(29,814)**	**(68,219)**

Section 12 – Net adjustments/write-backs on property, plant and equipment
Item 180

12.1. Net adjustments to property, plant and equipment: breakdown

Asset/Income items	Depreciation (a)	Impairment losses (b)	Write-backs (c)	Net result (a + b - c)
A. Property, plant and equipment				
1. Used in operations	(149,160)	(387)	2,190	(147,357)
- Owned	(74,934)	-	1,195	(73,739)
- Rights of use acquired through leases	(74,226)	(387)	995	(73,618)
2. Held for investment	-	-	-	-
- Owned	-	-	-	-
- Rights of use acquired through leases	-	-	-	-
3. Inventories	X	-	-	-
B. assets available for sale	**X**	**(369)**	**299**	**(70)**
Total	**(149,160)**	**(756)**	**2,489**	**(147,427)**

Section 13 – Net adjustments/write-backs on intangible assets
Item 190

13.1 Net adjustments to intangible assets: breakdown

Asset/Income items	Depreciation (a)	Impairment losses (b)	Write-backs (c)	Net result (a + b - c)
A. Intangible assets				
of which: software	(142,039)	(26,773)	-	(168,812)
A.1 Owned	(142,040)	(26,773)	-	(168,813)
- Generated internally by the company	-	-	-	-
- Other	(142,040)	(26,773)	-	(168,813)
A.2 Rights of use acquired through leases	-	-	-	-
Total	**(142,040)**	**(26,773)**	**-**	**(168,813)**

The item "Impairment losses" (Euro 26.8 million) refers to software whose useful life has been reviewed.

Section 14 – Other operating expense (income)
Item 200

14.1 Other operating expense: breakdown

Description/Amounts	31.12.2025	31.12.2024
Loss from loss data collection	18,817	17,385
Amortisation of leasehold improvement expenditure	2,423	2,587
Other expense	21,969	28,331
Total	**43,209**	**48,303**

The item "Other expense" includes the fair value measurement of tax receivables in the portfolio that are expected to be recovered through sale to third parties (Euro 11.8 million)

14.2 Other operating income: breakdown

Description/Amounts	31.12.2025	31.12.2024
Rental income	6,145	6,503
Recovery of taxes	223,273	217,814
Income from Loss data collection	66,151	33,676
Fast-track facility fee	10,176	9,506
Recovery for intercompany services	74,089	72,448
Other income	87,833	75,834
Total	**467,667**	**415,781**

The item "Other income" is mainly affected by a contingent asset associated with the acquisition of Banca Carige (Euro 34 million) in addition to recovery of appraisal fees from customers for new loans (Euro 14.9 million), recovery of insurance premiums (Euro 2.3 million), income from the management of the securitisation vehicles' liquidity (Euro 5.1 million), reimbursement of training expenses and other staff-related charges (Euro 5.0 million).

Section 15 – Gains (Losses) of equity investments
Item 220

15.1 Gains (Losses) on equity investments: breakdown

Income items/Amounts	Total 31.12.2025	Total 31.12.2024
A. Gains	**1**	**151,000**
1. Revaluations	-	-
2. Gains on disposals	1	151,000
3. Write-backs	-	-
4. Other income	-	-
B. Losses	**(15,572)**	**(119,547)**
1. Write-downs	-	-
2. Impairment losses	(3,135)	(119,547)
3. Losses on disposals	(12,437)	-
4. Other expense	-	-
Net result	**(15,571)**	**31,453**

"Losses on disposals" mainly refer to the loss arising from the disposal of a stake in Alba Leasing s.p.a.
The amount shown under "Impairment losses" refers to the impairment test on equity investments. The main write-downs relate to the shareholdings held in Gility s.r.l. (Euro 1.5 million) and BPER Real Estate s.p.a. (Euro 1.5 million).

Section 16 – Valuation differences on property, plant and equipment and intangible assets
Item 230

16.1 Net result of measurement at fair value (or at a revalued amount) or at the estimated realisable value of property, plant and equipment and intangible assets: breakdown

Asset/Income items	Revaluations	Write-downs	Exchange differences		Net result
			Positive	Negative	
	(a)	(b)	(c)	(d)	(a-b+c-d)
A. Property, plant and equipment	**7,350**	**(6,113)**	**-**	**-**	**1,237**
A.1 Used in operations:	4,629	(4,031)	-	-	598
- Owned	4,629	(4,031)	-	-	598
- Rights of use acquired through leases	-	-	-	-	-
A.2 Held for investment	2,721	(2,082)	-	-	639
- Owned	2,721	(2,082)	-	-	639
- Rights of use acquired through leases	-	-	-	-	-
A.3 Inventories	-	-	-	-	-
B. Intangible assets	**-**	**-**	**-**	**-**	**-**
B.1 Owned	-	-	-	-	-
B.1.1 Generated internally by the company	-	-	-	-	-
B.1.2 Other	-	-	-	-	-
B.2 Rights of use acquired through leases	-	-	-	-	-
Total	**7,350**	**(6,113)**	**-**	**-**	**1,237**

Section 17 – Impairment losses on goodwill
Item 240

There are no amounts in this Separate Financial Report.

Section 18 – Gains (Losses) on disposal of investments
Item 250

18.1 Gains (losses) on disposal of investments: breakdown

Income items/Amounts	Total 31.12.2025	Total 31.12.2024
A. Real estate	**(121)**	**943**
- Gains on disposal	109	945
- Losses on disposal	(230)	(2)
B. Other assets	**(274)**	**(31)**
- Gains on disposal	2,278	3
- Losses on disposal	(2,552)	(34)
Net result	**(395)**	**912**

Section 19 – Income taxes for the year on current operations
Item 270

19.1 Income taxes for the year on current operations: breakdown

Income items/Amounts	Total 31.12.2025	Total 31.12.2024
1. Current tax (-)	(355,807)	(69,431)
2. Change in current taxes of prior years (+/-)	2,388	14,419
3. Reduction in current taxes of the year (+)	-	-
3. bis Reductions in current taxes of the year due to tax credit pursuant to Law 214/2011 (+)	-	-
4. Changes in deferred tax assets (+/-)	(195,929)	(381,595)
5. Changes in deferred tax liabilities (+/-)	1,896	(1,141)
6. Tax for the year (-) (-1+/-2+3+3bis+/-4+/-5)	**(547,452)**	**(437,748)**

19.2 Reconciliation of theoretical and actual tax charges

IRES	31.12.2025	Tax rate %
Profit (loss) from current operations before tax	**2,012,197**	
Theoretical IRES tax charge at the applicable rate	**553,354**	**27.50%**
Temporary differences (+/-)	(179,182)	
Temporary differences not related to components of the gross result (+/-)	-	
Permanent differences (+/-)	(179,639)	
Permanent differences not related to components of the gross result (+/-)	(101,467)	
Use of tax losses and ACE surplus amounts	(545,114)	
IRES tax base	1,006,796	
Current IRES tax charge	**250,916**	**12.47%**
Current IRES taxes recognised in equity	3,487	
Change in IRES DTA/DTL linked to changes in the tax base for the year	225,134	
Actual IRES tax charge	**479,537**	**23.83%**

IRAP	31.12.2025	Tax rate %
Profit (loss) from current operations before tax	**2,012,197**	
Income statement components not relevant for IRAP purposes	**(279,987)**	
Theoretical IRAP tax charge at the applicable rate	**96,484**	**5.57%**
Temporary differences (+/-)	(174,945)	
Temporary differences not related to components of the gross result (+/-)	-	
Permanent differences (+/-)	287,840	
Permanent differences not related to components of the gross result (+/-)	(30,380)	
IRAP tax base	1,814,725	
Current IRAP tax charge	**100,219**	**5.79%**
Current IRAP taxes recognised in equity	1,186	
Change in IRAP DTA/DTL linked to changes in the tax base for the year	9,744	
Actual IRAP tax charge	**111,150**	**6.42%**

Out-of-period IRES and IRAP tax rates and other taxes	31.12.2025	Tax rate %
Change in IRES/IRAP DTA/DTL not linked to changes in the tax base for the year	(40,846)	
Current IRES tax charge relating to previous financial years	1,488	
Current IRAP tax charge relating to previous financial years	(3,876)	
Actual tax charge - other taxes	**(43,234)**	**-2.15%**
Total actual tax charge	**547,452**	**27.21%**

Section 20 – Gains (Losses) from non-current assets and disposal groups classified as held for sale after tax

Item 290

There are no amounts in this Separate Financial Report.

Section 21 – Other information

The information contained in the above sections is deemed to be detailed and completed, thus providing a full picture of the income statement.

Section 22 – Earnings per share

IAS 33 requires disclosure of basic and diluted earnings per share (EPS), specifying how each is calculated.

Basic earnings per share reflect the relationship between:
- the earnings attributable to ordinary shareholders,
- and the weighted average number of shares outstanding during the period.

Diluted earnings per share reflect the relationship between:
- the earnings used to calculate Basic EPS, as adjusted by the economic effects of converting all outstanding convertible bonds into shares at period end;
- the number of shares in circulation used to calculate basic EPS, as adjusted by the weighted average of the potential ordinary shares with a diluting effect deriving from the conversion of bonds outstanding at period end.

	31.12.2025			31.12.2024		
	Attributable earnings	Weighted average ordinary shares	Earnings per share (Euro)	Attributable earnings	Weighted average ordinary shares	Earnings per share (Euro)
Basic EPS	1,464,745	1,645,691,559	0.890	1,249,549	1,415,505,208	0.883
Diluted EPS	1,464,745	1,670,077,743	0.877	1,249,549	1,448,994,996	0.862

The following tables reconcile the weighted average number of ordinary shares outstanding used to calculate basic earnings per share with the number of ordinary shares used to calculate diluted earnings per share; they also reconcile net profit for the year with the net income used to determine basic and diluted earnings per share.

22.1 Average number of ordinary shares (fully diluted)

	31.12.2025	31.12.2024
Weighted average number of outstanding ordinary shares for Base EPS calculation	1,645,691,559	1,415,505,208
Weighted dilutive effect deriving from the potential conversion of convertible bonds	24,386,184	33,489,788
Weighted average number of outstanding ordinary shares for diluted EPS calculation	1,670,077,743	1,448,994,996

22.2 Other information

	31.12.2025	31.12.2024
Profit (Loss) for the year	1,464,745	1,249,549
Allocations not attributable to the shareholders	-	-
Net profit for Basic EPS calculation	1,464,745	1,249,549
Change in income and charges deriving from conversion	-	-
Net profit for diluted EPS calculation	1,464,745	1,249,549

PART D

Other Comprehensive Income

Detailed Statement of Other Comprehensive Income

Items		31.12.2025	31.12.2024
10.	**Profit (Loss) for the year**	**1,464,745**	**1,249,549**
	Other comprehensive income that will not be reclassified to profit or loss	**39,100**	**14,196**
20.	Equity instruments designated at fair value through other comprehensive income:	21,384	46,720
	a) change in fair value	17,988	47,303
	b) transfer to other components of shareholders' equity	3,396	(583)
30.	Financial liabilities designated at fair value through profit or loss (changes in own creditworthiness):	8,266	(40,008)
	a) change in fair value	13,862	(39,763)
	b) transfer to other components of shareholders' equity	(5,596)	(245)
40.	Hedging of equity instruments designated at fair value through other comprehensive income	194	(5,409)
	a) change in fair value (hedged instrument)	(1)	(917)
	b) change in fair value (hedging instrument)	195	(4,492)
50.	Property, plant and equipment	14,030	12,901
60.	Intangible assets	-	-
70.	Defined benefit plans	7,036	(497)
80.	Non-current assets and disposal groups classified as held for sale	-	-
90.	Share of the valuation reserves of equity investments carried at equity	-	-
100.	Income taxes relating to other comprehensive income that will not be reclassified to profit or loss	(11,810)	489
	Other comprehensive income that may be reclassified to profit or loss	**66,496**	**47,610**
110.	Hedge of foreign investments:	-	-
	a) changes in fair value	-	-
	b) reclassification to profit or loss	-	-
	c) other changes	-	-
120.	Foreign exchange differences:	-	-
	a) change in value	-	-
	b) reclassification to profit or loss	-	-
	c) other changes	-	-
130.	Cash flow hedges:	(1,746)	1,671
	a) changes in fair value	(1,746)	1,671
	b) reclassification to profit or loss	-	-
	c) other changes	-	-
	of which: result of net positions	-	-
140.	Hedging instruments (not designated elements):	-	-
	a) change in value	-	-
	b) reclassification to profit or loss	-	-
	c) other changes	-	-
150.	Financial assets (no equity instruments) measured at fair value through other comprehensive income	102,633	69,463
	a) changes in fair value	93,333	55,148
	b) reclassification to profit or loss	9,300	14,315
	- impairment losses for credit risk	154	209
	- gains/losses on disposal	9,146	14,106
	c) other changes	-	-
160.	Non-current assets and disposal groups classified as held for sale	-	-
	a) changes in fair value	-	-
	b) reclassification to profit or loss	-	-
	c) other changes	-	-
170.	Share of the valuation reserves of equity investments carried under the equity method	-	-
	a) changes in fair value	-	-
	b) reclassification to profit or loss	-	-
	- impairment adjustments	-	-
	- gains/losses on disposal	-	-
	c) other changes	-	-
180.	Income taxes relating to other comprehensive income that may be reclassified to profit or loss	(34,391)	(23,524)
190.	**Total other comprehensive income**	**105,596**	**61,806**
200.	**Other comprehensive income (Items 10+190)**	**1,570,341**	**1,311,355**

PART E

Information on risks and related hedging policies

Introduction

A summary of the organisation of the BPER Banca Group's risk governance and the related processes and key functions involved is described below.

The configuration of the Internal Control and Risk Management System of the BPER Group (hereinafter, the "System") is defined, alongside its principles, in the "Group Policy on the Internal control System" (Policy), which also includes the information flows for the integration of the components of the System.
The Policy, prepared in compliance with the Supervisory Provisions, was approved by the Board of Directors of the Parent Company and implemented by the Group Banks and Companies.
The System comprises policies, structures, procedures, resources and processes aimed at ensuring that:

- the activities carried out by BPER and by the Group Companies are in line with internal practices, industry standards and external regulations;
- risks are adequately monitored and mitigated.

All Group Structures contribute to risk control and every Group Bank and Company ensures correct operations by performing controls and submitting information flows to its Corporate Bodies and to the Corporate Bodies of the Parent Company.

The System includes three lines of defence:

- First-level controls: line controls embedded in processes and procedures and carried out by operating and business units;
- Second-level controls (Risk and compliance controls) entrusted to the: i) Compliance Function (which includes the Data Protection Officer - DPO); ii) Risk Management Function; iii) Validation Function; iv) Anti-Money Laundering Function;
- Third-level controls: entrusted to Internal Audit which operates in compliance with international standards.

Second- and Third-Level Control Functions are independent, separate and distinct from the structures that take on the risks and are in charge of line controls.
As a general rule, the System envisages outsourcing to the Parent Company of the second and third-level control functions, if any, of the Group Banks and Companies under Italian law; however, as required by the regulations, the latter still remain responsible for their performance.
The Internal Control System also includes:

- the Whistleblowing System to anonymously communicate facts or behaviours that may represent a violation of the regulations governing the banking/financial activities;
- the Supervisory Body pursuant to Legislative Decree No. 231/2001;
- the Manager responsible for preparing the Company's financial reports pursuant to Italian Law 262/2005, who uses the Financial & Sustainability Reporting Supervision Unit to carry out his/her duties.

Every year, the Control Functions submit to the Board of Directors a report on the activities carried out substantiated by their analyses, results, identified weaknesses and proposals for interventions to be implemented with a view to strengthening the controls in place. The Control Functions submit a plan of activities to the Corporate Bodies for approval at least once a year, subject to the prior review of the Control and Risk Committee.

The document "Public Disclosure - Pillar 3" as at 31 December 2025, prepared pursuant to the requirements of Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 (CRR) and subsequent updates, illustrates the key metrics used by the BPER Banca Group (own funds, capital requirements, financial leverage and liquidity coverage ratio) as required by art. 447 of Regulation (EU) 575/2013, as later amended.

The disclosure at 31 December 2025 is published on the same date as or as soon as possible after the Consolidated Financial Report is published on the Parent Company's website https://group.bper.it.

Risk management (RAF)

As part of the Group's Internal Control System, the BPER Banca Group identifies the Risk Appetite Framework (RAF) as a tool for overseeing the risk profile that the Group intends to take in the implementation of its business strategies, considering it as an essential element to ensure that the risk governance policy and process by which risks are managed comply with the principles of sound and prudent business management.

The key principles of the RAF are formalised and approved by the Parent Company, which periodically reviews them, ensuring that they are in line with the strategic guidelines, business model and regulatory requirements in force at any given time.

Through a coordinated and representative series of metrics, the RAF outlines the risk objectives (risk appetite), any Early Warning thresholds, the tolerance thresholds (risk tolerance), risk limits and the operating limits, which the Group intends to comply with in the pursuit of its strategic guidelines, defining the levels of consistency with the maximum risk that can be accepted (risk capacity).

In order to ensure effective and pervasive transmission of the risk objectives, the Group sets its overall risk appetite, establishing risk limits that govern the operations of the organisational structures to which they are assigned (so-called "risk takers"), in a structured framework consistent with the policies of governance and control of individual risks.

The activities comprising the set-up process of the RAF are updated annually, or more frequently, and whenever necessary following changes in the internal or external conditions.

In 2025, the Risk Appetite Statement was updated with the involvement of the Corporate Bodies on various occasions, considering the objectives established by the plan forecasts and the expectations/guidelines of the Supervisory Authorities. The latest version, which implements the new SREP requirements notified by the ECB on 9 October 2025, was examined by the Board of Statutory Auditors and by the Control and Risk Committee on 3 November 2025 and by the Board of Directors on 5 November 2025.

The Group periodically monitors the overall RAF metrics, in order to promptly control any overruns of the tolerance thresholds (or of the Early Warning levels, if any) and/or risk limits assigned and, if appropriate, activate the envisaged escalation processes, by handling the necessary communications to the Corporate Bodies and subsequent remedies, as required by the RAF management macro-process Regulation.

Development of the internal control system

The Parent Company manages the Group's Internal Control System through a process that involves the following phases:

- design;
- implementation;
- assessment;
- external communication.

Some phases of the development process are outlined below, indicating the related responsibilities of the Corporate Bodies[39] involved.

Design of the internal control system

The Board of Directors of the Parent Company defines and approves:

- the Internal Control System of the Parent Company and the Group;
- the risk objectives, tolerance thresholds (where identified) and risk governance policies;
- the remedies needed to restore a normal situation after any overrun of the tolerance thresholds;
- the criteria for identifying significant transactions to be submitted to the risk management function;
- system standards for carrying out all activities;
- the Parent Company's code of ethics must be followed by all employees and members of the Corporate Bodies, as well as any third parties operating directly or indirectly for or with the Bank.

At least annually, the Parent Company's Board of Directors approves the programme of activities and examines the annual reports prepared by the Corporate Control Functions and by the Manager responsible for preparing the company's financial reports – Financial & Sustainability Reporting Supervision Unit. More specifically, the Board of Directors of the Parent Company, with the assistance of the Control and Risk Committee and at the proposal of the CEO, establishes and approves:

- the business model;
- the strategic plan and its periodic review;
- Internal system for reporting violations;
- Stress testing programme;
- the structure of the Corporate Control Functions and Control Functions and their coordination methods;

39 Corporate Bodies include all bodies with strategic supervision, management and control functions. The definition of Corporate Body also includes the sub-committees of the Board of Directors ("Board Committees").

- internal information flows to ensure that the Corporate Bodies and Control Functions are fully aware of the various risk factors and have the ability to govern them;
- formalised coordination and liaison procedures between the Companies of the Group and the Parent Company;
- the ICAAP and ILAAP processes, ensuring consistency with the RAF;
- the Recovery Plan;
- the process for managing anomalies identified by the Corporate Control Functions and Control Functions, as well as the methods for handling, and possibly accepting, identified residual risk in compliance with the RAF;
- asset measurement policies and processes;
- the process for the development and validation of internal risk measurement;
- the "Product Governance" process for approving new products and services, the launch of new activities, entering new markets;
- Group policy for outsourcing business functions.

The Parent Company's Board of Directors ensures that:

- implementation of the RAF is consistent with the approved levels of risk appetite and risk tolerance thresholds (where identified);
- the strategic plan, the RAF, the ICAAP, ILAAP, budgets and Internal Control System are consistent, bearing in mind any developments in the internal and external conditions in which the Group operates;
- the amount and the allocation of capital and liquidity held are consistent with the risk appetite, risk governance policies and risk management process;
- adequate governance processes are in place to support resolution planning activities.

The Board of Directors of the Parent Company appoints and dismisses the heads of the Corporate Control Functions and the Manager responsible for preparing the company's financial reports, based on prior identification and proposal by the Control and Risk Committee, with the contribution of the Nominations and Corporate Governance Committee, the Board of Statutory Auditors and the Chief Executive Officer, each for matters within their competence.
The Board of Directors of each Bank and Company within the Group supplements the structure of their respective Internal Control Systems, in line with the coordination and liaison procedures defined by the Parent Company and incorporates and approves the RAF elements applicable to their own Bank and Company, in accordance with the Group's Risk Appetite Framework.

Implementation of the internal control system

The Board of Directors of the Parent Company vests the Chief Executive Officer with adequate duties, powers and resources to implement the strategic guidelines, RAF and risk governance policies defined by the Board when the Internal Control System is designed. The Chief Executive Officer is responsible for adopting all the actions needed to ensure the compliance of the organisation and the Internal Control System with the standards and requirements provided for under Supervisory laws, monitoring them to ensure continued compliance.

The Chief Executive Officer has the power to propose resolutions regarding the Internal Control and Risk Management System and oversees the execution of the resolutions of the Board of Directors.

The Chief Executive Officer, supported by the competent functions:

- ensures integrated management of all corporate risks, evaluating the internal and external factors from which they may originate and their reciprocal interrelationships and is responsible for adopting the necessary initiatives to ensure the compliance of the organisation and the Internal Control System with the regulatory principles and requirements, continuously monitoring their observance at the Bank and Group level;
- assumes the provisions designed to ensure that the various Corporate Functions implement the risk management and control process for the Bank and the Group, also overseeing the set-up and the functioning of the internal risk measurement systems and the ICAAP and ILAAP processes, in line with the Supervisory Provisions, the strategic guidelines, the RAF and the risk governance policies defined and approved by the Board.

Finally, the Chief Executive Officer additionally has the power to request audits or investigations to be carried out, also with regard to specific irregularities, without prejudice to similar powers lying with the Bodies of strategic supervision, management and control, of the Parent Company and/or of the Group Banks and Companies.

The Board of Directors of each Group Bank and Company vests its corporate functions with the task of implementing the choices made by the Parent Company when planning the Internal Control Systems in their own organisations.

Assessment of the internal control system

With regard to internal risk measurement systems for the determination of capital requirements, the Board of Directors of the Parent Company:

- periodically verifies the choices of model made to ensure that they remain valid over time, approving significant changes to the System and carrying out overall supervision to ensure that it functions properly;
- monitors, with the assistance of the relevant Functions, effective use of internal systems for management purposes and their compliance with regulatory requirements;
- reviews at least once a year the results of the validation process and passes a formal resolution, with the approval of the Board of Statutory Auditors, by which it certifies compliance with the requirements for the use of internal measurement systems.

The Parent Company's Board of Directors periodically assesses the adequacy and effectiveness:

- of the RAF and the compatibility between actual risk and the risk objectives;
- of the Group's[40] internal control and risk management system - with the help of the Control and Risk Committee - identifying possible areas of improvement and defining the steps needed to correct any weaknesses. To this end, Internal Audit prepares the overall assessment of the Internal Control System which capitalises on the results of the activities performed by the other Corporate Control Functions and by the Manager Responsible for Preparing the Company's Financial Reports - Financial & Sustainability Reporting Supervision Unit.

The Board of Directors:

- receives, either directly or through the CEO, the information flows required to gain full awareness of the various risk factors and the ability to govern them, so as to plan and implement interventions to ensure the compliance and adequacy of the Internal Control System;
- receives the reports drawn up by the Control Functions along with the Board of Statutory Auditors, the Control and Risk Committee and the Chief Executive Officer.

External communication on the internal control system

The Board of Directors of each Group Bank and Company, especially that of the Parent Company as regards the Group Internal Control System, ensures that disclosure on the Internal Control and risk management system is given in all cases foreseen by law. This guarantees the correctness and completeness of the information provided. In this context, it is important to make the disclosures to the general public required by Pillar 3. For this, the Board of Directors of the Parent Company assigns control responsibilities and duties to the corporate Bodies and the various Functions involved in the different stages of the disclosure governance.

Levels of control envisaged by the Supervisory Authority

As part of the Group internal control system, the following control functions are identified at the levels provided for in the Supervisory instructions for banks, taking into account of the fact that the second and third level control functions always apply to the entire Group:

- Third-level controls: designed to:
  - identify violations of procedures and regulations;
  - to periodically assess the completeness, suitability, functionality (in terms of efficiency and effectiveness) and reliability of the Internal Control System and information system, in relation to the nature and intensity of the risks involved.
- These controls are conducted on an ongoing basis, periodically or at random, including spot checks, by various units that are independent of business structures. In the parent company BPER, these activities are entrusted to Internal Audit.
- Second-level controls ("risk and compliance controls"): the second level control functions have been developed and identified with the following objectives:
  - to check on an ongoing basis that company procedures are consistent with the goal of preventing money laundering and terrorist financing or financing of programmes for the development of weapons of mass destruction, and to prevent and combat money laundering and financing of terrorism by reporting suspicious transactions and by performing constant second-level controls. This activity is entrusted to the Anti-Money Laundering Function;

40 Supervisory instructions for banks – Circular 285 of the Bank of Italy, Part I, Title IV, Chapter 3, Section II, paragraph 2 "assures that: [...] "b) the internal control system and corporate structure are consistently in line with the principles mentioned in Section I and the control functions satisfy the requirements and comply with the provisions of Section III. In the event of weaknesses or anomalies, it promotes timely adoption of appropriate corrective measures and assesses their effectiveness".

- to identify non-compliance risks, examining the standards applicable to the Group on an ongoing basis and assessing their impact on Group companies. To establish, depending on the risks that have been identified and assessed, the control objectives foreseen, by proposing organisational and procedural interventions to ensure adequate protection from any risks of non-compliance and monitoring their implementation. These activities are entrusted to the Compliance Function;
- to collaborate in the definition and implementation of the Risk Appetite Framework (RAF) and the related risk governance policies, through an adequate risk management process. To define methodologies, processes and tools to be used for risk management. To ensure consistency of the measurement and risk control systems with processes and methodologies to assess business operations. To ensure the correct representation of the risk profile and assessment of loan positions, to perform assessments of loan monitoring and recovery processes, to supervise the process for the allocation/monitoring of the official rating and to perform second-level controls over the lending process. These activities are entrusted to various offices and units of the Risk Management Function;
- qualitative and quantitative ratification of internal risk measurement models adopted by the Parent Company, as used to estimate internal capital and capital requirements, ensuring compliance with the instructions issued by the Supervisory Authority for this process, as well as consistency with the operational needs of the company and the evolution of the market. This activity is carried out by the Internal Validation Office which reports directly to the Chief Risk Officer. The organisational positioning of this Office guarantees independence from the structures responsible for the development and use of internal risk models subjected to validation.

- First level controls ("line controls") (designed to ensure that operations are carried out properly by the operating teams or embedded in procedures or performed as part of back-office activities).

In addition to the levels of control laid down by Supervisory Regulations, the legal system and the sources of self-regulation attribute monitoring roles to specific structures/roles other than the Corporate Control Functions, whose activities are incorporated in the Internal Control System (Supervisory Body, Manager Responsible for Preparing the Company's Financial Reports).

Control roles and duties attributed to BPER Banca Group functions

Internal Audit Function

The Internal Audit carries out an independent and objective assurance and advisory activities aimed at increasing and protecting the value of the Banks and Companies of the BPER Group by providing objective services to promote, through a systematic and structured professional approach:

- the effectiveness and efficiency of processes and controls;
- balanced and conscious risk management.

On the basis of the results of its controls, it:

- identifies the possible improvements - with specific reference to the RAF, the risk management process and their measurement and control tools - bringing them to the attention of the Corporate bodies;
- formulates specific recommendations to be submitted to a formal monitoring procedure in order to guarantee (and report about) their effectiveness and timely implementation.

Internal Audit contributes to the dissemination of risk & control culture awareness and the key principles that guide the BPER Banca Group.

The Function carries out its activities:

- as part of the management and coordination of the Parent Company, with respect to the Group Banks and Group Legal Entities, taking into account the breadth and depth of the Internal Control System and in compliance with the principles of proportionality and cost-effectiveness;
- based on specific outsourcing contracts, for the Companies that have outsourced Internal Audit to the Parent Company, i.e. all Italian companies with an Internal Audit Department with the exception of Arca Fondi s.p.a. SGR and the companies of the Banca Popolare di Sondrio Group, for which the Boards of Directors of the Parent Company and Banca Popolare di Sondrio have approved an exemption from the centralisation of control functions until the merger of Banca Popolare di Sondrio into BPER Banca, in accordance with the provisions of the Group's Internal Control System Policy.

The Internal Audit Function operates in compliance with international standards for the professional practice of internal auditing.

With a view to continuous improvement and in line with the Global Internal Audit Standards issued by the Institute of Internal Auditors, the Function has set up an internal evaluation process - Quality Assurance and Improvement Programme (QAIP) - the results of which are submitted annually to the Parent Company's Board of Directors.

Risk Management Function

The Risk Management Function, which also includes the model validation function[41], aims to collaborate in the definition and implementation of the Risk Appetite Framework and the related risk governance policies, through an adequate risk management process.
An integral part of its mission is to ensure adequate reporting to the Corporate Bodies of the Parent Company and Group companies.
The Risk Management Function extends its area of responsibility to all of the Group companies included in the current risk map, given that the Group Policy "Internal Control System" provides for centralised management of the risk management function by the Parent Company.
The Group companies that have this function outsource it to the Parent Company, with the exception of the Luxembourg based company[42] and of Arca Fondi SGR.
The mission of the Risk Management Function is carried out as part of the Parent Company's direction and coordination activity as an outsourcer for Group Banks and Companies.
The Risk Management Function operates at Group companies through a Contact identified at the various Group companies.

With regard to the companies of the Banca Popolare di Sondrio Group, in order to ensure compliance with the Group's RAF and risk management regulations, while maintaining continuity in monitoring risks at the individual companies level and pending the merger by absorption of Banca Popolare di Sondrio (BPSO), BPER's Board of Directors approved the organisational model to be adopted by the corporate control functions and the Manager responsible for preparing the Company's financial reports. Specifically, with regard to the Risk Management Function, the following is noted:

- Banca Popolare di Sondrio s.p.a.: the risk management function is to be temporarily devolved to the Subsidiary until the merger, and it will operate in accordance with the Parent Company's direction and coordination;
- Banca Nuova Terra s.p.a. and Factorit s.p.a.: the corporate control functions are to be retained by BPSO until the merger, with the corresponding functions of the Parent Company BPER being responsible for direction and coordination;
- Banca Popolare di Sondrio (Suisse) SA: the company's decentralised risk management function is to be maintained, in accordance with the regulatory and banking environment in which it operates.

The Risk Management Function is independent of the business functions, which are responsible for the "operational management" of risks that affect the risk-taking of the business units and change the risk profile of the Bank.

This function is hierarchically positioned to report directly to the Parent Company's Board of Directors and is accountable to that body for its tasks and responsibilities.

Responsibility for the Risk Management Function lies with the Chief Risk Officer.

The Contact Persons of the Risk Management Function, identified at the Companies falling within the sphere of competence, functionally depend on the function itself and hierarchically depend on the Management Body of the Company they belong to.

The main activities of the Risk Management Function are listed below:

- within the scope of the Risk Appetite Framework, proposing to the Corporate Bodies the quantitative and qualitative parameters necessary for its definition, both in the normal course of business and in situations of stress, ensuring their adequacy over time in relation to changes in the internal and external context;
- proposing the risk governance policies that do not fall within the competence of the other control functions, ensuring the adequacy and update with regard to risk management and exposure and operating limits, and helps in implementing them, ensuring consistency with the Risk Appetite Framework;
- developing risk management methodologies, processes and tools[43] via the identification, measurement/assessment, monitoring and reporting of risks inclusive of prospective and retrospective analyses, ensuring their adequacy over time through the development and application of indicators designed to highlight anomalous situations and inefficiencies;

41 Bank of Italy Circular No. 285 of 2013 of the Bank of Italy, part I, title IV, section III, point 3.3. The banks adopt internal systems for risk measurement, if consistent with the nature, size and complexity of the activities carried out, and identify, within the risk control function, units responsible for validating said systems independent from the units responsible for developing them.

42 Update of circular CSSF 12/552 on the central administration, internal governance and risk management "120. Outsourcing the compliance function and risk control function is not authorised."

43 With the participation of the organisational units of the Chief Operating Officer and the Chief Information Officer.

- monitoring the actual risk profile assumed in relation to the risk objectives defined in the Risk Appetite Framework, collaborating in the definition and monitoring of operating limits for the assumption of various types of risk and constantly verifying their adequacy, reporting any overruns to Corporate Bodies;
- providing prior opinions on the consistency with the Risk Appetite Framework of the Most Significant Transactions;
- supporting the CEO in implementing the ICAAP and ILAAP;
- coordinating the various activities involved in the internal stress testing programme;
- checking the adequacy and effectiveness of the measures taken to correct weaknesses in the risk management macro-processes;
- controlling the macro process of assigning and monitoring the official rating;
- developing, ratifying[44] and maintaining the IFRS 9 model framework for calculation of provisions;
- analysis of risks deriving from new products/services and from entry into new business segments;
- performance of second-level checks on the lending process, verifying the existence of effective supervision over credit exposures (especially if impaired), the proper classification of risk and the adequacy of provisions; the comprehensive effectiveness of the bad loan recovery process;
- is responsible for managing the Parent Company's Risk Committee and Operational & ICT Committee (management committees supporting the Chief Executive Officer).

Moreover, the Risk Management Function, before their approval by the Corporate Bodies, is involved in defining:
- of the Group strategy, assessing the related impacts on risk;
- of the strategic developments of the Internal Control System of the Group.

Anti-money laundering function

The Anti-Money Laundering Function's duty is:
- to prevent and combat money laundering and financing of terrorism through the reporting of suspicious transactions and the execution of continuing second-level control activities (Anti-Money Laundering control);
- to check that the IT and organisational procedures adopted by Group Banks and Companies are consistent with laws and regulations, as well as self-regulation for preventing money laundering and terrorist financing or financing of programmes for the development of weapons of mass destruction (Anti-Money Laundering Function).

The organisational model adopted by the Group provides for centralised management at the Parent Company of the anti-money laundering function and supervision of the Italian Group Banks and Companies subject to money laundering regulations, except for Arca Fondi SGR s.p.a.[45], in light of the specific nature of its business.
As regards the Parent Company's guidance and coordination activities, performed for all Group Banks and Companies subject to anti-money laundering regulations, the Anti-Money Laundering Function has the following responsibilities:
- it identifies and evaluates the Group's exposure to the risk of money laundering and financing of terrorism;
- it identifies any risk of non-compliance with anti-money laundering legislation to which the Group is exposed, continuously examining the rules applicable to the Group and assessing their impact;
- it makes an annual assessment of the principal money laundering and terrorism financing risks, at Group level and for each Group Bank and Company, and presents that assessment ("Report of the Anti-Money Laundering Function of the BPER Banca Group") to the Management Bodies of the Parent Company. This report identifies the action taken and the training provided to personnel, highlighting any issues and making planning proposals for the related corrective actions, as well as for the preventive actions needed to tackle any new non-conformity risks identified. The report also includes the results of the self-assessment carried out. With regard to Arca Fondi SGR[46], a self-assessment carried out independently by the subsidiary is acquired. For the Luxembourg subsidiary, BPER Bank Luxembourg SA, it reports in the same document any critical issues arising from the opinions expressed and data provided by its relevant Corporate Functions;
- it proposes changes to the Group policy for governing the risks of money laundering and the financing of terrorism;
- it defines methods, processes and tools for performing the activities of the Anti-Money Laundering Function and uses the reports defined in coordination with other control functions (corporate or otherwise);

44 Through the Internal Validation Service.

45 The centralised model is currently subject to a temporary exemption, also with reference to Banca Popolare di Sondrio and the companies within the BPSO Group that are subject to anti-money laundering regulations, given the transitional nature of the BPER Group's current structure. From the date of BPSO's merger by absorption into the BPER Group, the Group's organisational structure will be fully implemented.

46 In addition to Banca Popolare di Sondrio and the companies within the BPSO Group that are subject to anti-money laundering regulations.

- for the foreign companies that have not outsourced the function to the Parent Company (the Luxembourg subsidiary BPER Bank Luxembourg SA[47]), it defines the general standards regarding customer due diligence, retention of data and reports on suspicious transactions, making sure they are implemented;
- it ensures adequate reporting on the outcome of its activities to the Corporate Bodies, highlighting the main non-compliance issues and events of particular risk as they emerge;
- it proposes organisational and procedural changes to the guidance and coordination processes aimed at preventing and combating money laundering and terrorist financing, in order to ensure adequate control over the non-compliance risks that have been identified and to monitor that it is carried out;
- supports the Chief AML Officer (CAMLO), as Head of Group suspicious transactions (SOS), in the in-depth analysis and assessment, in terms of Group, of the reports filed and transactions reported to the Financial Intelligence Unit for Italy (FIU) or to the various Competent local authorities by Italian and foreign Group companies. This type of support is also provided with reference to reports filed and transactions reported to the competent local authorities by the Group's Luxembourg subsidiary;
- supports the Chief Corporate & Investment Banking Officer – CCIBO of the Parent Company in assessing the opening of correspondence accounts with correspondent entities of third Countries by the Parent Company and Group Companies, issuing a specific opinion;
- supports the Chief AML Officer (CAMLO) in their instructions regarding the authorisation to open, or maintain, ongoing relationships with residents or entities based in high-risk third Countries under current EU regulations or Group policies for the BPER Group and other Italian banking companies. For non-banking Companies, it receives the information report regarding the implementation of continuous relationships / maintenance of relationships with these persons and evaluates any weaknesses by issuing a dedicated opinion;
- supports the CAMLO in their instructions regarding the authorisation to open, or maintain, ongoing relationships or carry out occasional transactions with "politically exposed persons". For non-banking Companies, it receives the information report regarding the implementation of continuous relationships / maintenance of relationships/ performance of transactions with "Politically exposed persons" and evaluates any weaknesses by issuing a dedicated opinion.

Among other things, the Function also:

- conducts an assessment of the exposures of the Parent Company and the Group's Italian banks to restrictive measures, which is reviewed and updated annually or at more frequent intervals should the need arise;
- manages relations with Italy's Financial Intelligence Unit, the Investigative Authorities and the Judicial Authorities whenever there is need for in-depth investigation or discussion about the anti-money laundering and anti-terrorism legislation;
- supports the Company Delegate in assessing and investigating reports of suspicious transactions and their transmission to the Financial Intelligence Unit if considered justified;
- checks on proper compliance with the requirements for adequate verification, the risk profiling of customers, the recognition and reporting of suspicious transactions, the limits on cash usage, and data retention.

With reference to the Luxembourg subsidiary BPER Bank Luxembourg SA, which does not fall within the scope of the Anti-Money Laundering Function, the direction and coordination activity is supported by monitoring the reports on suspicious transactions and by specific instructions in the field of customer identification and data retention.

It should also be noted that, in compliance with the current anti-money laundering legislation, in particular the Measure of the Bank of Italy of 1 August 2023 amending the "Bank of Italy's Provisions on organisation, procedures and internal controls for anti-money laundering purposes" of 26 March 2019 (so called "Measure of the Bank of Italy"), the Parent Company and the other Group Companies subject to anti-money laundering regulations have appointed their own Representative responsible for anti-money laundering, as well as a Group-level Representative responsible for anti-money laundering, in accordance with the statutory requirements.

Compliance Function

The Compliance Function is responsible for monitoring the risk of non-compliance with the regulations with regard to all company activities.

The Compliance Function's task is to ensure the adequacy of internal procedures to prevent the violation of external rules (e.g. laws and regulations) and/or self-regulation (e.g. Articles of association, codes of conduct, corporate governance codes) applicable to Group Companies.

The Function also plays an important advisory role in the design of processes and projects that the bank intends to undertake, offering assistance and advice to the bank's corporate bodies in all matters in which compliance risk takes on significance,

47 This model will also be fully adopted in relation to the Swiss bank, Banca Popolare di Sondrio Suisse SA, with effect from the date of BPSO's merger into the BPER Group. For companies based in third countries, the actual implementation of the organisational arrangements and general standards regarding procedures and controls defined for the Group must be assessed on the basis of their specific organisational and regulatory circumstances. The assessment is subject to validation by the Parent Company's Board of Directors

collaborating in personnel training activities with regard to the provisions applicable to the activities carried out and promoting the dissemination of a culture based on principles of integrity, fairness and respect for the spirit and letter of the law, as an indispensable element of the successful operation of the company.

The Data Protection Officer (DPO), who operates within the Function, possesses specialist knowledge of the legislation and of the cases regarding personal data protection, set forth in EU Regulation No. 2016/679 (GDPR), to which the legislation attributes the primary duties of verification of compliance and of control of respect for the privacy provisions.

The Compliance Function, as part of the management of compliance risk, oversees - directly or through the Specialist Controls - regulations that concern the entire banking activity, with the exception of those for which there are Corporate Functions and other dedicated control functions.

Pursuant to art. 88 of the Intermediaries Regulations adopted by CONSOB with resolution 20307 of 15 February 2018, the Compliance Function also carries out regular checks on the effective application (or functioning) of the procedures and the measures taken to resolve any weaknesses.

With reference to the corporate scope, the organisational solution for Supervised Companies (Banks and Financial credit companies) provides for the centralisation of the Compliance Function at the Parent Company and the identification and appointment of a point of Contact.

For Companies not subject to the obligation to set up a Compliance Function (special purpose and service Companies), the monitoring of the compliance risk is guaranteed, for regulatory areas that have an impact on the same companies, through the provision of compliance activities carried out by the Parent Company.

In accordance with the Policy on the Internal Control System, the Parent Company exercises management and coordination functions over foreign companies or companies incorporated under Italian law that have their own Compliance function.

As part of the activities exercised by the Parent Company on behalf of the Group companies, the Compliance Function has the following duties, more specifically:

- it identifies non-compliance risks, at Group level, examining the standards applicable to the Group on an ongoing basis and assessing their impact on Group companies;
- it establishes, depending on the risks that have been identified and assessed, the control objectives foreseen for the Companies that have outsourced these function/activities to the Parent Company, and verifies that the planning of Compliance activities of the individual companies with their own Compliance Function guarantees adequate risk control;
- it ensures adequate reporting on the outcome of its activities to the Corporate Bodies, promptly highlighting the main non-compliance issues and events of particular risk as they emerge;
- it proposes organisational and procedural changes to processes of the Parent Company and Group companies in order to ensure adequate control over the non-compliance risks that have been identified and to monitor that it is carried out.

Other control functions

In addition to the levels of control laid down by Supervisory Regulations, the legal system and the sources of self-regulation attribute monitoring roles to specific structures/roles other than the Corporate Control Functions, whose activities are incorporated in the Internal Control System; in particular, the following are identified in the Group:

- Supervisory Bodies pursuant to Legislative Decree 231/2001;
- the Manager Responsible for Preparing the Company's Financial Reports established on the basis of the provisions of Law 262/2005, who, in order to carry out his/her duties, makes use of the Financial & Sustainability Reporting Supervision service (hereinafter also "Service"). The Manager responsible for preparing the Company's Financial Reports and this unit are therefore part of the Group's Internal Control System.

Manager responsible for preparing the Company's Financial Reports – Financial & Sustainability Reporting Supervision

Pursuant to Italian Law 262/2005, Article 154-*bis* of the Consolidated Law on Finance, and Bank of Italy Circular 285, the Manager responsible for preparing the Company's Financial Reports is a Control Function and is responsible for overseeing the administrative and accounting procedures for the preparation of the Separate Financial Report, Consolidated Financial Report and any other financial communication. Under the applicable regulations and the Articles of Association, the appointment is approved by the Board of Directors, subject to the opinion of the Board of Statutory Auditors.

The Manager responsible for preparing the Company's Financial Reports also certifies, together with the Chief Executive Officer, the consistency of the content of the public disclosure document – Pillar 3 – with internal documentation, in line with the relevant external regulations (Article 431, paragraph 3, CRR).

Following the adoption of the Corporate Sustainability Reporting Directive (CSRD) in September 2024 (Legislative Decree No. 125 of 6 September 2024), the BPER Banca Group has deemed it appropriate to also confer to the Manager responsible for preparing the Company's Financial Reports the certification of the Sustainability Statement, in line with the highest standards of transparency and compliance in accordance with the ESRS (European Sustainability Reporting Standards).

The Manager responsible for preparing the Company's Financial Reports governs the "Financial and sustainability reporting control model", understood as the set of requirements for the correct management and control of the risk of unintentional errors and fraud in financial reporting, as well as risk factors related to the preparation of sustainability reporting (ESG).

The Parent Company's Manager responsible for preparing the Company's Financial Reports makes use of the following to carry out their mission and assigned responsibilities:

- the Service, which reports hierarchically to the Manager responsible for preparing the Company's Financial Reports, rightsized with respect to the complexity of the company and the group, as well as independent with respect to the functions in charge of preparing the economic, financial and sustainability reporting;
- a Contact person for the Manager responsible for preparing the Company's Financial Reports, identified in the companies within scope, who functionally reports to the Manager responsible for preparing the Company's Financial Reports.

Finally, where companies other than the Parent Company are present within the Group but are classified as "Listed issuers having Italy as their home member state", they must also appoint a Manager responsible for preparing the Company's Financial Reports in accordance with regulations, who functionally reports to the Parent Company's Manager responsible for preparing the Company's Financial Reports.

The Financial and sustainability reporting control model, in its most recent update approved at the 28 November 2024 meeting of the Board of Directors of the Parent Company BPER Banca, consists of the following regulatory framework:

- Group policy for managing the risk of unintentional errors and fraud in Financial Reports (high level legislative source);
- Regulation of the Manager responsible for preparing the Company's Financial Reports and the Financial & Sustainability Reporting Supervision Service (high level legislative source);
- Methodological note addressing the macro-process for the management of unintentional errors and fraud in financial disclosures (high level atypical source).

The Financial & Sustainability Reporting Supervision is responsible for defining, reinforcing and updating the "Financial and Sustainability Reporting Control Model" to be applied to the Parent Company and, with reference to the procedures for preparing the Consolidated Financial Report and Sustainability Statement, to the Banks and Companies in both perimeters.

For more details regarding the main characteristics of the current risk management and internal control systems in relation to the financial reporting process, please refer to the 2024 Report on corporate governance and ownership structure, prepared in accordance with art. 123-*bis* of the Consolidated Law on Finance.

Supervisory Body pursuant to Legislative Decree 231/01

The Parent Company, in compliance with arts. 6 and 7 of Legislative Decree 231/01, adopted a Model of Organisation and Management (MOM) in order to prevent the commission and/or the attempted commission of the types of offence provided for in this Decree. In accordance with this law, the Parent Company has established a Supervisory Body to supervise the functioning, compliance with and update of its Model of Organisation and Management.

These activities principally comprise:

- monitoring the functioning of the Model: in all business areas, checking that the risk of committing offences identified in Legislative Decree 231/01 is identified, mapped and monitored; with regard to the risk areas and sensitive processes identified, ensuring the adequacy of the protocols adopted to prevent and stop unlawful conduct and requiring their adoption or amendment in the event of weaknesses, inadequacies or changes in internal organisation and/or business activities;
- monitoring compliance with the Model: in the context of the risk areas and sensitive processes identified, checks compliance with the protocols adopted to prevent and impede unlawful conduct; checks the efficacy of the organisational/managerial changes following the update of the Model; promotes training, communications and dissemination of the Model and the Code of Ethics; receives reports and notifies infringements of the Model of Organisation and Management to the competent bodies;

- monitoring the updating of the Model: makes observations requiring the adjustment of the Model to the Board of Directors, or in cases of particular urgency, to the Chief Executive Officer in the event of changes in the laws on the administrative liability of entities pursuant to Legislative Decree 231/01, changes in the company's internal governance and/or business or significant findings of shortcomings/breaches of the Model;
- expressing its observations on the implementation of the so-called "Action Plan 231" prepared by the Compliance Function and, where it identifies elements of inadequacy and/or the need for further examination of the measures being adopted or already adopted in relation to the risk mitigation objectives, directing its observations to the relevant Process Owners, with the support of the competent Compliance Function, or by communicating directly with them.

The Supervisory Body supervises the functioning of and compliance with the Model by implementing and executing periodic audit activities, even without giving prior notice.
The Supervisory Body reports every six months to the Board of Directors and the Board of Statutory Auditors regarding the verification work and checks carried out, and on any Model weaknesses identified, suggesting as necessary the relevant corrective actions.

The Supervisory Body of the Parent Company also coordinates the Supervisory Bodies of the Companies subject to Group instructions in relation to Legislative Decree 231/01 (Banco di Sardegna, Bibanca, Banca Cesare Ponti, BPER Real Estate, BPER Factor, Sardaleasing Finitalia, Modena Terminal, Arca and Adras) and monitors that they adopt these instructions, albeit with the necessary adjustments to take account of the special responsibilities and characteristics of individual Group companies.

Section 1 – Credit risk

Qualitative Information

The Group's organisation provides for centralisation of the credit risk control function at the Parent Company; consequently, the qualitative information set out below also reflects the individual position of BPER Banca.

1. General aspects

In 2025, the Italian economy showed modest growth, with signs of recovery mainly evident in domestic demand. According to preliminary estimates, GDP was driven primarily by a recovery in investment, which continued to benefit from the implementation of the NRRP, and to a lesser extent by a more modest rise in consumption.

Despite the instability of the international context resulting from the American protectionist trade policy, exports showed a positive trend, possibly due to the front-loading of trade. However, the outlook could be affected by the delayed impact of US tariffs and an increasingly competitive environment, driven by the search for new markets.

At the same time, industrial production recorded a slight decline (-1.6%)[48] in the first 10 months of the year, against a backdrop of business confidence that, for manufacturing firms, has shown elements of discontinuity in the final months of the year. On the other hand, sentiment among operators in the services sector appears more favourable, with most of its components showing a predominantly positive trend.

On average, consumer prices rose by 1.5% in 2025[49], an acceleration compared with the 2024 figure (+1.0%), driven primarily by higher energy and food prices.

In the first part of the year, the European Central Bank's continued its expansionary policy, with further cuts to the benchmark interest rates. The reduction in debt servicing charges supported the recovery of lending to the economy, with a rebound in lending to both businesses and households.

The impairment rates for banking assets are still at very contained levels. The portion of performing loans for which banks have recognised a significant increase in credit risk remains limited.

Based on the trend in the fundamentals and the characteristics of the macroeconomic context, growth of 0.6%[50] in GDP is forecast for 2025 and 2026, while an increase in GDP growth is expected for 2027, which should reach 0.8%.

48 Istat (Italian National Institute of Statistics), raw data, cumulative change as compared to the first 10 months of 2024
49 Istat, National consumer price index (NIC), November 2025
50 Bank of Italy, Macroeconomic projections for the Italian economy, December 2025

Credit Policy Objectives

In pursuing the overall credit policy objectives and to support the customers most exposed to the effects of significant events such as the conflicts in Ukraine and in the Middle East, which have characterised the economic context over the past few years and potential exogenous shocks such as increased tariffs, a forward-looking approach was adopted with the aim of:

- incorporating sectoral and micro-sectoral forecasts;
- evaluating the resilience of companies through forward-looking estimates of company financial statements;
- extending portfolio segmentation to the various branches of the economy in order to intercept dissimilar micro-sector dynamics within the same business areas;
- introducing assessments of climate-related, environmental and sustainability risks, with particular reference to counterparties highly exposed to transition risks also depending on whether they belong to high-emission intensity sectors.
- providing for the development of green financing and technological innovation, transversal to all sectors of the economy and intended to ensure greater competitiveness for the companies concerned;
- continuing to finance consumer households in the various technical forms (home mortgages, personal loans, etc.).

2. Credit risk management policies

Against the backdrop of a low-growth economic scenario and uncertainty arising from geopolitical instability fuelled by the protracted Russia-Ukraine conflict, the Israeli-Palestinian conflict, during 2025 the BPER Banca Group confirmed the actions targeted at the segments most exposed to market dynamics, in the aim to better calibrate the sectoral guidelines of its credit policy and hence its asset allocation targets, with the objective of supporting the system and its resilience. The guidelines for promoting "green financing" and "technological innovation" are confirmed, as they cross cut all sectors of the economy and make it possible to ensure greater competitiveness for recipient companies.

More specifically, the BPER Banca Group adopted a "ESG-linked Loan Origination Policy", which sets out the principles adopted by the Group during the credit assessment. In fact, this document[51] indicates:

- the general limitation and exclusion criteria for counterparty and/or project financeability, consistently with the "ESG Policy" of the BPER Group and its voluntary commitments (Net-Zero Banking Alliance, PRB);
- detailed criteria applying to counterparties belonging to single high ESG impact sectors;
- strategies to support transition and the increasing "alignment" of counterparties with the principles of the EU Taxonomy, including via dedicated products or services (build out).

The credit management policy of the BPER Banca Group, by defining a credit strategy micro-founded at counterparty level, continues to pursue the aim of carefully selecting counterparties through an analysis of their creditworthiness, including the use of well-established tools such as the internal rating system, having regard for the achievement of commercial and support objectives, including in an ESG perspective.
In view of the Group's strategic objectives and operations, the general risk management strategy was to accept a moderate level of risk involving:

- the assessment of the current and prospective creditworthiness of counterparties;
- the diversification of the portfolio, limiting the concentration of exposures towards individual counterparties and sectors of economic activity;
- integrating factors specifically pertaining to the transition risk and physical risk to which they are exposed into the definition of credit strategies and prospective assessments of counterparties.

2.1 Organisational aspects

The Group's credit risk management model has the following objectives:

- apply the instructions issued by the Supervisory Authorities, while taking account of the Group's specific operating characteristics;
- ensure that credit risk is managed appropriately by each bank/company and at a Group level.

These objectives are achieved via the segregation of responsibilities and duties between the bodies that manage credit risk and those with a control function.

The following elements underpin work to manage and control the exposure to credit risk:

- independence of the function responsible for the measurement of credit risk with respect to the various business functions;
- clear definition of delegated powers and the resulting structure of limits imposed by the Board of Directors of the Parent Company;

51 For more information on the "ESG-linked Loan Origination Policy" adopted by the Group, please refer to the information available on the website:/ https://group.bper.it/en/

- coordination by the Parent Company of credit risk management processes, while leaving individual companies with operational autonomy for the management of credit risk;
- consistent application of measurement models throughout the Group, in line with international best practice;
- transparent methodology and measurement criteria to facilitate understanding of the risk measures adopted;
- performance of periodic stress tests which use endogenous and exogenous shock scenarios to provide deterministic and/or probability-based indicators of risk.

2.2 Systems for managing, measuring and monitoring

The management of risk involves applying a system of methodologies and approaches for the ongoing measurement and/or assessment of risk. This system helps to guide operational decisions and quantify the level of capital required by the Group in order to cover the risks that have been accepted. Each Group bank/company analyses the various components of credit risk and identifies the exposure associated with the loan portfolio using suitable measurement methodologies. In particular, the Group uses many tools to measure and monitor credit risk in relation to both performing and non-performing loans.
As part of its policies for managing loans to customers, the Group has adopted rules and processes for monitoring relationships, which have involved, among other things, a complex activity of classifying them into homogeneous risk categories. In particular, on the basis of "rating" and "early warning" systems, the Group has analysed performing loans to customers valued at amortised cost and identified those most at risk.
The characteristics of the rating models developed by the Parent Company BPER Banca for the calculation of PD (Probability of default: i.e. the probability that the borrower will not be able to meet their commitments) depend on the risk segment to which the counterparty belongs, the amount of the exposure and the stage in the lending process at which they are applied (initial pay-out or monitoring). The classifications are represented by 13[52] creditworthiness rating classes differentiated by business model segment. All of the Parent Company's systems share a number of common characteristics:

- the rating is determined with reference to the specific counterparty;
- the rating models are established with reference to the loan portfolio of the BPER Banca group (the rating is unique for each counterparty, even if shared by several Group Banks and Companies);
- the models process socio-demographic data and internal performance information (the latter derived from reports issued by the Central Credit Register database), as well as financial information in the case of businesses (financial statement);
- the models for Corporate SMEs, Long-term Property SMEs, Holding Companies, Financial Companies and Large Corporates add a qualitative element to the purely statistical side. The rating assignment process for these segments involves expert attribution for counterparties that exceed a certain threshold[53] and all Financial Companies, via a central structure operating at Group level. For Corporate SMEs, Long-term Property SMEs, Large Corporates and Holding Companies that fall below the threshold, there is also the possibility for the relationship manager to activate an override, i.e. to request an exception from the quantitative rating on the basis of solid, documented information not processed by the model. In certain cases, the override can also be requested for Newco counterparties (newly established companies). The requested exception is evaluated by a central structure that operates at Group level;
- in addition to the model that evaluates the individual counterparty, the rating model for Large Corporates, Holding Companies, Financial Companies, Corporate SMEs and Multiannual Real Estate SMEs is supplemented by a component that, where applicable, takes into consideration the fact that they belong to a consolidated corporate group;
- the Probability of Default is calibrated with reference to regulatory anomalies, which include past due amounts;
- the time series used in order to develop and calibrate the models cover a broad time horizon, consistent with the requirements of current regulations;
- the rating is reviewed at least once each year; the Bank has also defined a process for the monitoring of each rating, causing the rating to lapse if it no longer represents the true risk profile of the counterparty and there are signs of deterioration in the quality of the related lending;
- use is made of a rating calculation model for counterparties acting as guarantors for individuals, aimed at the quantification and measurement of credit risk attributable to retail counterparties that provide personal guarantees to BPER Banca Group's customers.

The estimation of LGD (Loss Given Default represents the extent of the loss expected to occur on default of the borrower, dependent on type of exposure to the counterparty) is based on information on the borrower (segment, geographical area, internal administrative status), the product (technical form, size of exposure), and the presence, type and coverage of guarantees. LGD estimation includes the impact of the recession phase in the economic cycle (downturn LGD).

In addition to indicating the principles of governance, assumption and management of credit risk, the Group Credit Risk Governance Policy defines the BPER Banca Group's credit risk appetite. For this purpose, the policy provides for a new system of credit risk exposure limits, establishing supervisory thresholds that have to be monitored periodically. The document also explains the principles for calculating analytical and collective loan loss provisions and for the classification of loans by status.

52 Except for the Large Corporate and Holding models, which are structured into 9 classes.

53 Threshold defined based on turnover, balance sheet structure and status of the consolidating parent company.

In order to manage credit risk, the Group has developed a system of credit limits designed to regulate the lending process, together with a system for authorisations that takes account of the riskiness of the customer and/or the transaction, consistent with the risk evaluation systems adopted. This system ensures compliance with the principle that the level of authorisation be consistent with the riskiness of the transaction, envisaging that the limits on decision making are established with reference to one or more aspects of the specific counterparty and transaction risk (in particular counterparty rating, expected loss, amount of the facility).

The internal rating system's risk measures are used for management reporting purposes; in particular:

- a Credit Risk Report is prepared for management every quarter and the results are included in the quarterly risk report, which is then sent to Top Management and the various Corporate Bodies of the Parent Company and of Group Banks and Companies. The information is discussed by the Risks Committee and presented by the Chief Risk Officer to the Control and Risk Committee and the Board of Directors of the Parent Company;
- a summary report is prepared on a monthly basis, including the monitoring of supervisory thresholds set for credit risk;
- a network reporting tool is also available, characterised by different views of the loan portfolio, with different levels of aggregation (Branch, Regional Department, General Management, Bank and Group) and hierarchical visibility cones.

Advanced methodologies (AIRB) have long been used as part of the process of defining capital adequacy (ICAAP). To be precise, the BPER Banca Group has adopted the advanced methodologies (AIRB) starting from the Supervisory Reports of June 2016 with reference to the Banks falling within the scope of first validation (BPER Banca, Banco di Sardegna and BiBanca), subsequently extended to the Cassa di Risparmio di Bra[54] starting from the Supervisory Reports of March 2019.
Starting from Supervisory Reporting as at 31 December 2021, after the ex-ante notification was sent to the Supervisory Authorities in October 2021, the use of the Group internal models for the calculation of credit risk capital requirements was extended to the credit exposures acquired from the Intesa Sanpaolo business units.
Furthermore, following the ECB's Final decision received on 16 February 2023 on the Internal Model Investigation of 2021, starting from the Supervisory Reports as at 31 March 2023, the calculation of the credit risk capital requirements was extended to former Cassa di Risparmio di Saluzzo and former UBI Banca credit exposures, and starting from the Supervisory Reports as at 30 June 2023 to former Unipol Banca exposures.
Finally, following the ECB's Final decision on its recent Internal Model Investigation into the corporate segments, which was received on 1 October 2025, the calculation of the credit risk capital requirements using the IRB approach was extended to the credit exposures pertaining to the Holding segment and the credit exposures pertaining to the corporate segments of former Carige and Banca del Monte di Lucca starting from Supervisory Reporting as at 31 December 2025.

The following asset classes are subject to AIRB methodologies:

- "Exposures to retail businesses";
- "Exposure to companies".

The other Group Companies/Banks and asset classes for which Permanent Partial Use (PPU) is not required or which are not included in the roll-out plan, the BPER Banca Group has continued to use the Standardised Approach and the external ratings supplied by the ECAIs (External Credit Assessment Institutions) recognised by the Supervisory Authority. In particular, the following were used:

- the Cerved, Fitch, Moody's and Standard & Poor's ratings were used for "Exposure to corporates";
- the Fitch, Moody's and Standard & Poor's ratings were used for "Exposures to supervised intermediaries" and "Covered bonds";
- Scope Ratings AG for "Exposures to central administrations or central banks";
- the Fitch Rating was used for financial Instruments pledged as collateral;
- Fitch's and Standard & Poor's ratings for "Exposures to securitisation".

Through the implementation of the "second best rating" rule, in compliance with the provisions approved by the CRR (Capital Requirements Regulation), article 138 (d),(e),(f), where two ratings of the same customer are present, the more prudential one is adopted; in the case of three ratings, the intermediate one; if all ratings are present, the second best one. In addition, in line with the contents of the CRR, article 444 (d) regarding the association of the external rating of each ECAI with the risk weights corresponding to the credit quality steps set out in said CRR, it is confirmed that the BPER Group respects the association published by the EBA.

2.3 Methods for determining the extent of impairment

The ECL model for calculating expected credit losses is based on the risk parameters estimated for regulatory purposes, whose main characteristics were described in the previous paragraphs, appropriately modified to ensure that they fully comply with IFRS 9. For information on impairment models and related risk parameters, please refer to Part A of the Explanatory Notes to the Consolidated Financial Report as at 31 December 2025 unless otherwise specified in this Part A of the Explanatory Notes.

54 Subsequently absorbed by BPER Banca in July 2020.

Update of macroeconomic scenarios and ECL sensitivity

As stated in Part A.1, Section 4 and Part A.2 of these Explanatory Notes, the BPER Banca Group develops forward-looking impairment models using three macroeconomic scenarios that are consistent with those considered in other business areas requiring similar forecasts, such as planning (including the determination of lending policies) and risk management.

The time horizon for the macroeconomic forecasts is 3 years for each of the 3 scenarios used:

- Adverse Scenario (in its "Extreme Adverse" version);
- Baseline Scenario;
- Best Scenario.

The development of the scenarios is outsourced to a leading provider that carries out economic research and provides the BPER Banca Group with short and medium-term forecasts for the Italian and international economies and long-term forecasts for the Italian economy. The scenarios are later customised according to the guidelines of the Bper Banca's Market Research, Surveys and Innovation office.
The macroeconomic scenarios used by the Bank for the estimate of the multi-scenario ECL as at 31 December 2025, are different from those used in relation to the Financial Report for the period ended 31 December 2024 as a result of a context of extraordinary international uncertainty:

- world economy's growth prospects over the last few months have been affected by the sharp rise in global uncertainty due to ongoing conflicts and the constant changes in US trade policy. Under the baseline scenario assumptions are made with regard to the negative impacts of tariffs on the economy.
- global geopolitical risk remains high because of the conflicts in Ukraine and in the Middle East;
- oil price is exposed to high volatility;
- Italian economic growth is expected to be moderate in 2025, slowing slightly compared to the previous year (+0.7%) before picking up again in 2026 (+0.9%).

For the scenarios used to determine the multi-scenario ECL in relation to the financial report as at 31 December 2025 and 31 December 2024, please refer to the Explanatory Notes – Part E – Section 1 Credit Risk of the Consolidated Financial Report as at 31 December 2025.

Shown below is the sensitivity of the ECL in response to a change in the probability of occurrence attributed to each of the (multiple) scenarios considered by the model adopted by BPER Banca, applied on a "standard" basis by the BPER Banca Group, without taking account of the overlays identified in relation to the uncertainties of the macroeconomic context ("post-model adjustments").

As at 31 December 2025, ECL sensitivity to a change in the probability of occurrence attributed to the favourable and adverse (extreme) scenario with respect to the baseline scenario, ranges between -1.29 % / +25.13%.

The total amount of ECL in the Financial Report as at the reporting date, including the effect of the overlays applied, is confirmed 5.24% higher than at 31 December 2025, compared to the value resulting from the 100% risk weight of the adverse scenario.

2.4 Credit risk mitigation techniques

Mitigation techniques are an important tool for reducing or transferring part of the credit risk associated with the portfolio of exposure. Consistent with the low propensity to accept risk that characterises operations, the Group seeks to mitigate credit risk, in particular, by obtaining and managing secured and unsecured guarantees. For this purpose, the Group has prepared suitable IT procedures and systems for managing mortgages and financial guarantees in compliance with prudent supervisory requirements, as well as appropriate internal regulations for managing the life-cycles of other collateral obtained.

The collateral mostly used by the Group generally comprise mortgages on residential and non-residential property, as part of retail lending and, to a lesser extent, loans to Corporate customers, as well as pledges on securities, receivables and cash. An internal procedure developed over a number of years gathers information in an organised fashion on the property assets of borrowers and on the properties given in guarantee. As collateral for both performing and non-performing positions, properties are periodically revalued and updated with new appraisals or indexed revaluations based on the statistical databases of a leading market player. A dedicated procedure is used to check every month whether a new appraisal or index-based revaluation is needed, in compliance with the Guidelines for banks on non-performing loans (NPL) and EU Regulation No. 575/2013, as later amended. An internal function covering the entire banking group has been established to supervise this process and monitor constantly the value obtained to cover exposures, as required by current regulations. The Group also has a new appraisal management system that automatically directs requests to providers according to the rules consistent with the relevant legislation. The same application monitors the state of the appraisals in progress and acts as a historical archive that preserves the previous assessments in digital format with all the accompanying documents.

Likewise, the collateral represented by financial instruments is managed within a procedure that updates the fair value on the basis of market trends.

The principal types of unsecured guarantees consist of "specific guarantees" and "restricted omnibus guarantees", mainly given by entrepreneurs in favour of their companies and by parent companies in favour of their subsidiaries in the form of binding comfort letters. Particular attention is also given to the phenomenon of surety guarantees provided by various guarantee consortia in favour of their member companies, along with other guarantees issued by third-party entities such as SACE, MCC (Guarantee Fund for SMEs, significantly increased during the COVID-19 crisis), EIF (European Investment Fund), CONSAP (Guarantee Fund for the First Home), EIB (Life for Energy), ISMEA. These are also subject to regular monitoring.

3. Non-performing exposures

3.1. Strategies and management policies

Management of the Under- and Non-Performing portfolio is based on the classification of financial assets within the risk categories envisaged by supervisory regulations on the basis of the identified risk profile.
A position is assigned to one of the above classifications by either an both automated or analytical methodology. The two methodologies are governed by an internal Group regulation that applies the guidelines for identifying any deterioration in creditworthiness and assigning the most appropriate administrative status to the position. When not automated, the classification of positions as anomalous is based on the assessments made by relationship managers as part of the performance monitoring activities carried out by the credit chain. The Early Warning (EW) tools available detect, at an early stage, any signs of deterioration of relationships potentially at risk, enabling the analysis of creditworthiness and classification of the position to the correct risk category, if required.
The following are some of the key aspects adopted at Group level, which are considered to contribute to better managing under- and non-performing loans:

- Organisation and governance: in compliance with ECB Guidance to banks on Non Performing Loans and EBA Guidelines on Loan Origination & Monitoring for an enhanced monitoring of loans and operational specialisation by segment and product complexity, the Bank has operational units in place that are specialised by type of debtor and "lifecycle model" credit anomaly, enabling a new operational process that ensures timely action for safeguarding credit quality (early management of overdrafts and defaults, oversight and faster closure of lawsuits, etc.). In particular, the Parent Company:
  - envisages a structure dedicated to portfolio analysis and management support, aimed at continuously improving credit quality through ongoing "support and supervision of the branch network";
  - applies an internal Early Warning (EW) model providing for: (1) a statistical component for the detection of counterparties with a high probability of 30-day past due in the following months and (2) an NBA algorithm to provide an indication of self-cure on the performing loan portfolio;
  - has a dedicated structure in place to supervise the monitored portfolio flagged by the new statistical EW system, in order to timely process irregular loan files on a sample basis, and possibly step in for higher-risk classification;
  - adopts an operational/organisational model involving the outsourcing of the recovery of bad loans and the management of UTP loans, owned by BPER Banca and its subsidiary Banco di Sardegna, and has launched a strategic partnership with the Gardant Group, realised through the creation of a servicing platform 70% owned by Gardant Bridge Servicing s.p.a. (former Bridge Servicing s.p.a.), a company belonging to the Gardant Group, and 30% owned by BPER Banca. To support and oversee this process an organisational unit was set up to act as an interface with Gardant Bridge Servicing s.p.a. in addition to performing internal functions in charge of monitoring the servicer's performance.
- Under- and Non-performing Loan processes and procedures: loan management and monitoring processes make use of procedures that are continuously updated and improved, also to have them comply with new regulatory requirements (Guidance to banks on Non Performing Loans). The main areas of periodic action include: the Early Warning model, the Electronic request for loan management action, *Pratica Elettronica di Gestione* – PEG (an external collection system that seeks to recover smaller loans), the expected segregation of the "monitoring" activity from the "managing" activity by the Going and Gone supply chains, a more extensive use of the forbearance tool and the introduction of a monitoring system to measure the effectiveness of measures granted.
  In addition to what has been described, efficiency and strengthening measures for the operational model and the under- and non-performing loan management processes are planned as part of the B:Dynamic Business Plan.
- Credit Granting processes and procedures: a decision-making system is planned to be introduced to prevent potential deterioration already at the time of the credit granting through:
  - the development of point-in-time credit policies, characterised by indications of asset allocation based on risk/return/capital absorption indicators. In this way the quality of the performing portfolio has improved over the years, shifting its concentration towards the best rating classes;
  - strengthening of the preliminary examination of loan files for top management approval, with preparation of a much more complete set of information, similar to the supporting documents for structured finance transactions, with enhancement of the delegated functions involved;
  - a very precise monitoring system also for the Granting process, the timing of approvals and the quality of the approved portfolio.

- Incentive systems: credit quality objectives are allocated to the network and head office teams, addressing the activities of each function, in order to achieve complementary results that are fully consistent with Group objectives.
- Training on lending activities: in order to strengthen credit monitoring in application of current legislation, (NPL Guidance and Guidelines on the application of the definition of default), training cycles segmented by functions are provided to central structures and training cycles with more general content and strategic management indications to pursue are provided to the network.

The consistency of the classification of a position in the right risk category, with respect to internal rules and Bank of Italy regulations, is also ensured by second-level checks that, by applying a suitable method, verify not only that classifications are correct, but also the adequacy of provisions, the presence of first-level controls and the effectiveness of recovery processes, so as to ensure strong supervision throughout the entire credit chain. The improvement in the risk profile of counterparties leads to a transfer to better internal classifications and may result in a return to "performing" status.

With regard to the cycle for the management of exposures showing initial signs of difficulty and non-performing exposures, macro strategies for internal recoveries are envisaged at Group level, which apply specific methods depending on the type of debtor, how critical the anomalies are and an assessment of the entire exposure to the debtor and any related parties.

The main strategies that can be followed are:
- management of arrears/overdrafts, also through outsourcing;
- reshaping of the credit line and/or guarantee framework;
- granting of forbearance measures;
- waiver of loan (with or without debt forgiveness);
- disposal of loans to third parties;
- repossession of assets pledged as collateral.

The recovery of arrears and the granting of forbearance measures without remission - even partial - of the debt, where judged practicable, are to be preferred to alternative strategies such as a waiver or disposal of loans and the use of debt recovery procedures and enforcement actions, and will be pursued as a matter of priority.
The definition of the management strategy envisages a system of increasing delegated powers, consistent with the powers of classification and the estimate of value adjustments, also with the intervention of specialist units competent in the various phases of the relationship management, and with different degrees of centralisation of decision-making skills.

3.2 Write-offs

In general, and in line with the relevant legislation, the loan must be written off when:
- there is no reasonable prospect of recovery as a result of facts of any nature that make it impossible for the customer to fully meet their obligations ("write-off"), or
- the certainty of a loss materialises (for example, because of definitive legal events).

The assessment and proposal of write-offs, foreseen exclusively for the positions classified as "unlikely to pay" and "bad loans" occurs only in the presence of specific events that make it evident that the exposure is unrecoverable. In such cases, once unrecoverability is ascertained, a loan is timely written off in line with the recommendations of the supervisory authority, the applicable guidelines and Group policies.

3.3 Disposal of loans to third parties: progress of de-risking activities

In line with the planned management activities for the UTP/NPL portfolios, the BPER Banca Group's de-risking activities were carried out through NPL disposals to qualified investors and specialised mutual investment funds.

3.4 Purchased or originated credit-impaired financial assets

If a credit exposure classified in item 30 "Financial assets measured at fair value through other comprehensive income" or in item 40 "Financial assets measured at amortised cost" at the time of initial recognition becomes impaired, it is identified as "Purchased or Originated Credit Impaired - POCI".
By convention, POCI financial assets are classified in Stage 3 on initial recognition.
Should these assets become performing, following an improvement in the creditworthiness of the counterparty, they are reclassified to Stage 2.
They can never be classified in Stage 1, as the expected credit loss must always be calculated over the residual duration.

The BPER Banca Group identifies as "Purchased or originated credit-impaired financial assets":
- exposures already impaired at the time of purchase, also as part of business combinations;
- exposures originated as part of restructuring transactions of impaired exposures that led to the disbursement of new finance, or introduced substantial changes to the original contractual conditions.

4. Renegotiated financial assets and forborne exposures

The BPER Banca Group adopts the definition of "Forbearance Measure" of the Implementing Regulation EU 227/2015. Measures of forbearance consist of concessions to debtors who are or are about to find themselves in difficulty in meeting their financial commitments (i.e. in financial difficulty). The exposures subject to forbearance measures are identified as forborne. "Forbearance" means facilitating measures in favour of the customer which can be summarised in the following categories:

- "modifications", made to the terms and conditions of a loan agreement due to the debtor's inability to perform financially in the commitments assumed previously;
- total or partial "refinancing" of the debt.

An intrinsic characteristic of forbearance is the state of financial difficulty of the debtor: it is based on an overall assessment of the debtor for which the rating is one of the elements to be considered. Financial difficulty is objectively recognised when the counterparty position is classified among the non-performing loans, while it is presumed when loan anomalies envisaged under current regulations are detected, including but not limited to:

- existence during the past 3 months, or potential existence in the absence of assistance granted to the debtor, of past due and/or overdrawn relationships for periods of at least 30 days;
- allocation of new loans, in whole or in part, to paying down existing credit lines that were past due and/or overdrawn for 30 days at least once during the 3-month period prior to granting the new loans to the debtor.

The Group adopts standardised decision-making trees and/or customised solutions in order to apply efficient and effective debt rescheduling solutions, based on customer characteristics and type of exposure, which constitute one of the Group's strategies for reducing non-performing exposures.
The forbearance measures are divided, depending on the time horizon over which they extend, into:

- short-term forbearance measures, or temporary changes in the reimbursement conditions, aimed at facing short-term financial difficulties, and have a duration of less than 24 months;
- long-term forbearance measures, or changes in the reimbursement conditions aimed at definitively resolving the debtor's financial difficulty, and lasting more than 24 months (also in combination with short-term measures).

Not all contractual changes in favour of the customer ("concessions") give rise to forborne exposures, but only if there are also elements of financial difficulty. In their absence, the concessions are configured as transactions for merely commercial purposes.

Forborne positions are monitored by the Bank to check the effectiveness and efficiency of the assistance provided, in order to verify that the financial difficulties have been overcome. The minimum observation period is:

- 24 months if the counterparty is classified as performing (probation period);
- 36 months if the counterparty is in default (12-month cure period and 24-month probation period).

Once the debtor's financial difficulty has been established, the conditions for classification as an unlikely to pay position must also be verified when the measure is granted.

Positions may be forborne in both macro-categories of credit classification ("performing" and "default") and, in accordance with current regulations, may result in the counterparty being classified as non-performing: for example, a counterparty with credit lines that are forborne under probation, that has therefore completed the 12-month cure period and is now in the probation period following reclassification as "performing" from "default", is automatically classified as unlikely to pay if they are overdrawn for more than 30 days or a new concession is made (re-forborne).

Quantitative information

A. Credit quality

A.1 Non-performing and performing credit exposures: amounts, adjustments, changes and economic distribution

A.1.1 Breakdown of financial assets by portfolio classification and credit quality (book values)

	Bad loans	Unlikely-To-Pay loans	Non-performing past due exposures	Performing past due exposures	Other performing exposures	Total
1. Financial assets measured at amortised cost	130,387	966,210	18,821	438,943	109,169,665	110,724,026
2. Financial assets measured at fair value through other comprehensive income	-	230	-	-	3,999,167	3,999,397
3. Financial assets designated at fair value	-	-	-	-	-	-
4. Other financial assets mandatorily measured at fair value	-	-	-	-	188,506	188,506
5. Financial assets held for sale	-	2,892	20	2,437	251,339	256,688
Total 31.12.2025	**130,387**	**969,332**	**18,841**	**441,380**	**113,608,677**	**115,168,617**
Total 31.12.2024	**99,036**	**1,061,365**	**32,072**	**576,741**	**107,925,518**	**109,694,732**

Details of forborne exposures (book values)

Portfolios/quality	Bad loans	Unlikely-To-Pay loans	Non-performing past due exposures	Performing past due exposures	Performing exposures	Total
1. Financial assets measured at amortised cost						
- Loans to customers	24,961	179,633	-	17,784	726,445	948,823

A.1.2 Breakdown of financial assets by portfolio classification and credit quality (gross and net values)

Portfolios/quality	Non-performing				Performing			Total (net exposure)
	Gross exposure	Total impairment provisions	Net exposure	Total partial write-offs (*)	Gross exposure	Total impairment provisions	Net exposure	
1. Financial assets measured at amortised cost	2,203,792	1,088,374	1,115,418	13,791	110,069,770	461,162	109,608,608	110,724,026
2. Financial assets measured at fair value through other comprehensive income	287	57	230	-	4,001,043	1,876	3,999,167	3,999,397
3. Financial assets designated at fair value	-	-	-	-	X	X	-	-
4. Other financial assets mandatorily measured at fair value	-	-	-	-	X	X	188,506	188,506
5. Financial assets held for sale	3,898	986	2,912	-	254,903	1,127	253,776	256,688
Total 31.12.2025	**2,207,977**	**1,089,417**	**1,118,560**	**13,791**	**114,325,716**	**464,165**	**114,050,057**	**115,168,617**
Total 31.12.2024	**2,168,491**	**976,018**	**1,192,473**	**23,492**	**108,876,276**	**526,263**	**108,502,259**	**109,694,732**

(*) Amount to be shown for information purposes.

Details of counterparties	Total write-offs	
	31.12.2025	31.12.2024
Financial companies	-	-
- of which: financial and non resident companies	-	-
Non-financial companies	13,603	23,440
- of which: non financial and non resident companies	-	-
Households	188	52
- of which: non resident households	-	-
Total	**13,791**	**23,492**
- of which: non resident	**-**	**-**

Previous write-offs do not include those carried out during the year on bad loans as part of credit extinction events, also reported in the tables A.1.9 and A.1.11, as detailed below.

Details of counterparties	Total gross derecognition	
	31.12.2025	31.12.2024
Financial companies	24	-
- of which: financial and non resident companies	-	-
Non-financial companies	47,795	25,121
- of which: non financial and non resident companies	-	-
Households	6,310	3,969
- of which: non resident households	-	24
Public Administrations	-	-
- of which: non resident Public Administrations	-	-
Total	**54,129**	**29,090**
- of which: non resident	**-**	**24**

The amounts shown above are gross of default interest.

Portfolios/quality Cumulated capital losses	Low credit quality assets		Other assets
	Net exposure	Net exposure	
1. Financial assets held for trading	(281)	357	824,747
2. Hedging derivatives	-	-	779,557
Total 31.12.2025	**(281)**	**357**	**1,604,304**
Total 31.12.2024	**-**	**83**	**1,339,045**

A.1.3 Breakdown of financial assets by past due buckets (book values)

Portfolios/Risk stage	Stage 1			Stage 2			Stage 3			Purchased or originated credit impaired		
	1 to 30 days	> 30 to 90 days	> 90 days	1 to 30 days	> 30 to 90 days	> 90 days	1 to 30 days	> 30 to 90 days	> 90 days	1 to 30 days	> 30 to 90 days	> 90 days
1. Financial assets measured at amortised cost	199,326	-	7	133,151	88,550	8,330	29,044	58,636	756,151	11,825	3,994	39,732
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-	-	-	230	-	-	-
3. Financial assets held for sale	1,342	-	-	795	83	216	3	182	1,237	-	-	102
Total 31.12.2025	**200,668**	**-**	**7**	**133,946**	**88,633**	**8,546**	**29,047**	**58,818**	**757,618**	**11,825**	**3,994**	**39,834**
Total 31.12.2024	**284,478**	**-**	**7**	**161,279**	**110,481**	**9,964**	**24,094**	**61,887**	**838,903**	**12,450**	**4,445**	**57,765**

A.1.4 Financial assets, commitments to disburse funds and financial guarantees granted: changes in total impairment provisions

Sources/Risk stages	Financial assets classified in stage 1						Financial assets classified in stage 2					
	On-demand loans to banks and Central Banks	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual impairment losses	of which: collective impairment losses	On-demand loans to banks and Central Banks	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual impairment losses	of which: collective impairment losses
Total opening adjustments	**1,028**	**174,991**	**1,731**	**-**	**-**	**177,750**	**-**	**331,592**	**49**	**-**	**-**	**331,641**
Increases in purchased or originated financial assets	-	-	-	-	-	-	-	-	-	-	-	-
Derecognitions other than write-offs	-	-	-	-	-	-	-	-	-	-	-	-
Net impairment losses/ write-backs for credit risk (+/-)	87	(23,177)	(440)	217	-	(23,313)	-	(31,106)	536	895	-	(29,675)
Contractual modifications without derecognition	-	-	-	-	-	-	-	-	-	-	-	-
Changes in the estimation methodology	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs not recognised directly in profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total closing adjustments	**1,115**	**151,814**	**1,291**	**217**	**-**	**154,437**	**-**	**300,486**	**585**	**895**	**-**	**301,966**
Recoveries from financial assets subject to write-off	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs recognised directly through profit or loss	-	-	-	-	-	-	-	-	-	-	-	-

A.1.4 Financial assets, commitments to disburse funds and financial guarantees granted: changes in total impairment provisions

(cont.)

Sources/Risk stages	Total impairment provisions										
	Financial assets classified in stage 3						Purchased or originated credit-impaired				
	On-demand loans to banks and Central Banks	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual impairment losses	of which: collective impairment losses	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual impairment losses	of which: collective impairment losses
Total opening adjustments	**-**	**790,172**	**-**	**-**	**790,172**	**-**	**203,747**	**-**	**-**	**203,747**	**-**
Increases in purchased or originated financial assets	-	-	-	-	-	-	X	X	X	X	X
Derecognitions other than write-offs	-	(175,758)	-	-	(175,758)	-	(26,656)	-	-	(26,656)	-
Net impairment losses/ write-backs for credit risk (+/-)	-	289,745	57	942	290,744	-	29,818	-	60	29,878	-
Contractual modifications without derecognition	-	-	-	-	-	-	-	-	-	-	-
Changes in the estimation methodology	-	-	-	-	-	-	-	-	-	-	-
Write-offs not recognised directly in profit or loss	-	(39,719)	-	-	(39,719)	-	(27,864)	-	-	(27,864)	-
Other	-	53,730	-	-	53,730	-	21	-	-	21	-
Total closing adjustments	**-**	**918,170**	**57**	**942**	**919,169**	**-**	**179,066**	**-**	**60**	**179,126**	**-**
Recoveries from financial assets subject to write-off	-	2,884	-	-	2,884	-	-	-	-	-	-
Write-offs recognised directly through profit or loss	-	1,526	-	-	1,526	-	-	-	-	-	-

A.1.4 Financial assets, commitments to disburse funds and financial guarantees granted: changes in total impairment provisions

(cont.)

Sources/Risk stages	Total provisions on commitments to disburse funds and financial guarantees issued			Commitments to disburse funds and financial guarantees granted, purchased or originated credit impaired	Total
	Stage 1	Stage 2	Stage 3		
Total opening adjustments	**9,655**	**5,226**	**32,108**	**-**	**1,550,299**
Increases in purchased or originated financial assets	-	-	-	-	-
Derecognitions other than write-offs	-	-	-	-	(202,414)
Net impairment losses/write-backs for credit risk (+/-)	1,619	(2,265)	1,978	-	268,966
Contractual modifications without derecognition	-	-	-	-	-
Changes in the estimation methodology	-	-	-	-	-
Write-offs not recognised directly in profit or loss	-	-	-	-	(67,583)
Other	(2,677)	4,274	17,538	-	72,886
Total closing adjustments	**8,597**	**7,235**	**51,624**	**-**	**1,622,154**
Recoveries from financial assets subject to write-off	-	-	-	-	2,884
Write-offs recognised directly through profit or loss	-	-	-	-	1,526

A.1.5 Financial assets, commitments to disburse funds and financial guarantees granted: transfers between different credit risk stages (gross and nominal values)

Portfolios/Risk stage	Gross exposure/Nominal value					
	Transfers between Stage 1 and Stage 2		Transfers between Stage 2 and Stage 3		Transfers between Stage 1 and Stage 3	
	From Stage 1 to Stage 2	From Stage 2 to Stage 1	From Stage 2 to Stage 3	From Stage 3 to Stage 2	From Stage 1 to Stage 3	From Stage 3 to Stage 1
1. Financial assets measured at amortised cost	2,609,143	2,394,003	396,954	47,286	231,823	15,344
2. Financial assets measured at fair value through other comprehensive income	44,703	-	-	-	287	-
3. Financial assets held for sale	-	-	-	-	-	-
4. Commitments to disburse funds and financial guarantees granted	1,117,410	1,165,103	68,166	3,780	69,957	1,199
Total 31.12.2025	**3,771,256**	**3,559,106**	**465,120**	**51,066**	**302,067**	**16,543**
Total 31.12.2024	**5,237,602**	**3,633,184**	**848,336**	**68,889**	**243,627**	**16,578**

A.1.6 On- and off-balance sheet credit exposures to banks: gross and net values

Type of exposure/amount	Gross exposure					Total impairment provisions					Net exposure	Total partial write-offs (*)
		Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		
A. ON-BALANCE SHEET CREDIT EXPOSURES												
A.1. ON DEMAND	**7,625,467**	**7,625,467**	**-**	**-**	**-**	**1,115**	**1,115**	**-**	**-**	**-**	**7,624,352**	**-**
a) Non-performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	7,625,467	7,625,467	-	X	-	1,115	1,115	-	X	-	7,624,352	-
A.2 OTHER	**13,125,220**	**12,689,953**	**406,310**	**-**	**-**	**21,816**	**1,638**	**20,178**	**-**	**-**	**13,103,404**	**-**
a) Bad loans	-	X	-	-	-	-	X	-	-	-	-	-
- of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
b) Unlikely to pay loans	-	X	-	-	-	-	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	19,941	1	19,940	X	-	19,881	-	19,881	X	-	60	-
- of which: forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
e) Other performing exposures	13,105,279	12,689,952	386,370	X	-	1,935	1,638	297	X	-	13,103,344	-
- of which: forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
TOTAL (A)	**20,750,687**	**20,315,420**	**406,310**	**-**	**-**	**22,931**	**2,753**	**20,178**	**-**	**-**	**20,727,756**	**-**
B. OFF-BALANCE SHEET CREDIT EXPOSURES						**-**	**-**	**-**	**-**	**-**		
a) Non-performing	102	X	-	102	-	-	X	-	-	-	102	-
b) Performing	3,900,435	2,423,180	1,000	X	-	546	546	-	X	-	3,899,889	-
TOTAL (B)	**3,900,537**	**2,423,180**	**1,000**	**102**	**-**	**546**	**546**	**-**	**-**	**-**	**3,899,991**	**-**
TOTAL (A+B)	**24,651,224**	**22,738,600**	**407,310**	**102**	**-**	**23,477**	**3,299**	**20,178**	**-**	**-**	**24,627,747**	**-**

(*) Amount to be shown for information purposes.

A.1.7 On- and off-balance sheet credit exposures to customers: gross and net values

Type of exposure/amount	Gross exposure					Total impairment provisions					Net exposure	Total partial write-offs (*)
		Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		
A. ON-BALANCE SHEET CREDIT EXPOSURES												
a) Bad loans	468,543	X	-	389,712	78,831	338,156	X	-	273,822	64,334	130,387	13,791
- of which: forborne exposures	90,107	X	-	72,227	17,880	65,146	X	-	52,009	13,137	24,961	-
b) Unlikely to pay loans	1,701,491	X	-	1,544,541	156,950	732,159	X	-	626,740	105,419	969,332	-
- of which: forborne exposures	393,087	X	-	319,067	74,021	213,454	X	-	164,431	49,023	179,633	-
c) Non-performing past due exposures	37,943	X	-	36,887	1,056	19,102	X	-	18,607	495	18,841	-
- of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
d) Performing past due exposures	465,444	201,876	253,508	X	10,060	24,124	1,202	22,442	X	480	441,320	-
- of which: forborne exposures	19,424	-	19,299	X	126	1,640	-	1,637	X	3	17,784	-
e) Other performing exposures	101,005,365	95,087,531	5,488,085	X	188,393	418,225	150,484	259,344	X	8,397	100,587,140	-
- of which: forborne exposures	790,024	-	739,361	X	50,663	63,579	-	59,475	X	4,104	726,445	-
TOTAL (A)	**103,678,786**	**95,289,407**	**5,741,593**	**1,971,140**	**435,290**	**1,531,766**	**151,686**	**281,786**	**919,169**	**179,125**	**102,147,020**	**13,791**
B. OFF-BALANCE SHEET CREDIT EXPOSURES												
a) Non-performing	377,887	X	-	377,887	-	51,623	X	-	51,623	-	326,264	-
b) Performing	42,785,451	40,832,689	1,866,151	X	-	43,482	36,247	7,235	X	-	42,741,969	-
TOTAL (B)	**43,163,338**	**40,832,689**	**1,866,151**	**377,887**	**-**	**95,105**	**36,247**	**7,235**	**51,623**	**-**	**43,068,233**	**-**
TOTAL (A+B)	**146,842,124**	**136,122,096**	**7,607,744**	**2,349,027**	**435,290**	**1,626,871**	**187,933**	**289,021**	**970,792**	**179,125**	**145,215,253**	**13,791**

(*) Amount to be shown for information purposes

As at 31 December 2025, the performing loans to customers, limited to the portion measured at amortised cost, amounted to a gross exposure of Euro 79,285 million. Net of portfolio adjustments for Euro 434 million, the net exposure totalled Euro 78,851 million; the average coverage ratio is therefore 0.55%.
At the same date, non-performing loans to customers, limited to the portion of loans measured at amortised cost, amounted to a gross exposure of Euro 1,877 million. Net of impairment losses for Euro 1,079 million, the net exposure totalled Euro 798 million; the average coverage ratio for this cluster of loans is therefore 57.49%.

The following is a summary of non-performing and performing credit exposures measured at amortised cost (amounts and adjustments) by economic distribution

	Non-performing assets				Performing assets		
	Gross exposure	Individual impairment provisions - analytical	Individual impairment provisions - automated	Net exposure	Gross exposure	Collective impairment provisions	Net exposure
On-balance sheet credit exposures to customers (loans and debt securities)	**2,203,793**	**619,063**	**469,312**	**1,115,417**	**97,928,303**	**439,687**	**97,488,615**
Governments and other public entities	96	-	23	72	20,473,682	9,607	20,464,075
- of which: foreign	-	-	-	-	5,603,089	261	5,602,828
Financial companies	353,189	29,051	2,651	321,487	11,503,022	36,332	11,466,690
- of which: foreign	8	7	1	-	908,765	2,330	906,435
Non-financial companies	1,172,765	494,582	222,388	455,795	31,297,118	241,382	31,055,736
- of which: foreign	909	70	700	139	661,034	639	660,395
Individuals and households	677,743	95,430	244,250	338,063	34,654,481	152,366	34,502,114
- of which: foreign	3,336	834	1,378	1,125	79,335	986	78,349

(*) Amount to be shown for information purposes.

The loans measured at amortised cost, that constitute new liquidity granted through public guarantee mechanisms issued in response to the Covid-19 pandemic are reported below, when the stage of risk in which the exposures are found at the date of this disclosure is different from the stage in which the exposures were classified at the start of the period.

	Gross exposure					Total impairment provisions					Exposure Net
		Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired	
A. Bad loans	111,922	-	-	108,135	3,787	58,770	-	-	56,651	2,119	53,152
B. Unlikely to pay loans	119,542	-	-	117,285	2,257	30,514	-	-	29,535	979	89,028
C. Non-performing past due exposures	1,568	-	-	1,564	4	135	-	-	132	3	1,433
D. Performing loans	16,425	4,197	12,079	-	149	126	7	119	-	-	16,299
E. Other performing loans	1,383,453	1,217,444	163,233	-	2,776	1,458	492	952	-	14	1,381,995
TOTAL (A+B+C+D+E)	**1,632,910**	**1,221,641**	**175,312**	**226,984**	**8,973**	**91,003**	**499**	**1,071**	**86,318**	**3,115**	**1,541,907**

A.1.8 On-balance sheet credit exposures to banks: change in gross non-performing exposures

There are no amounts for this item in this Separate Financial Report.

A.1.8 bis On-balance sheet credit exposures to banks: change in gross forborne exposures broken down by credit quality

There are no amounts for this item in this Separate Financial Report.

A.1.9 On-balance sheet credit exposures to customers: change in gross non-performing exposures

Reasons/Category	Bad loans	Unlikely-To-Pay loans	Non-performing past due exposures
A. Opening balance (gross amount)	**379,935**	**1,739,459**	**49,097**
- of which: sold but not derecognised	-	-	-
B. Increases	**447,327**	**1,066,116**	**42,871**
B.1 inflows from performing exposures	46,760	794,692	27,488
B.2 inflows from purchased or originated credit impaired financial assets	-	-	-
B.3 transfers from other non-performing exposures	275,646	24,043	167
B.4 contractual modifications without derecognition	-	-	-
B.5 other increases	124,921	247,381	15,216
C. Decreases	**358,719**	**1,104,084**	**54,025**
C.1 outflows to performing exposures	35	61,262	8,108
C.2 write-offs	54,129	22,672	-
C.3 recoveries	126,129	491,452	20,982
C.4 gains on disposals	55,728	120,397	-
C.5 losses on disposals	993	1,015	-
C.6 transfers to other categories of non performing exposures	1,284	273,637	24,935
C.7 contractual modifications without derecognition	-	-	-
C.8 other decreases	120,421	133,649	-
D. Closing balance (gross amounts)	**468,543**	**1,701,491**	**37,943**
- of which: sold but not derecognised	-	-	-

*A.1.9 **bis** On-balance sheet credit exposures to customers: change in gross forborne exposures broken down by credit quality*

Description/Quality	Forborne exposures: impaired	Forborne exposures: non impaired
A. Opening balance (gross amount)	**536,763**	**788,999**
- of which: sold but not derecognised	-	-
B. Increases	**299,165**	**819,906**
B.1 inflows from performing non-forborne exposures	75,210	412,525
B.2 inflows from performing forborne exposures	140,787	X
B.3 inflows from non-performing forborne exposures	X	43,501
B.4 inflows from non-performing non forborne exposure	22,401	-
B.5 other increases	60,767	363,880
C. Decreases	**352,734**	**799,457**
C.1 outflows to performing non-forborne exposures	X	244,620
C.2 outflows to performing forborne exposures	43,501	X
C.3 outflows to non-performing forborne exposures	X	140,787
C.4 write-offs	5,274	-
C.5 recoveries	125,794	414,050
C.6 gains on disposals	91,088	-
C.7 losses on disposals	-	-
C.8 other decreases	87,077	-
D. Closing balance (gross amounts)	**483,194**	**809,448**
- of which: sold but not derecognised	-	-

A.1.10 On-balance sheet non-performing credit exposures to banks: change in total impairment provisions

There are no amounts for this item in this Separate Financial Report.

A.1.11 On-balance sheet non-performing credit exposures to customers: change in total impairment provisions

Reasons/Category	Bad loans		Unlikely-To-Pay loans		Non-performing past due exposures	
	Total	of which: forborne exposures	Total	of which: forborne exposures	Total	of which: forborne exposures
A. Opening balance: total impairment provisions	**280,899**	**47,605**	**678,094**	**241,884**	**17,025**	**4**
- of which: sold but not derecognised	-	-	-	-	-	-
B. Increases	**316,272**	**63,798**	**404,366**	**76,324**	**14,811**	**-**
B.1 impairment losses on purchased or originated impaired financial assets	-	X	-	X	-	X
B.2 other value adjustments	149,199	28,339	368,247	69,620	14,740	-
B.3 losses on disposals	993	-	1,015	-	-	-
B.4 transfers from other non-performing exposures	100,111	26,800	7,578	-	71	-
B.5 contractual modifications without derecognition	-	-	-	-	-	-
B.6 other increases	65,969	8,659	27,526	6,704	-	-
C. Decreases	**259,015**	**46,257**	**350,301**	**104,754**	**12,734**	**4**
C.1 write-backs from assessments	25,532	5,579	90,720	42,224	3,609	-
C.2 write-backs from recoveries	38,158	10,156	41,267	17,941	959	4
C.3 gains on disposal	22,067	3,769	-	-	-	-
C.4 write-offs	54,129	1,189	22,672	4,085	-	-
C.5 transfers to other categories of non performing exposures	41	1	99,553	26,799	8,166	-
C.6 contractual modifications without derecognition	-	-	-	-	-	-
C.7 other decreases	119,088	25,563	96,089	13,705	-	-
D. Closing balance: total impairment provisions	**338,156**	**65,146**	**732,159**	**213,454**	**19,102**	**-**
- of which: sold but not derecognised	-	-	-	-	-	-

A.2 Classification of financial assets, commitments to disburse funds and financial guarantees granted by external and internal ratings

A.2.1 Breakdown of financial assets, commitments to disburse funds and financial guarantees granted: by external and internal ratings (gross amounts)

Exposures	External rating classes						Unrated	Total
	class 1	class 2	class 3	class 4	class 5	class 6		
A. Financial assets measured at amortised cost	**7,210,411**	**5,503,043**	**14,158,728**	**2,054,750**	**201,105**	**8,310**	**83,137,215**	**112,273,562**
- Stage 1	7,024,230	5,437,828	14,135,606	1,676,282	195,995	754	75,401,711	103,872,406
- Stage 2	186,181	65,215	23,122	374,199	4,828	-	5,345,720	5,999,265
- Stage 3	-	-	-	3,906	-	7,556	1,955,639	1,967,101
- Purchased or originated credit impaired	-	-	-	363	282	-	434,145	434,790
B. Financial assets measured at fair value through other comprehensive income	**808,869**	**603,709**	**2,018,729**	**19,471**	**-**	**-**	**550,552**	**4,001,330**
- Stage 1	744,065	603,709	2,013,369	7,191	-	-	510,945	3,879,279
- Stage 2	64,804	-	5,360	12,280	-	-	39,320	121,764
- Stage 3	-	-	-	-	-	-	287	287
- Purchased or originated credit impaired	-	-	-	-	-	-	-	-
C. Financial assets classified as held for sale	**-**	**-**	**-**	**-**	**-**	**-**	**258,801**	**258,801**
- Stage 1	-	-	-	-	-	-	227,674	227,674
- Stage 2	-	-	-	-	-	-	26,873	26,873
- Stage 3	-	-	-	-	-	-	3,752	3,752
- Purchased or originated credit impaired	-	-	-	-	-	-	502	502
Total (A + B + C)	**8,019,280**	**6,106,752**	**16,177,457**	**2,074,221**	**201,105**	**8,310**	**83,946,568**	**116,533,693**
D. Commitments to disburse funds and financial guarantees granted	**585,756**	**3,772,025**	**5,293,131**	**2,708,362**	**279,086**	**4,256**	**34,421,259**	**47,063,875**
- Stage 1	585,756	3,769,874	5,286,478	2,508,129	259,205	152	32,369,213	44,778,807
- Stage 2	-	2,151	6,653	192,597	19,881	2,760	1,643,109	1,867,151
- Stage 3	-	-	-	7,636	-	1,344	408,937	417,917
- Purchased or originated credit impaired	-	-	-	-	-	-	-	-
Total (D)	**585,756**	**3,772,025**	**5,293,131**	**2,708,362**	**279,086**	**4,256**	**34,421,259**	**47,063,875**
Total (A + B + C + D)	**8,605,036**	**9,878,777**	**21,470,588**	**4,782,583**	**480,191**	**12,566**	**118,367,827**	**163,597,568**

As at 31 December 2025, BPER Banca avails itself of the external ratings provided by Moody's, Standard & Poor's and Fitch, for the calculation of the capital absorption for exposures to corporates, supervised intermediaries and covered bonds. Cerved is confirmed to be used for exposures to corporates, Fitch, for financial instruments pledged as collateral and Fitch, Moody's and Standard & Poor's for exposures to securitisation.

In observance of the regulatory provisions, in the presence of three valuations, the second best one is used, while in the presence of two the most prudential one is adopted.

The rating agencies used by the BPER Banca Group are shown below, along with a table for the reconciliation between the external rating classes and the agencies' ratings.

Long-term rating for exposures to companies:

Class of creditworthiness	Risk weighting coefficients	ECAI Cerved Group	ECAI Fitch Ratings	ECAI Moody's Ratings	ECAI S&P Ratings
1	20%	A1.1, A1.2, A1.3	from AAA to AA-	from Aaa to Aa3	from AAA to AA-
2	50%	A2.1, A2.2, A3.1	from A+ to A-	from A1 to A3	from A+ to A-
3	75%	B1.1, B1.2	from BBB+ to BBB-	from Baa1 to Baa3	from BBB+ to BBB-
4	100%	B2.1, B2.2	from BB+ to BB-	from Ba1 to Ba3	from BB+ to BB-
5	150%	C1.1	from B+ to B-	from B1 to B3	from B+ to B-
6	150%	C1.2, C2.1	lower than CCC+	lower than Caa1	lower than CC+

Long-term rating for exposures to Banks and Supervised Intermediaries

Class of creditworthiness	Risk weighting coefficients	ECAI Fitch Ratings	ECAI Moody's Ratings	ECAI S&P Ratings
1	20%	from AAA to AA-	from Aaa to Aa3	from AAA to AA-
2	50%	from A+ to A-	from A1 to A3	from A+ to A-
3	50%	from BBB+ to BBB-	from Baa1 to Baa3	from BBB+ to BBB-
4	100%	from BB+ to BB-	from Ba1 to Ba3	from BB+ to BB-
5	100%	from B+ to B-	from B1 to B3	from B+ to B-
6	150%	lower than CCC+	lower than Caa1	lower than CC+

Long-term rating for exposures to Covered Bonds

Class of creditworthiness	Risk weighting coefficients	ECAI Fitch Ratings	ECAI Moody's Ratings	ECAI S&P Ratings
1	10%	from AAA to AA-	from Aaa to Aa3	from AAA to AA-
2	20%	from A+ to A-	from A1 to A3	from A+ to A-
3	20%	from BBB+ to BBB-	from Baa1 to Baa3	from BBB+ to BBB-
4	50%	from BB+ to BB-	from Ba1 to Ba3	from BB+ to BB-
5	50%	from B+ to B-	from B1 to B3	from B+ to B-
6	100%	lower than CCC+	lower than Caa1	lower than CC+

Long-term rating for exposures to securitisations

Class of creditworthiness	Risk weighting coefficients	ECAI Fitch Ratings	ECAI S&P Ratings	ECAI Moody's
From 1 to 4 years	(*)	from AAA to AA-	from AAA to AA-	from Aaa to Aa3
from 5 to 7	(*)	from A+ to A-	from A+ to A-	from A1 to A3
from 8 to 9	(*)	from BBB+ to BBB-	from BBB+ to BBB-	from Baa1 to Baa3
from 11 to 13	(*)	from BB+ to BB-	from BB+ to BB-	from Ba1 to Ba3
from 14 to 17	(*)	lower than BB-	lower than BB-	lower than Ba3

(*) The weighting is determined in accordance with current legislation.

Long-term rating for exposures to Public Administrations

Class of creditworthiness	Risk weighting coefficients	ECAI Scope Ratings
1	0%	from AAA to AA-
2	20%	from A+ to A-
3	50%	from BBB+ to BBB-
4	100%	from BB+ to BB-
5	100%	from B+ to B-
6	150%	from CCC to D

A.2.2 Breakdown of financial assets, commitments to disburse funds and financial guarantees granted: by external and internal ratings (gross amounts)

Exposures	Internal rating classes							
	1	2	3	4	5	6	7	8
A. Financial assets measured at amortised cost	**17,223,166**	**12,888,116**	**12,147,468**	**10,823,052**	**10,945,911**	**8,942,178**	**2,739,541**	**13,838,883**
- Stage 1	17,171,538	12,673,570	11,794,120	10,046,809	10,184,795	7,635,474	2,148,573	13,305,612
- Stage 2	45,387	205,062	344,519	750,237	725,942	1,257,824	578,856	524,390
- Stage 3	-	-	-	-	-	-	-	-
- Purchased or originated credit impaired	6,241	9,484	8,829	26,006	35,174	48,880	12,112	8,881
B. Financial assets measured at fair value through other comprehensive income	**363,717**	**68,216**	**54,053**	**97,780**	**448,721**	**612,128**	**340,123**	**1,789,708**
- Stage 1	363,717	68,216	54,053	97,780	444,681	540,993	334,196	1,789,708
- Stage 2	-	-	-	-	4,040	71,135	5,927	-
- Stage 3	-	-	-	-	-	-	-	-
- Purchased or originated credit impaired	-	-	-	-	-	-	-	-
C. Financial assets classified as held for sale	**28,504**	**28,635**	**36,980**	**49,400**	**49,213**	**26,549**	**12,335**	**5,403**
- Stage 1	28,122	28,508	36,811	48,612	45,696	23,359	9,856	3,986
- Stage 2	382	124	169	716	3,517	3,190	2,408	1,417
- Stage 3	-	-	-	-	-	-	-	-
- Purchased or originated credit impaired	-	3	-	72	-	-	71	-
Total (A + B + C)	**17,615,387**	**12,984,967**	**12,238,501**	**10,970,232**	**11,443,845**	**9,580,855**	**3,091,999**	**15,633,994**
D. Commitments to disburse funds and financial guarantees granted	**18,293,476**	**8,962,195**	**4,831,351**	**2,942,510**	**1,326,125**	**1,170,605**	**523,953**	**550,595**
- Stage 1	18,256,227	8,826,771	4,613,985	2,491,945	1,121,632	919,047	362,106	316,843
- Stage 2	37,226	135,424	217,366	450,565	204,493	251,558	161,847	217,190
- Stage 3	23	-	-	-	-	-	-	16,562
- Purchased or originated credit impaired	-	-	-	-	-	-	-	-
Total (D)	**18,293,476**	**8,962,195**	**4,831,351**	**2,942,510**	**1,326,125**	**1,170,605**	**523,953**	**550,595**
Total (A + B + C + D)	**35,908,863**	**21,947,162**	**17,069,852**	**13,912,742**	**12,769,970**	**10,751,460**	**3,615,952**	**16,184,589**

A.2.2 Breakdown of financial assets, commitments to disburse funds and financial guarantees granted: by external and internal ratings (gross amounts)

(cont.)

Exposures	Internal rating classes					Total
	9	10	11	12	13	
A. Financial assets measured at amortised cost	**980,532**	**659,768**	**839,867**	**138,718**	**185,841**	**92,353,041**
- Stage 1	628,523	153,492	180,690	-	-	85,923,196
- Stage 2	334,896	496,483	325,462	134,765	183,059	5,906,882
- Stage 3	-	4	326,333	-	-	326,337
- Purchased or originated credit impaired	17,113	9,789	7,382	3,953	2,782	196,626
B. Financial assets measured at fair value through other comprehensive income	**46,523**	**51,845**	**123,666**	**-**	**-**	**3,996,480**
- Stage 1	41,163	51,845	88,363	-	-	3,874,715
- Stage 2	5,360	-	35,303	-	-	121,765
- Stage 3	-	-	-	-	-	-
- Purchased or originated credit impaired	-	-	-	-	-	-
C. Financial assets classified as held for sale	**3,514**	**3,834**	**3,002**	**1,005**	**602**	**248,976**
- Stage 1	2,191	-	-	-	-	227,141
- Stage 2	1,323	3,834	2,792	1,005	602	21,479
- Stage 3	-	-	-	-	-	-
- Purchased or originated credit impaired	-	-	210	-	-	356
Total (A + B + C)	**1,030,569**	**715,447**	**966,535**	**139,723**	**186,443**	**96,598,497**
D. Commitments to disburse funds and financial guarantees granted	**97,680**	**55,182**	**33,813**	**5,476**	**33,556**	**38,826,517**
- Stage 1	42,751	244	61	-	43	36,951,655
- Stage 2	54,929	54,928	33,752	5,476	33,513	1,858,267
- Stage 3	-	10	-	-	-	16,595
- Purchased or originated credit impaired	-	-	-	-	-	-
Total (D)	**97,680**	**55,182**	**33,813**	**5,476**	**33,556**	**38,826,517**
Total (A + B + C + D)	**1,128,249**	**770,629**	**1,000,348**	**145,199**	**219,999**	**135,425,014**

	With internal rating	Unrated	Total
On-balance-sheet exposures	96,598,497	19,935,196	116,533,693
Off-balance-sheet exposures	38,826,517	8,237,358	47,063,875
Total	**135,425,014**	**28,172,554**	**163,597,568**

On 24 June 2016, the ECB authorised the Group to use the IRB Advanced Method (PD, LGD, EAD parameters) for the quantification of the capital requirement for customers' credit risk.
The internal rating classes are shown as they are used in the management of credit risk. The Group's rating system for the valuation of counterparties is divided into a Large Corporate model, a Corporate model and an Individuals model. Creditworthiness classifications are represented by 13 rating classes regarding performing counterparties, differentiated by risk segment, and by a class relating to default (for the Large Corporate segment, there are 9 rating classes). In turn, the 13 rating classes have been grouped into 5 operational classes, which indicate aggregate risk levels:

Operational classes (of risk)	Rating classes
High	10 - 11 - 12 - 13
Significant	8 -9
Average	5 - 6 - 7
Low	3 - 4
Very low	1 - 2

On-balance sheet exposures include all the credit exposures of the "Financial assets measured at fair value through other comprehensive income" portfolio, and the "Financial assets measured at amortised cost" portfolio; "off-balance sheet" exposures include all financial transactions other than on-balance sheet transactions (guarantees granted, commitments, derivatives) that involve the assumption of a credit risk, whatever the purpose of such transactions is (trading, hedging, etc.).

A.3 Breakdown of guaranteed credit exposures by type of guarantee

A.3.1 Guaranteed on and off-balance sheet credit exposures to banks

	Gross exposure	Net exposure	Collateral (1)				Personal guarantees (2)	
			Property - mortgages	Property - finance leases	Debt Securities	Other collateral	Credit derivatives	
							CLN	Other derivatives
								Central counterparties
1. Guaranteed on-balance sheet credit exposures:	**1,983,719**	**1,983,698**	**-**	**-**	**1,554,304**	**-**	**-**	**-**
1.1 fully guaranteed	1,983,719	1,983,698	-	-	1,554,304	-	-	-
- of which non-performing	-	-	-	-	-	-	-	-
1.2 partially guaranteed	-	-	-	-	-	-	-	-
- of which non-performing	-	-	-	-	-	-	-	-
2. Guaranteed off-balance sheet credit exposures:	**44,435**	**44,426**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 fully guaranteed	21,153	21,149	-	-	-	-	-	-
- of which non-performing	-	-	-	-	-	-	-	-
2.2 partially guaranteed	23,282	23,277	-	-	-	-	-	-
- of which non-performing	-	-	-	-	-	-	-	-

A.3.1 Guaranteed on- and off-balance sheet credit exposures to banks

(cont.)

	Personal guarantees (2)							Total (1)+(2)
	Credit derivatives			Endorsement loans				
	Other derivatives			Public Administrations	Banks	Other financial companies	Other entities	
	Banks	Other financial companies	Other entities					
1. Guaranteed on-balance sheet credit exposures:	**-**	**-**	**-**	**419,117**	**-**	**-**	**-**	**1,973,421**
1.1 fully guaranteed	-	-	-	419,117	-	-	-	1,973,421
- of which non-performing	-	-	-	-	-	-	-	-
1.2 partially guaranteed	-	-	-	-	-	-	-	-
- of which non-performing	-	-	-	-	-	-	-	-
2. Guaranteed off-balance sheet credit exposures:	**-**	**-**	**-**	**33,046**	**-**	**-**	**1,046**	**34,092**
2.1 fully guaranteed	-	-	-	20,103	-	-	1,046	21,149
- of which non-performing	-	-	-	-	-	-	-	-
2.2 partially guaranteed	-	-	-	12,943	-	-	-	12,943
- of which non-performing	-	-	-	-	-	-	-	-

A.3.2 Guaranteed on- and off-balance sheet credit exposures to customers

	Gross exposure	Net exposure	Collateral (1)				Personal guarantee (2)	
			Property - mortgages	Property - finance leases	Debt Securities	Other collateral	Credit derivatives	
							CLN	Other derivatives
								Central counterparties
1. Guaranteed on-balance sheet credit exposures:	**54,959,150**	**53,887,128**	**36,898,138**	**5**	**1,749,765**	**903,523**	**-**	**-**
1.1 fully guaranteed	47,434,079	46,598,175	36,732,540	5	1,553,474	694,879	-	-
- of which non-performing	1,455,487	871,947	356,162	5	3,622	19,206	-	-
1.2 partially guaranteed	7,525,071	7,288,953	165,598	-	196,291	208,644	-	-
- of which non-performing	303,115	146,250	10,391	-	2,487	4,772	-	-
2. Guaranteed off-balance sheet credit exposures:	**5,387,610**	**5,378,241**	**24,937**	**-**	**247,169**	**260,458**	**-**	**-**
2.1 fully guaranteed	4,206,220	4,200,214	23,228	-	196,954	162,083	-	-
- of which non-performing	63,434	58,692	-	-	2,555	719	-	-
2.2 partially guaranteed	1,181,390	1,178,027	1,709	-	50,215	98,375	-	-
- of which non-performing	31,508	28,650	-	-	741	67	-	-

A.3.2 Guaranteed on- and off-balance sheet credit exposures to customers

(cont.)

	Personal guarantees (2)							Total (1)+(2)
	Credit derivatives			Endorsement loans				
	Other derivatives			Public Administrations	Banks	Other financial companies	Other entities	
	Banks	Other financial companies	Other entities					
1. Guaranteed on-balance sheet credit exposures:	**-**	**-**	**-**	**5,408,879**	**1,280**	**152,464**	**5,227,456**	**50,341,510**
1.1 fully guaranteed	-	-	-	2,743,917	83	129,325	4,736,615	46,590,838
- of which non-performing	-	-	-	435,239	51	1,645	56,016	871,946
1.2 partially guaranteed	-	-	-	2,664,962	1,197	23,139	490,841	3,750,672
- of which non-performing	-	-	-	80,727	1	667	16,580	115,625
2. Guaranteed off-balance sheet credit exposures:	**-**	**-**	**-**	**286,686**	**10,380**	**147,910**	**3,703,856**	**4,681,396**
2.1 fully guaranteed	-	-	-	85,632	8,276	144,982	3,577,957	4,199,112
- of which non-performing	-	-	-	1,760	6,291	128	47,239	58,692
2.2 partially guaranteed	-	-	-	201,054	2,104	2,928	125,899	482,284
- of which non-performing	-	-	-	9,663	-	-	6,395	16,866

A.4 Financial and non-financial assets deriving from the enforcement of guarantees

	Derecognised credit exposure	Gross value	Total impairment provisions	Book Value	
					of which obtained during the year
A. Property, plant and equipment	**-**	**-**	**-**	**-**	**-**
A.1. Used in operations	-	-	-	-	-
A.2. Held for investment	-	-	-	-	-
A.3. Inventories	-	-	-	-	-
B. Equity instruments and debt securities	**-**	**-**	**-**	**-**	**-**
C. Other assets	**-**	**-**	**-**	**-**	**-**
D. Non-current assets and disposal groups classified as held for sale	**997**	**2,411**	**799**	**1,612**	**-**
D.1. Property, plant and equipment	997	2,411	799	1,612	-
D.2. Other assets	-	-	-	-	-
Total 31.12.2025	**997**	**2,411**	**799**	**1,612**	**-**
Total 31.12.2024	**1,134**	**2,624**	**846**	**1,778**	**-**

B. Distribution and concentration of credit exposures

B.1 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)	
	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions
A. On-balance-sheet exposures						
A.1 Bad loans	-	-	255	773	-	-
- of which: forborne exposures	-	-	185	565	-	-
A.2 Unlikely-To-Pay exposures	58	15	321,180	30,800	-	-
- of which: forborne exposures	-	-	1,034	2,908	-	-
A.3 Non-performing past due exposures	15	8	51	129	-	-
- of which: forborne exposures	-	-	-	-	-	-
A.4 Performing exposures	22,644,869	10,328	11,907,275	36,503	179,726	55
- of which: forborne exposures	10,015	3,164	16,847	2,685	-	-
Total (A)	**22,644,942**	**10,351**	**12,228,761**	**68,205**	**179,726**	**55**
B. Off-balance sheet credit exposures						
B.1 Non-performing exposures	559	119	397	98	-	-
B.2 Performing exposures	768,829	338	3,964,863	381	236,182	-
Total (B)	**769,388**	**457**	**3,965,260**	**479**	**236,182**	**-**
Total (A+B) 31.12.2025	**23,414,330**	**10,808**	**16,194,021**	**68,684**	**415,908**	**55**
Total (A+B) 31.12.2024	**17,312,467**	**5,547**	**15,132,645**	**77,313**	**438,127**	**308**

B.1 Breakdown by sector of on- and off-balance sheet credit exposures to customers

(cont.)

Exposures/Counterparties	Non-financial companies		Households	
	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions
A. On-balance-sheet exposures				
A.1 Bad loans	96,290	252,957	33,842	84,426
- of which: forborne exposures	17,295	45,400	7,481	19,181
A.2 Unlikely-To-Pay loans	357,459	458,836	290,635	242,508
- of which: forborne exposures	107,569	146,417	71,030	64,129
A.3 Non-performing past due exposures	2,611	5,461	16,164	13,504
- of which: forborne exposures	-	-	-	-
A.4 Performing exposures	31,756,607	242,255	34,719,709	153,263
- of which: forborne exposures	557,035	51,138	160,332	8,232
Total (A)	**32,212,967**	**959,509**	**35,060,350**	**493,701**
B. Off-balance sheet credit exposures				
B.1 Non-performing exposures	317,052	50,543	8,256	863
B.2 Performing exposures	36,184,286	35,511	1,773,216	7,252
Total (B)	**36,501,338**	**86,054**	**1,781,472**	**8,115**
Total (A+B) 31.12.2025	**68,714,305**	**1,045,563**	**36,841,822**	**501,816**
Total (A+B) 31.12.2024	**67,618,955**	**985,179**	**35,959,464**	**501,856**

B.2 Breakdown by geographical area of on- and off-balance sheet credit exposures to customers

Exposures/Geographical areas	Italy		Other European countries		United States
	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions	Net exposure
A. On-balance-sheet exposures					
A.1 Bad loans	130,150	337,263	175	475	62
A.2 Unlikely-To-Pay loans	968,333	730,180	837	1,608	142
A.3 Non-performing past due exposures	18,791	18,989	45	84	2
A.4 Performing exposures	92,509,286	437,680	5,844,551	4,190	1,187,027
Total (A)	**93,626,560**	**1,524,112**	**5,845,608**	**6,357**	**1,187,233**
B. Off-balance sheet credit exposures					
B.1 Non-performing exposures	326,203	51,623	61	-	-
B.2 Performing exposures	42,144,266	41,917	500,485	1,565	46,271
Total (B)	**42,470,469**	**93,540**	**500,546**	**1,565**	**46,271**
Total (A+B) 31.12.2025	**136,097,029**	**1,617,652**	**6,346,154**	**7,922**	**1,233,504**
Total (A+B) 31.12.2024	**128,186,958**	**1,562,164**	**5,071,736**	**6,462**	**1,375,961**

B.2 Breakdown by geographical area of on- and off-balance sheet credit exposures to customers

(cont.)

Exposures/Geographical areas	United States		Asia		Rest of the world	
		Total impairment provisions	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions
A. On-balance-sheet exposures						
A.1 Bad loans	417	-	-	-		1
A.2 Unlikely-To-Pay loans	251	9	59	11		61
A.3 Non-performing past due exposures	10	1	8	2		11
A.4 Performing exposures	305	59,446	80	1,428,150		94
Total (A)	**983**	**59,456**	**147**	**1,428,163**		**167**
B. Off-balance sheet credit exposures						
B.1 Non-performing exposures	-	-	-	-		-
B.2 Performing exposures	-	101	-	71		-
Total (B)	**-**	**101**	**-**	**71**		**-**
Total (A+B) 31.12.2025	**983**	**59,557**	**147**	**1,428,234**		**167**
Total (A+B) 31.12.2024	**981**	**167,693**	**161**	**1,221,182**		**127**

The territorial distribution of exposures to customers is presented below, considering just the component of loans and distinguishing between Stage classifications:

Exposures/ Geographical areas	Italy			Other European countries			United States		
	Gross exposure	Total impairment provisions	Net exposure	Gross exposure	Total impairment provisions	Net exposure	Gross exposure	Total impairment provisions	Net exposure
Total	**80,380,508**	**(1,506,499)**	**78,874,009**	**669,428**	**(5,702)**	**663,726**	**103,997**	**(786)**	**103,211**
Stage 1	*72,687,135*	*(142,196)*	*72,544,939*	*636,131*	*(2,512)*	*633,619*	*102,134*	*(79)*	*102,055*
Stage 2	*5,622,291*	*(279,061)*	*5,343,230*	*29,885*	*(1,039)*	*28,846*	*985*	*(33)*	*952*
Stage 3	*1,637,516*	*(907,015)*	*730,501*	*2,630*	*(1,655)*	*975*	*448*	*(340)*	*108*
Purchased or originated credit-impaired financial assets	433,566	(178,227)	255,339	782	(496)	286	430	(334)	96

(cont.)

Exposures/Geographical areas	Asia			Rest of the world		
	Gross exposure	Total impairment provisions	Net exposure	Gross exposure	Total impairment provisions	Net exposure
Total	**6,786**	**(136)**	**6,650**	**1,987**	**(114)**	**1,873**
Stage 1	*5,538*	*(10)*	*5,528*	*1,572*	*(5)*	*1,567*
Stage 2	*1,171*	*(60)*	*1,111*	*308*	*(18)*	*290*
Stage 3	*74*	*(64)*	*10*	*99*	*(84)*	*15*
Purchased or originated credit-impaired financial assets	3	(2)	1	8	(7)	1

B.2 Breakdown by geographical area of on- and off-balance sheet credit exposures to customers

Exposures/Geographical areas	North West Italy		North East Italy		Centre Italy		South Italy and islands	
	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions
A. On-balance-sheet exposures								
A.1 Bad loans	49,016	119,363	26,399	65,770	24,967	62,775	29,768	89,355
A.2 Unlikely-To-Pay loans	242,102	268,246	457,194	175,007	115,986	132,594	153,051	154,333
A.3 Non-performing past due exposures	4,936	5,059	4,767	3,656	2,263	3,393	6,825	6,881
A.4 Performing exposures	28,493,459	196,577	20,538,487	50,814	30,351,081	113,008	13,126,259	77,281
Total (A)	**28,789,513**	**589,245**	**21,026,847**	**295,247**	**30,494,297**	**311,770**	**13,315,903**	**327,850**
B. Off-balance sheet credit exposures								
B.1 Non-performing exposures	120,091	18,964	122,646	20,180	51,284	9,737	32,182	2,742
B.2 Performing exposures	18,460,964	28,557	12,030,012	7,797	7,643,556	3,066	4,009,734	2,497
Total (B)	**18,581,055**	**47,521**	**12,152,658**	**27,977**	**7,694,840**	**12,803**	**4,041,916**	**5,239**
Total (A+B) 31.12.2025	**47,370,568**	**636,766**	**33,179,505**	**323,224**	**38,189,137**	**324,573**	**17,357,819**	**333,089**
Total (A+B) 31.12.2024	**46,670,404**	**627,749**	**32,509,253**	**339,513**	**31,234,190**	**292,040**	**17,773,111**	**302,862**

B.3 Breakdown by geographical area of on- and off-balance sheet credit exposures to banks

Exposures/Geographical areas	Italy		Other European countries		United States	
	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions
A. On-balance-sheet exposures						
A.1 Bad loans	-	-	-	-	-	-
A.2 Unlikely-To-Pay exposures	-	-	-	-	-	-
A.3 Non-performing past due exposures	-	-	-	-	-	-
A.4 Performing exposures	14,273,440	1,723	5,561,644	21,121	34,462	24
Total (A)	**14,273,440**	**1,723**	**5,561,644**	**21,121**	**34,462**	**24**
B. Off-balance sheet credit exposures						
B.1 Non-performing exposures	102	-	-	-	-	-
B.2 Performing exposures	1,298,955	376	1,396,754	81	92,325	4
Total (B)	**1,299,057**	**376**	**1,396,754**	**81**	**92,325**	**4**
Total A+B 31.12.2025	**15,572,497**	**2,099**	**6,958,398**	**21,202**	**126,787**	**28**
Total A+B 31.12.2024	**13,969,987**	**1,746**	**7,479,569**	**23,800**	**147,149**	**16**

B.3 Breakdown by geographical area of on- and off-balance sheet credit exposures to banks

(cont.)

Exposures/Geographical areas	Asia		Rest of the world	
	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions
A. On-balance-sheet exposures				
A.1 Bad loans	-	-	-	-
A.2 Unlikely-To-Pay exposures	-	-	-	-
A.3 Non-performing past due exposures	-	-	-	-
A.4 Performing exposures	44,556	27	813,654	36
Total (A)	**44,556**	**27**	**813,654**	**36**
B. Off-balance sheet credit exposures				
B.1 Non-performing exposures	-	-	-	-
B.2 Performing exposures	817,607	66	294,248	19
Total (B)	**817,607**	**66**	**294,248**	**19**
Total A+B 31.12.2025	**862,163**	**93**	**1,107,902**	**55**
Total A+B 31.12.2024	**901,860**	**57**	**1,363,636**	**63**

B.3 Breakdown by geographical area of on- and off-balance sheet credit exposures to banks

Exposures/Geographical areas	North West Italy		North East Italy		Centre Italy		South Italy and islands	
	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions	Net exposure	Total impairment provisions
A. On-balance-sheet exposures								
A.1 Bad loans	-	-	-	-	-	-	-	-
A.2 Unlikely-To-Pay exposures	-	-	-	-	-	-	-	-
A.3 Non-performing past due exposures	-	-	-	-	-	-	-	-
A.4 Performing exposures	624,083	504	175,217	154	8,284,942	1,065	5,189,198	-
Total (A)	**624,083**	**504**	**175,217**	**154**	**8,284,942**	**1,065**	**5,189,198**	**-**
B. Off-balance sheet credit exposures								
B.1 Non-performing exposures	-	-	-	-	102	-	-	-
B.2 Performing exposures	1,084,319	374	82,357	2	41,597	-	90,682	-
Total (B)	**1,084,319**	**374**	**82,357**	**2**	**41,699**	**-**	**90,682**	**-**
Total (A+B) 31.12.2025	**1,708,402**	**878**	**257,574**	**156**	**8,326,641**	**1,065**	**5,279,880**	**-**
Total (A+B) 31.12.2024	**1,293,177**	**592**	**303,503**	**186**	**7,739,814**	**968**	**4,633,493**	**-**

B.4 Large exposures

	31.12.2025	31.12.2024
a) Book value	27,431,659	21,985,293
b) Weighted value	964,991	2,661,575
c) Number	3	8

This measurement was made on the basis of the updates to Circular 285 which regulate “large exposures”.

The rules define as a “large exposure” the amount of on-balance-sheet assets at risk and off-balance sheet transactions of a single customer or group of related customers that come to 10% or more of eligible capital.
Note that repurchase agreements are included in the amount of risk activities. These transactions contribute to the value of the counterparty exposure for the amount of “securities to be received”, while they contribute to the exposure after CRM and exemptions under art. 400 CRR only for the difference between the amount of “securities to be received” and the cash deposit received.

As at 31 December 2025, there are 3 "large exposures" for an overall amount of Euro 27,432 million, corresponding to Euro 965 million after CRM and exemptions under art. 400 CRR. Of these, repurchase agreements account for Euro 6,169 million and Euro 0 million respectively.
For an amount of over 60% of the total, the positions shown include the State Treasury and the Ministry of Economy and Finance for a total exposure of Euro 27,432 million, Euro 965 million after CRM and exemptions.
The rest is made up of leading European and world companies/banks (for Euro 0 million - Euro 0 million after CRM and exemptions) and an associated/related company.
To facilitate an understanding of the degree of concentration of loans, the nominal value of major exposures has been provided.

Risk concentration:

Reference date: 31 December 2025	Amount of the exposure	Amount of the exposure after CRM and exemptions under art. 400 CRR
First 5 exposures	29,819,826	2,466,874
First 10 exposures	34,594,000	3,250,894
First 20 exposures	41,374,223	6,725,102

Reference date: 31 December 2024	Amount of the exposure	Amount of the exposure after CRM and exemptions under art. 400 CRR
First 5 exposures	19,074,445	2,118,961
First 10 exposures	23,683,942	2,661,575
First 20 exposures	30,063,144	7,116,107

C. Securitisation transactions

Qualitative Information

The primary objectives of the securitisation transactions arranged by the Group in relation to non-performing loan disposals are:

- to improve the asset structure of the banks concerned;
- to facilitate loan recovery strategies and make them more efficient (by centralising work with one group of lawyers);
- to exercise rigorous, direct control over higher risk loans, without modifying the overall risk profile.

Transactions involving performing contracts are, on the other hand, arranged in order to optimise sources of funding.

The following BPER Banca transactions, other than self-securitisation transactions[55] are outstanding at 31 December 2025:

- Italian Credit Recycle
- Restart
- AQUI SPV
- Spring SPV
- Summer SPV
- Grogu SPV (execution of the "Skywalker" sale project)
- Loira SPV
- Sestante No. 2
- Sestante No. 3
- Brisca Securitisation
- Riviera NPL
- Lanterna Mortgage
- Lanterna Finance 4

55 The information report provided on the so-called "Self-securitisations" is provided in Section 4 – Liquidity risk, below.

The "own" transactions also include those originated by the Banks absorbed by BPER Banca s.p.a. In particular, they include:

- the securities issued by Sestante Finance SPV s.r.l. deriving from transactions originated by Meliorbanca s.p.a., which was absorbed by BPER Banca in 2012;

In 2025, in line with the Written Resolution of 17 March 2025, BPER Banca received a final payment of Euro 18.8 million from the special purpose vehicle Pillarstone SPV, after which the notes were fully repaid. Therefore, the Pillarstone securitisation is no longer in place as at 31 December 2025.

Italian Credit Recycle (transaction structured pursuant to Law 130 dated 30 April 1999)

Disposal date	20 June 2017
Seller	Nuova Cassa di Risparmio di Ferrara s.p.a.
Securitisation vehicle	Italian Credit Recycle s.r.l., based in Rome
Servicer	Master Gardant s.p.a., acting as Servicer, Corporate Servicer, Calculation and Paying Agent.
Issue date of securities	28 June 2017
Type of transaction	Traditional
Organisational structure	Master Gardant s.p.a. prepares a quarterly report that it shares with investors.
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out, in accordance with the contractually-agreed code of conduct, by an organisational unit dedicated to this task.

The operational aspects are summarised below:

Assets sold	Loans of banking origin
Quality of assets securitised	Non-performing
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 252 million.
Disposal price of securitised assets	The disposal price was Euro 41 million.
Guarantees and credit lines granted by the bank	None
Guarantees and credit lines granted by third parties	None

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Residual balance at 31.12.2025
IT0005274565	Senior	Dec-37	22,400	-
IT0005274573	Junior	Dec-37	18,600	1
Total			**41,000**	**1**

The securities were placed with institutional investors on issue and, for a residual part, were subscribed by BPER Banca (Euro 2.2 million).

Restart (transaction structured pursuant to Law 130 dated 30 April 1999)

Disposal date	20 June 2017
Seller	Nuova Cassa di Risparmio di Ferrara s.p.a.
Securitisation vehicle	Restart SPV s.r.l., based in Rome
Servicer	Master Gardant s.p.a., acting as Servicer, Corporate Servicer, Calculation and Paying Agent.
Issue date of securities	20 June 2017
Type of transaction	Traditional
Organisational structure	Master Gardant s.p.a. prepares a quarterly report that it shares with investors.
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out, in accordance with the contractually-agreed code of conduct, by an organisational unit dedicated to this task.

The operational aspects are summarised below:

Assets sold	Loans of banking origin
Quality of assets securitised	Non-performing
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 343 million.
Disposal price of securitised assets	The disposal price was Euro 22 million.
Guarantees and credit lines granted by the bank	None
Guarantees and credit lines granted by third parties	None

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Residual balance at 31.12.2025
IT0005274532	Senior	Dec-37	18,200	-
IT0005274540	Junior	Dec-37	14,800	679
Total			**33,000**	**679**

The securities were placed with institutional investors on issue and, for a residual part, were subscribed by BPER Banca (Euro 1.8 million).

AQUI SPV S.R.L. (transaction structured pursuant to Law 130 dated 30 April 1999)

Disposal date	2 October 2018
Seller	BPER Banca s.p.a.; Cassa di Risparmio di Bra s.p.a.; Cassa di Risparmio di Saluzzo s.p.a.
Securitisation vehicle	AQUI SPV s.r.l., based in Conegliano (TV)
Servicer	Prelios Credit Servicing s.p.a., as Servicer.
Issue date of securities	07 November 2018
Type of transaction	Traditional with Guarantee from the Ministry of Economy and Finance (GACS or Bad Loan Securitisation Guarantee)
Organisational structure	Prelios Credit Servicing s.p.a. prepares a half-year report that it shares with investors.
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out, in accordance with the contractually-agreed code of conduct, by an organisational unit dedicated to this task.

The operational aspects are summarised below:

Assets sold	Loans of banking origin
Quality of assets securitised	Non-performing
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 2,082 million.
Disposal price of securitised assets	The disposal price was Euro 618 million.
Guarantees and credit lines granted by the bank	Subordinated loan of Euro 27.235 million.
Guarantees and credit lines granted by third parties	Cap Agreement to hedge interest rates on the notes issued.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Residual balance at 31.12.2025	Rating Scope	Rating Moody's
IT0005351330	Senior	Oct-38	544,700	210,879	CCC (sf)	Caa1 (sf)
IT0005351348	Mezzanine	Oct-38	62,900	3,145	n.r.	n.r.
IT0005351355	Junior	Oct-38	10,852	543	n.r.	n.r.
Total			**618,452**	**214,567**		

The notes were fully subscribed by BPER Banca s.p.a. on issue. The Mezzanine and Junior notes were subsequently placed with institutional investors net of a residual part equal to 5% (Euro 3.7 million), kept by BPER Banca in compliance with the retention obligations prescribed by the CRR (Capital Requirements Regulation).

Spring (transaction structured pursuant to Law 130 dated 30 April 1999)

Disposal date	01 June 2020
Seller	BPER Banca s.p.a ; Banco di Sardegna s.p.a.; Cassa di Risparmio di Bra s.p.a.
Securitisation vehicle	SPRING SPV s.r.l., based in Conegliano (TV)
Servicer	Prelios Credit Servicing s.p.a., as Servicer.
Issue date of securities	18 June 2020
Type of transaction	Traditional with Guarantee from the Ministry of Economy and Finance (GACS or Bad Loan Securitisation Guarantee)
Organisational structure	Prelios Credit Servicing s.p.a. prepares a half-year report that it shares with investors.
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out, in accordance with the contractually-agreed code of conduct, by an organisational unit dedicated to this task.

The operational aspects are summarised below:

Assets sold	Loans of banking origin
Quality of assets securitised	Non-performing
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 1,377 million.
Disposal price of securitised assets	The disposal price was Euro 341 million.
Guarantees and credit lines granted by the bank	Subordinated loan of Euro 16.450 million.
Guarantees and credit lines granted by third parties	Cap Agreement to hedge interest rates on the notes issued.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Residual balance at 31.12.2025	Rating Scope	Rating Moody's
IT0005413197	Senior	Sep-40	320,000	49,261	BBB+ (sf)	A1 (sf)
IT0005413213	Mezzanine	Sep-40	20,000	1,000	n.r.	n.r.
IT0005413221	Junior	Sep-40	3,400	170	n.r.	n.r.
Total			**343,400**	**50,431**		

The securities were fully subscribed by BPER Banca s.p.a. and Banco di Sardegna s.p.a. on issue. The Mezzanine and Junior notes were subsequently placed with institutional investors net of a residual part equal to 5% (Euro 1.2 million), kept by BPER Banca s.p.a. in compliance with the retention obligations prescribed by the CRR (Capital Requirements Regulation).

Summer (transaction structured pursuant to Law 130 dated 30 April 1999)

Disposal date	18 December 2020
Seller	BPER Banca s.p.a.; Banco di Sardegna s.p.a.
Securitisation vehicle	SUMMER SPV s.r.l., based in Conegliano (Treviso)
Servicer	Fire s.p.a. as Special Servicer and Banca Finint s.p.a. as Master Servicer.
Issue date of securities	30 December 2020
Type of transaction	Traditional with Guarantee from the Ministry of Economy and Finance (GACS or Bad Loan Securitisation Guarantee)
Organisational structure	Banca Finint s.p.a. prepares a half-year report that it shares with investors.
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out, in accordance with the contractually-agreed code of conduct, by an organisational unit dedicated to this task.

The operational aspects are summarised below:

Assets sold	Loans of banking origin
Quality of assets securitised	Non-performing
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 322 million.
Disposal price of securitised assets	The disposal price was Euro 86 million.
Guarantees and credit lines granted by the bank	Subordinated loan of Euro 3.666 million.
Guarantees and credit lines granted by third parties	Cap Agreement to hedge interest rates on the notes issued.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Residual balance at 31.12.2025	Rating Scope	Rating Moody's
IT0005432445	Senior	Oct-40	85,400	30,499	BBB (sf)	Baa1 (sf)
IT0005432452	Mezzanine	Oct-40	10,000	500	n.r.	n.r.
IT0005432460	Junior	Oct-40	1,000	50	n.r.	n.r.
Total			**96,400**	**31,049**		

The Senior notes were fully subscribed by BPER Banca s.p.a. and Banco di Sardegna s.p.a. The Mezzanine and Junior notes were placed with an institutional investor and for a residual part equal to 5% (Euro 550 thousand), they were subscribed by BPER Banca s.p.a. in compliance with the retention obligations prescribed by the CRR (Capital Requirements Regulation).

Grogu (transaction structured pursuant to Law 130 dated 30 April 1999)

Disposal date	28 July 2021
Seller	BPER Banca s.p.a.; Banca Intesa San Paolo s.p.a.
Securitisation vehicle	GROGU SPV s.r.l., based in Conegliano (TV)
Servicer	Prelios Credit Servicing s.p.a., as Special Servicer and Banca Finint s.p.a. as Master Servicer.
Issue date of securities	15 December 2021
Type of transaction	Traditional with Guarantee from the Ministry of Economy and Finance (GACS or Bad Loan Securitisation Guarantee)
Organisational structure	Banca Finint s.p.a. prepares a quarterly report that it shares with investors.
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out, in accordance with the contractually-agreed code of conduct, by an organisational unit dedicated to this task.

The operational aspects are summarised below:

Assets sold	Loans of banking origin
Quality of assets securitised	Non-performing
Amount of securitised assets	The amount of receivables from the portfolios sold is Euro 3,077 million, of which Euro 914 million relating to the Bper portfolio and Euro 2,163 million relating to the Intesa San Paolo portfolio.
Disposal price of securitised assets	The disposal price was Euro 500 million.
Guarantees and credit lines granted by the bank	Subordinated loan of Euro 8.4 million.
Guarantees and credit lines granted by third parties	Subordinated loan of Euro 12.2 million originated by Intesa Sanpaolo. Cap Agreement to hedge interest rates on the notes issued.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Subscribed amount	Residual balance at 31.12.2025	Rating Scope	Rating Moody's	DBRS rating
IT0005473852	Senior	Jan-42	460,000	187,680	17,233	A+(sf)	A3 (sf)	A(high)
IT0005473860	Mezzanine	Jan-42	37,000	4,757	550	n.r.	n.r.	n.r.
IT0005473878	Junior	Jan-42	3,000	386	45	n.r.	n.r.	n.r.
Total			**500,000**	**192,823**	**17,828**			

The Senior securities were subscribed to in proportion to the disposal price by BPER Banca and Intesa San Paolo. The Mezzanine and Junior notes were placed with an institutional investor and for a residual part equal to 5% (Euro 550 thousand), they were subscribed by BPER Banca s.p.a. in compliance with the retention obligations prescribed by the CRR (Capital Requirements Regulation).

Loira (transaction structured pursuant to Law 130 dated 30 April 1999)

Disposal date	14 April 2023
Seller	BPER Banca s.p.a.; Banco di Sardegna s.p.a.
Securitisation vehicle	Loira SPV s.r.l., registered office in Via Curtatone 3, 00185, Rome
Servicer	MASTER GARDANT s.p.a. as Master Servicer, Corporate Servicer, Calculation Agent and Paying Agent, Special GARDANT as Special Servicer, Intesa Sanpaolo s.p.a. as Account Bank
Issue date of securities	27 April 2023
Type of transaction	Traditional
Organisational structure	Master Gardant s.p.a. prepares a quarterly report that it shares with investors.
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out, in accordance with the contractually-agreed code of conduct, by an organisational unit dedicated to this task.

The operational aspects are summarised below:

Assets sold	Loans of banking origin
Quality of assets securitised	UTPs
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 466 million.
Disposal price of securitised assets	The disposal price was Euro 155.9 million.
Guarantees and credit lines granted by the bank	None
Guarantees and credit lines granted by third parties	None

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Subscribed amount	Residual balance at 31.12.2025
IT0005543738	Senior	Dec-42	84,588	84,588	1,567
IT0005543746	Mezzanine	Dec-42	18,126	907	174
IT0005543761	Mezzanine	Dec-42	9,063	454	454
IT0005543787	Junior	Dec-42	14,063	704	504
Total			**125,840**	**86,653**	**2,699**

The Senior notes were fully subscribed by BPER Banca s.p.a. The Mezzanine and Junior notes were placed with an institutional investor and for a residual part equal to 5%, they were subscribed by BPER Banca s.p.a. in compliance with the retention obligations prescribed by the CRR (Capital Requirements Regulation).

Sestante No. 2

Disposal date	03 December 2004
Seller	Meliorbanca s.p.a.
Securitisation vehicle	Sestante Finance s.r.l., based in Via Mario Carucci 131, Rome
Servicer	Italfondiario s.p.a.
Issue date of securities	03 December 2004
Type of transaction	Traditional
Organisational structure	Italfondiario s.p.a. provides a quarterly report on the collections in which it comments on the activity carried out with indications relating to collections, providing specific details about interest and principal payments.
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out by the Servicer.

The operational aspects are summarised below:

Assets sold	ABS securities with mortgage loans on residential and commercial properties as underlying.
Quality of assets securitised	Performing loans
Amount of securitised assets	The nominal value of ABS securities issued by Sestante W s.r.l. was Euro 625 million.
Disposal price of securitised assets	The disposal price was Euro 653 million.
Guarantees and credit lines granted by the bank	Contingency liquidity
Guarantees and credit lines granted by third parties	None
Analysis by business sector	Mortgage agreements stipulated with both individuals and legal entities excluding Public Administrations.
Analysis by geographical area	Securitised loans are concentrated in Italy.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Residual balance at 31.12.2025
IT0003760136	Senior	Jul-42	575,300	-
IT0003760193	Mezzanine	Jul-42	34,400	-
IT0003760227	Mezzanine	Jul-42	15,600	-
IT0003760243	Mezzanine	Jul-42	21,900	-
IT0003760284	Junior	Jul-42	6,253	-
Total			**653,453**	**-**

The Senior and Mezzanine securities were placed with institutional investors on issue, while the Junior securities were subscribed by the merged company Meliorbanca s.p.a. and subsequently sold on the secondary market.

Sestante No. 3

Disposal date	16 December 2005
Seller	Meliorbanca s.p.a.
Securitisation vehicle	Sestante Finance s.r.l., based in Via Mario Carucci 131, Rome
Servicer	Italfondiario s.p.a.
Issue date of securities	16 December 2005
Type of transaction	Traditional
Organisational structure	Italfondiario s.p.a. provides a quarterly report on the collections in which it comments on the activity carried out with indications relating to collections, providing specific details about interest and principal payments.
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out by the Servicer.

The operational aspects are summarised below:

Assets sold	ABS securities with mortgage loans on residential and commercial properties as underlying
Quality of assets securitised	Performing loans
Amount of securitised assets	The nominal value of ABS securities issued by Sestante W s.r.l. was Euro 858 million.
Disposal price of securitised assets	The disposal price was Euro 900 million.
Guarantees and credit lines granted by the bank	None
Guarantees and credit lines granted by third parties	Contingency liquidity
Analysis by business sector	Mortgage agreements stipulated with both individuals and legal entities excluding Public Administrations.
Analysis by geographical area	Securitised loans are concentrated in Italy.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Residual balance at 31.12.2025
IT0003937452	Senior	Jul-45	791,900	107
IT0003937486	Mezzanine	Jul-45	47,350	237
IT0003937510	Mezzanine	Jul-45	21,500	-
IT0003937569	Mezzanine	Jul-45	30,150	-
IT0003937551	Junior	Jul-45	8,610	-
Total			**899,510**	**344**

The Senior and Mezzanine securities were placed with institutional investors on issue, while the Junior securities were subscribed by the merged company Meliorbanca s.p.a. and subsequently sold on the secondary market.

Brisca Securitisation s.r.l.

Disposal date	16 June 2017
Seller	Banca Carige s.p.a.; Banca Cesare Ponti s.p.a.; Banca del Monte di Lucca s.p.a.
Securitisation vehicle	Brisca Securitisation s.r.l.
Servicer	Prelios Credit Servicing s.p.a., as Servicer; Zenith Service s.p.a. as Monitoring Agent.
Issue date of securities	05 July 2017
Type of transaction	Traditional with Guarantee from the Ministry of Economy and Finance (GACS or Bad Loan Securitisation Guarantee)
Organisational structure	Banca Finint s.p.a. as Representative of the Noteholders, Calculation Agent, BUS and Corporate Services Provider; BNP Paribas S.S. as Agent Bank, Account Bank Cash Manager and Principal Paying Agent
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out, in accordance with the contractually-agreed code of conduct, by an organisational unit dedicated to this task.

The operational aspects are summarised below:

Assets sold	Loans of banking origin
Quality of assets securitised	Non-performing
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 961 million.
Disposal price of securitised assets	The disposal price was Euro 309.7 million.
Guarantees and credit lines granted by the bank	None
Guarantees and credit lines granted by third parties	Cap Agreement to hedge interest rates on the notes issued.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Subscribed amount	Residual balance at 31.12.2025	*DBRS rating*	*Rating Moody's*
IT0005274599	Senior	Dec-37	267,400	267,400	94,495	CC (sf)	Caa2 (sf)
IT0005274607	Mezzanine	Dec-37	30,500	-	-	C (sf)	Ca (sf)
IT0005274615	Junior	Dec-37	11,800	-	-	n.r.	n.r.
Total			**309,700**	**267,400**	**94,495**		

Riviera NPL s.r.l.

Disposal date	04 December 2018
Seller	Banca Carige s.p.a.; Banca del Monte di Lucca s.p.a.
Securitisation vehicle	Riviera NPL s.r.l.
Servicer	Credito Fondiario s.p.a. as Master Servicer; Credito Fondiario s.p.a. as Special Servicer A and Italfondiario s.p.a. as Special Servicer B; Zenit Service s.p.a. as Monitoring Agent
Issue date of securities	17 December 2018
Type of transaction	Traditional with Guarantee from the Ministry of Economy and Finance (GACS or Bad Loan Securitisation Guarantee)
Organisational structure	Banca Finint s.p.a. as Representative of the Noteholders, Calculation Agent, BUS and Corporate Services Provider; BNP Paribas S.S. as Agent Bank, Account Bank Cash Manager and Principal Paying Agent
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out, in accordance with the contractually-agreed code of conduct, by an organisational unit dedicated to this task.

The operational aspects are summarised below:

Assets sold	Loans of banking origin
Quality of assets securitised	Non-performing
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 963 million.
Disposal price of securitised assets	The disposal price was Euro 215 million.
Guarantees and credit lines granted by the bank	During the loan disposal phase, Banca Carige s.p.a. disbursed a subordinated loan facility of Euro 7 million.
Guarantees and credit lines granted by third parties	Cap Agreement to hedge interest rate risk on the notes issued.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Subscribed amount	Residual balance at 31.12.2025	*Rating Scope*	*Rating Moody's*
IT0005356040	Senior	Jul-36	175,000	175,000	31,273	BB+ (sf)	Ba1 (sf)
IT0005356057	Mezzanine	Jul-36	30,000	1,500	1,500	CCC (sf)	Ca (sf)
IT0005356065	Junior	Jul-36	10,000	500	500	n.r.	n.r.
Total			**215,000**	**177,000**	**33,273**		

Lanterna Mortgage s.r.l.

Disposal date	16 July 2020
Seller	Banca Carige s.p.a.; Banca del Monte di Lucca s.p.a.
Securitisation vehicle	Lanterna Mortgage s.r.l., with registered office in Via della Cassa di Risparmio 15, Genoa
Servicer	BPER Banca s.p.a. (former Banca Carige s.p.a.), in the role of Servicer - Corporate Servicer and Cash Manager.
Issue date of securities	31 July 2020
Type of transaction	Traditional - STS compliant
Organisation	BNY Mellon in the role of Account Bank and Paying Agent; Zenith Services as Representative of the Noteholders and BUS; Prime Collateralised Securities EU SAS as Third Party Verifying STS compliance
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out by the Originator. This activity has been delegated to Servicer since the absorption date of Banca Carige into BPER Banca.

The operational aspects are summarised below:

Assets sold	Mortgage loans on residential properties
Quality of assets securitised	Performing loans
Amount of securitised assets	The total claimed principal amount of the loan portfolio sold is Euro 248.4 million.
Disposal price of securitised assets	The disposal price was Euro 249.4 million.
Guarantees and credit lines granted by the bank	None
Guarantees and credit lines granted by third parties	None
Analysis by business sector	Mortgage agreements stipulated with both individuals and legal entities excluding Public Administrations.
Analysis by geographical area	Securitised loans are concentrated in Italy.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Subscribed amount	Residual balance at 31.12.2025	*DBRS rating*	*S&P rating*
IT0005417990	A1	Jan-65	173,891	-	-	AAA (sf)	AA
IT0005418006	A2	Jan-65	11,179	11,179	11,179	AAA (sf)	AA
IT0005418014	Junior	Jan-65	69,034	69,034	69,034	n.r.	n.r.
Total			**254,104**	**80,213**	**80,213**		

Lanterna Finance 4

Disposal date	08 June 2021
Seller	Banca Carige s.p.a.; Banca del Monte di Lucca s.p.a.
Securitisation vehicle	Lanterna Finance s.r.l., with registered office in Via della Cassa di Risparmio 15, 16123 - Genoa
Servicer	BPER Banca s.p.a. (former Banca Carige s.p.a.), in the role of Servicer - Corporate Servicer and Cash Manager.
Issue date of securities	30 June 2021
Type of transaction	Traditional - STS compliant
Organisation	BNY Mellon in the role of Account Bank, Calculation Agent and Paying Agent; Zenith Services as Representative of the Noteholders and BUS; Prime Collateralised Securities EU SAS as Third Party Verifying STS compliance
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out by the Originator. This activity has been delegated to Servicer since the absorption date of Banca Carige into BPER Banca.

The operational aspects are summarised below:

Assets sold	Mortgages granted to SMEs assisted by the specific Guarantee Provision
Quality of assets securitised	Performing loans
Amount of securitised assets	The total claimed principal amount of the loan portfolio sold is Euro 384 million.
Disposal price of securitised assets	The disposal price was Euro 384 million.
Guarantees and credit lines granted by the bank	Subordinated loan for Euro 3.275 million disbursed pro rata by Banca Carige s.p.a. and Banca del Monte di Lucca s.p.a..
Guarantees and credit lines granted by third parties	None
Analysis by business sector	Mortgage agreements stipulated with legal entities with SME status pursuant to Law 662/96.
Analysis by geographical area	Securitised loans refer to borrowers based in Italy.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Subscribed amount	Residual balance at 31.12.2025	*Moody's*	*S&P rating*
IT0005450710	Senior	Apr-50	320,000	-	-	Aa3 (sf)	A+
IT0005450728	Junior	Apr-50	62,700	62,700	62,700	n.r.	n.r.
Total			**382,700**	**62,700**	**62,700**		

Quantitative information

C.1 Breakdown of exposures deriving from the main "own" securitisations by type of securitised asset and type of exposure

Type of securitised assets/Exposure	On-balance-sheet exposures					
	Senior		Mezzanine		Junior	
	Book Value	Net impairment losses/ write-backs	Book Value	Net impairment losses/ write-backs	Book Value	Net impairment losses/ write-backs
A. Fully derecognised	**406,547**	**9,216**	**1,736**	**-**	**504**	**-**
- performing residential mortgages	658	28	-	-	-	-
- non-performing residential mortgages	45,433	593	461	-	175	-
- performing non-residential mortgages	-	-	-	-	-	
- non-performing non-residential mortgages	221,024	5,685	587	-	151	-
- performing leases	-					
- non-performing leases	-	-	112	-	-	-
- other performing loans	-	-	-	-	-	-
- other non-performing loans	139,432	2,910	576	-	178	-
B. Partially derecognised	**-**	**-**	**-**	**-**	**-**	**-**
C. Not derecognised	**-**	**-**	**-**	**-**	**52,648**	**-**
- performing residential mortgages	-	-	-	-	-	-
- other performing loans	-	-	-	-	52,648	-

C.1 Breakdown of exposures deriving from the main "own" securitisations by type of securitised asset and type of exposure

(cont.)

Type of securitised assets/Exposure	Guarantees granted					
	Senior		Mezzanine		Junior	
	Net exposure	Net impairment losses/ write-backs	Net exposure	Net impairment losses/ write-backs	Net exposure	Net impairment losses/ write-backs
A. Fully derecognised	**1,289**	**55**	**-**	**-**	**-**	**-**
- performing residential mortgages	1,289	55	-	-	-	-
- non-performing residential mortgages	-	-	-	-	-	-
- performing non-residential mortgages	-	-	-	-	-	-
- non-performing non-residential mortgages	-	-	-	-	-	-
- performing leases	-	-	-	-	-	-
- non-performing leases	-	-	-	-	-	-
- other performing loans	-	-	-	-	-	-
- other non-performing loans	-	-	-	-	-	-
B. Partially derecognised	**-**	**-**	**-**	**-**	**-**	**-**
C. Not derecognised	**-**	**-**	**-**	**-**	**-**	**-**
- performing residential mortgages	-	-	-	-	-	-
- other performing loans	-	-	-	-	-	-

The table shows the on-balance-sheet exposures assumed by the Group in connection with its own securitisations Sestante, Pillarstone, Restart, Italian Credit Recycle, Brisca, Aqui, Riviera, Spring, Summer, Grogu, Loira. "Net impairment losses/write-backs" show the annual flow of impairment losses and write-backs as required by the Bank of Italy's Circular 262/2005. The parts of the table relating to "Credit Lines" have not been shown as there is nothing to report.

C.2 Breakdown of exposures deriving from the main "third-party" securitisations by type of securitised asset and type of exposure

Type of underlying asset/Exposures	On-balance-sheet exposures					
	Senior		Mezzanine		Junior	
	Book Value	Net impairment losses/ write-backs	Book Value	Net impairment losses/ write-backs	Book Value	Net impairment losses/ write-backs
- performing residential mortgages	-	-	-	-	-	-
- non-performing residential mortgages	-	-	-	-	-	-
- other performing loans	18,429	-	-	-	-	-
- other non-performing loans	-	-	-	-	-	-

C.2 Breakdown of exposures deriving from the main "third-party" securitisations by type of securitised asset and type of exposure

(cont.)

Type of underlying asset/Exposures	Credit lines					
	Senior		Mezzanine		Junior	
	Net exposure	Net impairment losses/ write-backs	Net exposure	Net impairment losses/ write-backs	Net exposure	Net impairment losses/ write-backs
- performing residential mortgages	-	-	-	-	-	-
- non-performing residential mortgages	-	-	-	-	-	-
- other performing loans	2,100	-	-	-	-	-
- other non-performing loans	-	-	-	-	-	-

The parts of the table relating to "Guarantees granted" have not been shown as there is nothing to report.

C.3 Securitisation vehicles

There are no amounts to be disclosed in this Separate Financial Report.

C.4 Non-consolidated securitisation vehicles

Securitisation name/ Name of vehicle company	Registered head office	Consolidation	Assets			Liabilities		
			Loans	Debt securities	Other	Senior	Mezzanine	Junior
Lanterna Finance 4 - Pmi 100	Via Cassa di Risparmio, 15, 16123, Genoa	-	58,518	-	10,599	-	-	63,040
Lanterna Mortgage	Via Cassa di Risparmio, 15, 16123, Genoa	-	137,677	-	8,722	55,274	-	69,408

C.5 Servicer activities - "own" securitisation: collection of securitised loans and reimbursement of securities issued by securitisation vehicle

There are no amounts for this item in this Separate Financial Report.

D. Information on structured entities not consolidated for accounting purposes (other than securitisation vehicles)

Please refer to information disclosed in the Consolidated Financial Report.

E. Disposal transactions

A. Financial assets sold but not fully derecognised

Qualitative Information

The business reflected in the following table mainly relates to the use of investment securities for short/medium/long-term repo transactions and to the disposal of loans to customers in the context of securitisation transactions.

Quantitative information

E.1 Financial assets sold and fully recognised and associated financial liabilities: book value

	Financial assets sold and fully recognised				Related financial liabilities		
	Book Value	o.w. subject to securitisation transactions	o.w. subject to sale contracts with repurchase agreement	of which non-performing	Book Value	o.w. subject to securitisation transactions	o.w. subject to sale contracts with repurchase agreement
A. Financial assets held for trading	**-**	**-**	**-**	**X**	**-**	**-**	**-**
1. Debt securities	-	-	-	X	-	-	-
2. Equity instruments	-	-	-	X	-	-	-
3. Loans	-	-	-	X	-	-	-
4. Derivatives	-	-	-	X	-	-	-
B. Other financial assets mandatorily measured at fair value	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-	-	-	-
2. Equity instruments	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
C. Financial assets designated at fair value	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Debt securities	-	-	-	-	-	-	-
2. Loans	-	-	-	-	-	-	-
D. Financial assets measured at fair value through other comprehensive income	**487,192**	**-**	**487,192**	**-**	**484,238**	**-**	**484,238**
1. Debt securities	487,192	-	487,192	-	484,238	-	484,238
2. Equity instruments	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
E. Financial assets measured at amortised cost	**9,397,019**	**184,733**	**9,212,286**	**3,357**	**9,137,636**	**43,414**	**9,094,222**
1. Debt securities	9,052,487	-	9,052,487	-	8,933,232	-	8,933,232
2. Loans	344,532	184,733	159,799	3,357	204,404	43,414	160,990
Total 31.12.2025	**9,884,211**	**184,733**	**9,699,478**	**3,357**	**9,621,874**	**43,414**	**9,578,460**
Total 31.12.2024	**5,568,224**	**266,962**	**5,301,262**	**6,186**	**5,085,895**	**135,014**	**4,950,881**

E.2 Financial assets sold partially recognised and related financial liabilities: book value

There are no amounts for this item in this Separate Financial Report.

E.3 Disposal transactions with liabilities having recourse exclusively on the assets sold and not fully derecognised: fair value

There are no amounts for this item in this Separate Financial Report.

B. Financial assets sold and not fully derecognised with recognition of continuing involvement

Qualitative Information

The Bank did not make any disposal for which it would have to provide information in accordance with IFRS 7 § 7, 42D letters a), b), c) and § 42H.

C. Financial assets sold and fully derecognised

The instrument of the disposal of loans to mutual investment funds aims to assign the management of exposures classified as high risk to specialised and independent professional operators (represented by asset management companies, hereinafter also "SGR") which, through managerial discontinuity actions, should allow a more effective turnaround of Target debtor Companies in a state of financial tension and/or distress with respect to the amount that can be pursued by the creditor bank through own management of its exposure. The strategies pursued by the SGR that manages the fund, in fact, leverage management tools such as, for example, the conversion of debt to equity, the entry of Target debtor Companies in the management bodies in order to achieve an effective operational turnaround, the development of distressed M&A transactions aimed at protecting the value of companies through business partnerships, the direct purchase of property in the case of real estate operators and, lastly, the contribution of new finance from third party investors aimed at the relaunch of companies through tools that enable a greater degree of priority in reimbursements with respect to already existing financial debt (Debtor-in-Possession Financing). From said perspective, the intervention of an SGR guarantees adequate mechanisms for protecting the rights of investing banks, through the powers attributed to the appropriate investor committees. In addition, in order to align the interests of the SGR with those of the investing banks, the fee and commission structure in favour of the SGR includes not only management fees, proportional to the net assets of the fund, but also performance fees or a carried interest in the extra return on the transaction.

Starting from 2018 until the current year 2025, the BPER Banca Group carried out various disposal transactions attributable to the scheme of the transfer to a mutual investment fund, which involved the derecognition of the assets sold, following the verification that the originator transferred substantially the risks and rewards of the assets sold and, also did not retain any substantial control over said assets which was instead assumed by the fund management company.
In replacement of the derecognised assets, under item 20 c) "Financial assets measured at fair value through profit and loss - other financial assets mandatorily measured at fair value", of Balance sheet assets, the BPER Banca Group recognised units of the Funds received in respect of said disposals. The risks and rewards that the Group may achieve on the units held in exchange for the transfer of assets depend on the general performance of the fund managed by the SGR. In compliance with Part A4 - Information on fair value, for the initial recognition and subsequent recognitions, in view of the characteristics of the instruments - units in mutual closed-end unlisted (illiquid) funds, the fair value was determined using a mark-to-model approach as level 3 fair value. A type of Discounted Cash Flow (DCF) model was used.

As at 31 December 2025, therefore, BPER Banca holds units of 10 mutual investment funds in its portfolio, summarised hereunder:

- Clessidra Restructuring Fund – CRF
- IDeA Corporate Credit Recovery II – CCR II
- RSCT Fund
- Efesto Fund
- Illimity Credit and Corporate Turnaround Fund - iCCT
- Illimity Real Estate Credit Fund – iRECF
- Illimity Credit and Corporate Turnaround Fund – iCRCOR
- Back2Bonis
- KEYstone Fund
- NPE Opportunities Fund

In relation to the provisions contained in the Communication of the Bank of Italy of 23 December 2019, acknowledged in the 8th update of Circular 262, the quali-quantitative information for each transaction in place as at 31 December 2025 is reported below.

Disposal of non-performing loans to the Clessidra Restructuring Fund - CRF

Seller:	BPER Banca s.p.a.	
Acquiring investment fund:	Clessidra Restructuring Fund ("CRF")	
SGR that manages the investment fund:	Clessidra SGR s.p.a.	
Disposal date:	25.09.2019	05.05.2021
Assets sold:	Corporate Loans	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans	Unlikely-To-Pay loans
GBV of assets transferred (in millions of Euro):	27.7	4.1
NBV of assets transferred (in millions of Euro):	11.5	1.0

Units of Fund assigned:		
ISIN:	IT0005362659	IT0005362659
No. of units assigned at signing:	18,317,941	813,967
Book value of the units at signing (in millions of Euro):	12.0	0.8
No. of units outstanding at year-end:	19,131,908	
Book value of the units at year-end (in millions of Euro)	7.9	

Disposal of non-performing loans to IDeA Corporate Credit Recovery II

Seller:	BPER Banca s.p.a.	
Acquiring investment fund:	IDeA Corporate Credit Recovery II or "IDeA CCR II"	
SGR that manages the investment fund:	Dea Capital Alternative Funds SGR s.p.a.	
Disposal date:	26.06.2018	24.01.2020
Assets sold:	Corporate Loans	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans	Unlikely-To-Pay loans
GBV of assets transferred (in millions of Euro):	6.1	8.7
NBV of assets transferred (in millions of Euro):	1.9	3.4

Units of Fund assigned:		
ISIN:	IT0005276065	IT0005276065
No. of units assigned at signing:	87	144
Book value of the units at signing (in millions of Euro):	4.3	2.5
No. of units outstanding at year-end:	231	
Book value of the units at year-end (in millions of Euro)	3.6	

Disposal of non-performing loans to the RSCT Fund

Seller:	BPER Banca s.p.a.
Acquiring investment fund:	RSCT Fund
SGR that manages the investment fund:	Davy Global Fund Management Limited, part of the company Pillarstone Italia s.p.a.
Disposal date:	13.05.2020
Assets sold:	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans
GBV of assets transferred(*) (in millions of Euro):	42.2
NBV of assets transferred(*) (in millions of Euro):	17.6

Units of Fund assigned:	
ISIN:	IT0005407975
No. of units assigned at signing(*) (in millions of Euro):	25,126,391
Book value of the units at signing (*) (in millions of Euro):	17.4
No. of units outstanding at year-end:	25,126,391
Book value of the units at year-end (in millions of Euro)	21.6

(*) The value stated is considered net of the value of the position repurchased in 2021 which, upon disposal, had a GBV of Euro 3.2 and a NBV of Euro 1.5 million. The repurchase by the transferor involved a reduction in the units initially acquired of 1,397,653 for a value of Euro 1.1 million.

Disposal of non-performing loans to the Efesto Fund

Seller:	BPER Banca s.p.a.	
Acquiring investment fund:	EFESTO Fund	
SGR that manages the investment fund:	Finanziaria Internazionale Investments SGR s.p.a.	
Disposal date:	27.10.2020	11.03.2021
Assets sold:	Corporate Loans	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans	Unlikely-To-Pay loans
GBV of assets transferred (in millions of Euro):	25.1	112.5
NBV of assets transferred (in millions of Euro):	9.7	52.7

Units of Fund assigned:		
ISIN:	IT0005419491	IT0005419491
No. of units assigned at signing:	13,814,877	55,405,549
Book value of the units at signing (in millions of Euro):	10.0	51.5
No. of units outstanding at year-end:	69,220,426	
Book value of the units at year-end (in millions of Euro)	26.0	

Disposal of non-performing loans to the Illimity Credit and Corporate Turnaround Fund - iCCT

Seller:	BPER Banca s.p.a.			
Acquiring investment fund:	Illimity Credit and Corporate Turnaround Fund ("iCCT")			
SGR that manages the investment fund:	Illimity SGR s.p.a.			
Disposal date:	31.03.2021	26.11.2021	23.02.2023	14.12.2023
Assets sold:	Corporate Loans	Corporate Loans	Corporate Loans	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans	Unlikely-To-Pay loans	Unlikely-To-Pay loans	Unlikely-To-Pay loans
GBV of assets transferred (in millions of Euro):	37.8	5.5	22.0	7.6
NBV of assets transferred (in millions of Euro):	23.9	2.5	12.3	7.0

Units of Fund assigned:				
ISIN:	IT0005416653	IT0005416653	IT0005416653	IT0005416653
No. of units assigned at signing:	30,357,527	3,230,166	12,247,369	5,457,745
Book value of the units at signing (in millions of Euro):	25.0	3.3	12.2	1.7
No. of units outstanding at year-end:	51,292,807			
Book value of the units at year-end (in millions of Euro)	13.9			

Disposal of non-performing loans to the Illimity Real Estate Credit Fund - iRECF

Seller:	BPER Banca s.p.a.	
Acquiring investment fund:	Illimity Real Estate Credit Fund or "iRECF"	
SGR that manages the investment fund:	Illimity SGR s.p.a.	
Disposal date:	24.10.2023	30.05.2025
Assets sold:	Corporate Loans	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans	Unlikely-To-Pay loans
GBV of assets transferred (in millions of Euro):	30.2	8.8
NBV of assets transferred (in millions of Euro):	20.9	3.1

Units of Fund assigned:		
ISIN:	IT0005493371	IT0005493371
No. of units assigned at signing:	28,827,038	5,325,224
Book value of the units at signing (in millions of Euro):	16.3	3.1
No. of units outstanding at year-end:	34,152,262	
Book value of the units at year-end (in millions of Euro)	19.0	

The price of the positions transferred in May 2025 was Euro 4.6 million. In terms of gross value of the assets sold, the overall amount refers to businesses operating in the hospitality sector of Hotels and similar establishments in Northern Italy.

Disposal of non-performing loans to the Illimity Credit and Corporate Turnaround Fund - iCRCOR

Seller:	BPER Banca s.p.a.	
Acquiring investment fund:	Illimity Credit and Corporate Turnaround Fund ("iCRCOR")	
SGR that manages the investment fund:	Illimity SGR s.p.a.	
Disposal date:	21.02.2025 (*)	27.06.2025
Assets sold:	Corporate Loans	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans	Unlikely-To-Pay loans
GBV of assets transferred (in millions of Euro):	-	38.4
NBV of assets transferred (in millions of Euro):	-	23.6

Units of Fund assigned:		
ISIN:	IT0005630519	IT0005630519
No. of units assigned at signing (*):	24,648,883	19,139,919
Book value of the units at signing (in millions of Euro):	20.4	15.4
No. of units outstanding at year-end:	43,788,802	
Book value of the units at year-end (in millions of Euro)	40.2	

(*) The number of units assigned as at 21 February 2025 derives from the contribution in kind, by the Illimity fund, of units in the new Illimity Core section allocated to BPER.

The price of the positions transferred in June 2025 was Euro 23.3 million. In terms of gross value of the assets sold, 57% refers to businesses operating in the manufacture of ceramic tiles for floors and walls, and 38% to businesses operating in the manufacture of umbrellas, buttons, zips, wigs and similar, while the remaining portion is distributed across various sectors; all these businesses operate in Northern Italy.

Disposal of non-performing loans to Back2Bonis

Seller:	BPER Banca s.p.a.	
Acquiring investment fund:	Back2Bonis	
SGR that manages the investment fund:	SGR Prelios s.p.a.	
Disposal date:	21.05.2021	26.06.2023
Assets sold:	Corporate Loans	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans	Unlikely-To-Pay loans
GBV of assets transferred (in millions of Euro):	51.6	23.4
NBV of assets transferred (in millions of Euro):	25.6	19.4

Units of Fund assigned:		
ISIN:	IT0005396327	IT0005396327
No. of units assigned at signing:	50	45
Book value of the units at signing (in millions of Euro):	24.4	13.5
No. of units outstanding at year-end:	95	
Book value of the units at year-end (in millions of Euro)	29.8	

Disposal of non-performing loans to the KEYstone Fund

Seller:	BPER Banca s.p.a.				
Acquiring investment fund:	KEYstone Fund				
SGR that manages the investment fund:	KRYALOS SGR s.p.a.				
Disposal date:	08.02.2022	20.12.2022	17.12.2024	06.06.2025	23.12.2025
Assets sold:	Corporate Loans	Corporate Loans	Corporate Loans	Corporate Loans	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans	Unlikely-To-Pay loans	Unlikely-To-Pay loans	Unlikely-To-Pay loans	Unlikely-To-Pay loans
GBV of assets transferred (in millions of Euro):	37.1	34.8	26.8	10.1	15
NBV of assets transferred (in millions of Euro):	16.7	7.6	14.5	5.4	10.5

Units of Fund assigned:					
ISIN:	IT0005474462	IT0005474462	IT0005474462	IT0005474462	IT0005474462
No. of units assigned at signing:	31,914,369	11,320,122	21,367,446	8,884,033	15,510,497
Book value of the units at signing (in millions of Euro):	20.4	7.7	14.6	4.5	10.3
No. of units outstanding at year-end:			88,996,467		
Book value of the units at year-end (in millions of Euro)			47.7		

The price of the positions transferred in June 2025 was Euro 4.4 million. In terms of gross value of the assets sold, the overall amount refers to businesses operating in the the rental and management of land for telecommunications, whether owned or leased, in Northern Italy.

The price of the positions transferred in December 2025 was Euro 10.3 million. In terms of gross value of the assets sold, the overall amount refers to businesses operating in the sector of Main office activities in Northern Italy.

Disposal of non-performing loans to the NPE Opportunities Fund

Seller:	BPER Banca s.p.a.
Acquiring investment fund:	NPE Opportunities Fund
SGR that manages the investment fund:	Castello SGR s.p.a.
Disposal date:	15.12.2025
Assets sold:	Corporate Loans
Quality of assets sold:	Unlikely-To-Pay loans
GBV of assets transferred (in millions of Euro):	77
NBV of assets transferred (in millions of Euro):	46.7

Units of Fund assigned:	
ISIN:	IT0005554610
No. of units assigned at signing:	1,100
Book value of the units at signing (in millions of Euro):	44.2
No. of units outstanding at year-end:	1,100
Book value of the units at year-end (in millions of Euro)	44.2

The price of the positions transferred December 2025 was Euro 45.2 million. In terms of gross value of the assets sold, the overall amount refers to businesses operating in the the rental and management of land for telecommunications, whether owned or leased, in Northern Italy.

D. Covered bond transactions

Introduction

Covered Bond (OBG) issues are foreseen by BPER Banca Group's strategic plan as a means to diversify funding sources, reduce funding costs and extend the maturities of liabilities. In particular, OBG issues are extremely appealing at a time when market yields are lower than traditional bonds.
The Board of Directors:

- on 8 February 2011, by means of a specific programme resolution, it launched the structuring of a First OBG issue programme ("OBG1"), based on a portfolio secured by residential mortgages, pursuant to Law No. 130 of 30 April 1999 (the "Law 130/99") and the related implementing regulations in force at the time;
- on 3 March 2015, launched the structuring of a second programme for the issue of Covered Bonds ("OBG2"), based on a collateralised portfolio of residential and commercial mortgage loans;
- following the merger by absorption of the subsidiary Banca Carige s.p.a. on 24 November 2022, with economic effect from 28 November 2022, BPER Banca became the issuer of a third covered bond issuing programme ("OBG3"), based on a collateralised portfolio of residential and commercial mortgages.
- following the acquisition of control by BPER Banca on Banca Popolare di Sondrio s.p.a., a fourth covered bond issuance programme ("OBG4"), based on a collateralised portfolio of residential mortgages, is part of the BPER Banca Group to date.

The basic structure of a covered bond issue

Covered Bonds may be issued under an operating scheme that includes:

- the disposal by a bank, which may differ from the bond issuer, to a special purpose vehicle of high credit quality assets and which constitute segregated assets pursuant to the applicable provisions of Law 130/99;
- the selling bank or another bank of the same banking group granting a subordinated loan to the assignee vehicle company to provide the assignee with the funding required to purchase the assets;
- the assignee company providing a guarantee, within the limits of its segregated assets, in favour of holders of bonds issued by the selling bank or another bank in the same group.

High credit quality assets are intended to mean loans that meet the selection criteria defined by the Regulations and related contracts (the "Eligible Assets").

Key elements of the BPER Banca Group's Programmes for the issue of Covered Bonds

The BPER Banca's Covered Bond Programmes (the "OBG Programmes") have been structured as follows:

- the sale without recourse of high credit quality assets, which constitute segregated assets pursuant to Law 130/99, respectively to the special purpose vehicles Estense Covered Bond s.r.l. for OBG1, Estense CPT Covered Bond s.r.l. for OBG2, Carige Covered Bond s.r.l. for OBG3 and Popso Covered Bond s.r.l. for OBG4, initially just by BPER Banca or by the respective originator banks and then, during the Programmes, also by other Group Banks;
- the provision to the assignee vehicle companies, by BPER Banca and other Group Banks that will eventually join the Programmes as selling banks, of subordinated loans to provide the assignees with the funding required to purchase the assets sold;
- the issue by the assignee SPVs, up to the amount of the segregated assets, of guarantees in favour of the holders of the Covered Bonds issued by BPER Banca.

Although they are presented "as Group Programmes", the initial and subsequent transactions only involved BPER Banca or the respective originator banks as the selling bank, the understanding being that BPER Banca - or Banca Popolare di Sondrio for OBG4- always takes on the role of issuing bank. Only at a later stage, after an expert assessment of the risks and opportunities, it is expected that other Group Banks will join the Programmes as selling banks of additional Eligible Assets.
The portfolios of Eligible Assets are composed of loans originating from residential mortgage loans for OBG1 and OBG4, and of residential and commercial mortgage loans for OBG2 and OBG3, which meet the requirements of the regulations in force. These portfolios were identified based on general and specific criteria indicated in the sale agreements. The additional portfolios of Eligible Assets may include loans deriving from mortgages that meet the requirements of the Regulations.
The sale price of the portfolios is determined, as laid down in the *Supervisory Provisions for Banks*, with reference to their book values in the latest Financial Reports approved by BPER Banca with a view to specific sale dates or by having the sale price certified by the Independent Auditors. The sale prices so determined are subject to adjustment to take account of movements on the loans between the reporting date and the disposal date. More specifically, the sale prices shall be adjusted to consider the collection of the capital element of the loans in the intervening period and the payment of contractually agreed interest in the same period.

The sale of the portfolios - without recourse and under the combined provisions of articles 1 and 4 of Law 130/99 and art. 58 of the Consolidated Law on Finance - is communicated to the mortgage holders by publishing a notice of sale with the above selection criteria in the Official Journal and by filing the same notice of sale with the Companies' Register. Further formalities are also carried out for privacy legislation purposes (Legislative Decree 196/2003 and Regulation (EU) 679/2016, as later amended and supplemented).
The mortgage holders maintain a direct operational relationship with BPER Banca or Banca Popolare di Sondrio, since the four SPVs have given BPER Banca or Banca Popolare di Sondrio, responsibility for managing and administering the loans sold and the related collection and payment services ("servicing activities"), with BPER Banca or Banca Popolare di Sondrio having the power to grant a sub-proxy to the pertinent selling banks to perform servicing activities for the portfolios sold.
This, in accordance with the regulations in force, is in order to minimise the commercial impact with the mortgage holders and, at the same time, to optimise the operational management of each portfolio which, in fact, remains in the hands of the assignors.
At predetermined dates and based on specific operational and market situations, BPER Banca or Banca Popolare di Sondrio, in the role of Calculation Agent, will perform assessment tests to compare the portfolios sold with the bonds issued, aimed at verifying the adequacy of the guarantees issued with reference to specific legal parameters and the parameters set by the related OBG Programmes' documentation based on indications provided by rating agencies, on which the credit rating assigned to these OBGs depends.
In the case of non-compliance with one or more of the required parameters, it will be necessary to add to the portfolios sold by selling further Eligible Assets. The portfolios can be supplemented through the use of the vehicle companies' liquid funds or further disbursements of the subordinated loans granted by BPER Banca (or, by the other selling banks, as the case may be).
Other initiatives are required in the case of violation of contractual conditions, up to the extreme consequences of enforcement of the guarantees provided by the vehicle companies in the case of an Event of Default by the issuer (for example, default in repayment of principal or non-payment of interest on the Covered Bonds).
Moreover, on predetermined dates, the functions responsible for supervising the issuing Bank's risk management verify the quality and integrity of the Eligible Assets.
The structure of the OBG Programmes, as outlined, permits the creation of segregated assets (consisting of the Eligible Assets assigned), to serve as a preferred guarantee for the Covered Bond holders, for the counterparties to derivative contracts entered into under the Programmes to hedge the risks inherent in the portfolio of transferred Eligible Assets and for the payment of other transaction costs.
Normally, the charges for payment and redemption of the OBG remain with the Issuer and, only when there is an Event of Default by the Issuer, will automatic protection mechanisms be activated to protect the investors.
To further support the financial structure, swaps may be provided for with one or more external counterparties selected on the market and with an appropriate credit standing in line with the eligibility criteria required by rating agencies. The purpose of these contracts is to transform the interest flow produced by the loan portfolios sold so as to make them consistent with that incurred on the bonds issued.
In particular, among the various options available, it is normally envisaged that two separate swap derivative contracts will be entered into:

- asset swap: under this contract, the SPV will pay the swap counterparty the flow received as interest on a notional amount represented by a portion of segregated assets and determined by taking into account the outstanding amount of the liability represented by the Covered Bonds issued and will collect from it a flow corresponding to Euribor for the period plus or minus a Spread applied to the same notional amount;
- liability swap: under this derivative the SPV will receive from the swap counterparty a fixed rate equal to the coupon of the related series of OBGs and will pay thereto a flow corresponding to Euribor plus or minus (as appropriate) a Spread applied to an amount equal to the nominal value of the corresponding series of Covered Bonds.

These contracts can be linked to back-to-back swap agreements between the swap counterparties and the issuing Bank.
The financial back-to-back mechanism allows, on the one hand, the issuing Bank to maintain a financial position as desired and consistent with its Asset & Liability Management strategies and, on the other hand, the SPV, as guarantor, in the Event of the occurrence of an Event of Default of the Issuer, to cover the costs of the Covered Bonds by trading them for the expected return on portfolio of loans sold.

The OBG1 Programme

The OBG1 Programme provides for the issue of Covered Bonds up to a maximum of Euro 7 billion, to take place in a number of issues over time, by the term of legal existence of the special purpose vehicle acting as guarantor (subject to the obligations for annual renewal of the prospectus prepared in compliance with EU Regulations).

OBG1 Programme issuances

Issue	Issue date	Nominal amount of the OBGs issued	Repayment date	Nominal amount repaid	OBG characteristics	Purpose
I	01/12/2011	750,000,000	22/01/2014	750,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
II	25/06/2012	300,000,000	22/04/2015	300,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
III - I Tranche	15/10/2013	750,000,000	22/10/2018	750,000,000	Fixed rate	placed on the national and international market
III - II Tranche	24/02/2014	250,000,000	22/10/2018	250,000,000	Fixed rate	placed on the national and international market
IV	22/01/2015	750,000,000	22/01/2022	750,000,000	Fixed rate	placed on the national and international market
V	29/07/2015	750,000,000	22/07/2020	750,000,000	Fixed rate	placed on the national and international market
VI	31/05/2016	500,000,000	22/07/2020	500,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
VII	03/02/2017	540,000,000	22/04/2021	540,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
VIII	19/07/2018	500,000,000	22/07/2023	500,000,000	Fixed rate	placed on the national and international market
IX	19/03/2019	600,000,000	22/04/2026		Fixed rate	placed on the national and international market
X	18/09/2020	1,150,000,000	22/10/2024	1,150,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
XI	18/05/2021	600,000,000	22/04/2025	600,000,000	Fixed rate	self-subscribed for the purpose of ECB refinancing
XII	16/11/2021	400,000,000	22/10/2025	400,000,000	Fixed rate	self-subscribed for the purpose of ECB refinancing
XIII	29/06/2022	1,000,000,000	22/07/2026		Fixed rate	self-subscribed for the purpose of ECB refinancing
XIV	28/11/2023	750,000,000	22/10/2028		Fixed rate	placed on the national and international market
XV	21/03/2024	500,000,000	22/01/2031		Fixed rate	placed on the national and international market
XVI	03/09/2024	500,000,000	22/07/2029		Fixed rate	placed on the national and international market
Total		**10,590,000,000**		**7,240,000,000**		

The residual debt of outstanding operations as at 31 December 2025 amounted to Euro 3,350 million.

In line with the operational chart described above, on 2 November 2011, BPER Banca sold to Estense Covered Bond s.r.l., the special purpose vehicle acting as guarantor, a first portfolio of assets complying with the eligibility requirements provided for under the law, selected in accordance with the criteria noted above and featuring the following main characteristics:

- residential mortgage loans provided in accordance with mortgage lending legislation;
- concluded by 31 December 2010;
- final instalment due after 31 December 2012;
- ratio of outstanding debt to the value of secured property, estimated at the payment date, not higher than 80%.

The table below shows the details of all subsequent disposals.

Asset Disposal under the OBG1 Programme

(in million)

Disposals	Disposal date	Price of assets sold
I	02/11/2011	1,091
II	04/05/2012	546
III	10/07/2013	681
IV	23/07/2014	501
V	28/04/2015	1,074
VI	28/01/2016	1,086
VII	27/07/2016	310
VIII	25/01/2017	404
IX	23/10/2017	816
X	27/04/2018	652
XI	29/04/2019	570
XII	25/06/2020	515
XIII	24/09/2021	937
XIV	24/05/2022	991
XV	22/06/2023	648
XVI	07/11/2023	890
XVII	08/03/2024	928
XVIII	27/05/2024	909
Total		**13,549**

The credit facility granted by BPER Banca to Estense Covered Bond s.r.l. to finance the purchase of the transferred portfolios amounted to Euro 8 billion as at 31 December 2025. This is without prejudice to BPER Banca's right to increase the amount of said credit facility to finance the purchase of additional portfolios for the purpose of adding to the segregated assets. The relevant subordinated loan is remunerated so as to guarantee a return to the transferor of the yield on the segregated loans, albeit residual with respect to payment of the vehicle company's operating expenses, thus making the asset disposals essentially neutral from an economic standpoint.

Repayment of this loan is linked to the gradual reimbursement of the Covered Bonds that, in turn, will allow the release of the loan portfolio or the cash collections generated thereby.

Repayment of subordinated loan OBG1 Programme

(in million)

Disposal date	Amounts repaid
22/10/2014	250
22/10/2015	250
22/01/2016	120
22/04/2016	250
22/07/2016	250
23/10/2017	400
23/04/2018	100
23/07/2018	250
22/10/2018	500
22/01/2019	280
23/04/2019	150
22/07/2019	150
22/10/2019	147
22/07/2020	495
22/01/2021	50
22/04/2021	50
22/07/2021	50
22/10/2021	450
22/04/2022	540
24/10/2022	75
24/04/2023	350
24/07/2023	370
23/10/2023	145
22/01/2024	150
22/04/2024	160
22/07/2024	200
22/10/2024	180
22/01/2025	200
22/04/2025	230
22/07/2025	239
22/10/2025	195
Total	**7,226**

The liquidity generated by the portfolio can also be used - within the limits established by law - for suitable investments or deposits, based on BPER Banca's indications as Investment Agent. Cash generated from the portfolio of sold Eligible Assets - for which BPER Banca remains as Servicer - are transferred to current accounts with banks with appropriate rating.

Counterparties involved in the OBG1 Programme

Issuing Bank, initial Selling Bank, Servicer, Investment Agent, Principal Paying Agent, Subordinated Loan Provider and Calculation Agent: BPER Banca.
Any other seller bank that could join the Programme:

- Banco di Sardegna s.p.a.
- Banca Popolare di Sondrio s.p.a.
- Bibanca s.p.a.
- Banca Cesare Ponti s.p.a.
- BPER Bank Luxembourg s.a.

Arranger: NatWest Market N.V.;
Guarantor: Estense Covered Bond s.r.l.;
Representative of the Noteholders (RoN), Corporate Servicer, Guarantor Calculation Agent and Back-up Servicer Facilitator: Banca Finanziaria Internazionale s.p.a.;
Italian Paying Agent, Cash Manager and Account Bank: BNP Paribas;
Liability Swap counterparty: for the ninth issue, BNP-Paribas;
Legal Advisor: Hogan Lovells law firm;
Asset Monitor and Pool Auditor: PriceWaterhouseCoopers s.p.a.;
Independent Auditors of the special purpose vehicle: Deloitte & Touche s.p.a.;
Rating agencies: Moody's Italia s.r.l.

The OBG2 Programme

The OBG2 Programme provides for the issue of Covered Bonds up to a maximum of Euro 7 billion, to take place in a number of issues over time, by the term of legal existence of the special purpose vehicle acting as guarantor (subject to the obligations for annual renewal of the prospectus prepared in compliance with EU Regulations).

OBG2 Programme issuances

Issue	Issue date	Nominal amount of the OBGs issued	Repayment date	Nominal amount repaid	OBG characteristics	Purpose
I	16/12/2015	625,000,000	28/01/2018	625,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
II	01/08/2016	200,000,000	28/10/2020	200,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
III	24/02/2017	240,000,000	28/04/2021	240,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
IV	25/01/2018	420,000,000	28/10/2021	420,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
V	17/10/2018	1,050,000,000	28/04/2022	1,050,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
VI	13/03/2019	200,000,000	28/04/2022	200,000,000	Fixed rate	self-subscribed for the purpose of ECB refinancing
VII	10/07/2019	250,000,000	28/07/2023	250,000,000	Fixed rate	self-subscribed for the purpose of ECB refinancing
VIII	30/01/2020	200,000,000	28/01/2024	200,000,000	Fixed rate	self-subscribed for the purpose of ECB refinancing
IX	30/04/2020	900,000,000	28/04/2024	900,000,000	Fixed rate	self-subscribed for the purpose of ECB refinancing
X	12/11/2020	550,000,000	28/10/2024	550,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
XI	12/11/2020	600,000,000	28/10/2024	600,000,000	Fixed rate	self-subscribed for the purpose of ECB refinancing
XII	14/05/2021	250,000,000	28/04/2025	250,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
XIII	11/11/2021	700,000,000	28/10/2025	700,000,000	Floating rate	self-subscribed for the purpose of ECB refinancing
XIV - I Tranche	11/11/2021	1,000,000,000	28/10/2025	1,000,000,000	Fixed rate	self-subscribed for the purpose of ECB refinancing
XIV - II Tranche	23/09/2022	700,000,000	28/10/2025	700,000,000	Fixed rate	self-subscribed for the purpose of ECB refinancing
XV	13/06/2024	250,000,000	28/10/2028		Floating rate	self-subscribed for the purpose of ECB refinancing
XVI	15/11/2024	250,000,000	28/01/2031		Floating rate	self-subscribed for the purpose of ECB refinancing
XVII	15/11/2024	1,000,000,000	28/01/2030		Fixed rate	self-subscribed for the purpose of ECB refinancing
XVIII	19/05/2025	1,000,000,000	28/07/2029		Fixed rate	self-subscribed for the purpose of ECB refinancing
XIX	17/11/2025	1,000,000,000	28/01/2032		Fixed rate	self-subscribed for the purpose of ECB refinancing
XX	17/11/2025	1,000,000,000	28/10/2032		Floating rate	self-subscribed for the purpose of ECB refinancing
Total		**12,385,000,000**		**7,885,000,000**		

The residual debt of outstanding operations as at 31 December 2025 amounted to Euro 4,500 million.

In line with the operational chart described above, on 17 September 2015, BPER Banca sold to Estense CPT Covered Bond s.r.l., the special purpose vehicle acting as guarantor, a first portfolio of assets complying with the eligibility requirements provided for under the law, selected in accordance with the criteria noted above, featuring the following main characteristics:

- residential and commercial mortgage loans;
- granted by 31 December 2014;
- final instalment due after 31 December 2015;
- ratio of outstanding debt to the value of secured property, revalued close to the date of sale, not higher than 80% for residential mortgage loans and than 60% for commercial mortgage loans.

The table below shows the details of all subsequent disposals.

Asset disposals under the OBG2 Programme

(in million)

Disposals	Disposal date	Price of assets sold
I	17/09/2015	870
II	23/06/2016	478
III	21/11/2016	411
IV	22/05/2018	594
V	24/09/2018	732
VI	27/02/2019	276
VII	25/06/2019	593
VIII	26/11/2019	594
IX	25/03/2020	441
X	23/04/2020	1,123
XI	23/10/2020	840
XII	20/10/2021	1,443
XIII	24/06/2022	1,168
XIV	24/03/2023	481
XV	29/04/2025	1,432
Total		**11,476**

The credit facility granted by BPER Banca to Estense CPT Covered Bond s.r.l. to finance the purchase of the transferred portfolios amounted to Euro 8 billion as at 31 December 2025. This is without prejudice to BPER Banca's right to increase the amount of said credit facility to finance the purchase of additional portfolios for the purpose of adding to the segregated assets. The relevant subordinated loan is remunerated so as to guarantee a return to the transferor of the yield on the segregated loans, albeit residual with respect to payment of the vehicle company's operating expenses, thus making the asset disposals essentially neutral from an economic standpoint.

Repayment of this loan is linked to the gradual reimbursement of the Covered Bonds that, in turn, will allow the release of the loan portfolio or the cash collections generated thereby.

Repayment of subordinated loan OBG2 Programme

(in million)

Disposal date	Amounts repaid
28/07/2017	70
30/10/2017	200
30/04/2018	100
30/07/2018	150
28/01/2019	110
29/07/2019	200
28/10/2019	335
28/04/2020	235
28/07/2020	75
28/01/2021	50
28/04/2021	100
29/07/2021	50
28/10/2021	600
28/04/2022	250
28/10/2022	285
30/01/2023	250
28/04/2023	200
28/07/2023	330
29/01/2024	260
29/04/2024	300
29/07/2024	150
28/10/2024	160
28/01/2025	50
28/04/2025	250
28/07/2025	205
28/07/2025	165
Total	**5,130**

The liquidity generated by the portfolio can also be used - within the limits established by law - for suitable investments or deposits, based on BPER Banca's indications as Investment Agent. Cash collections generated by the portfolio of Eligible assets sold - on which BPER Banca retains the role of Servicer - are channelled into current accounts opened with BPER Banca.

The specific financial feature of the OBG2 Programme is a different structural technique which, in the event of the Parent Company's default and under other circumstances foreseen in the OBG2 Programme, makes it possible to adjust the repayment plan of the Covered Bonds according to the loan portfolio amortisation schedule pledged as collateral. This eliminates the financial risk associated with a forced and peremptory liquidation of this portfolio, thereby transforming the outstanding Covered Bonds into securities similar to pass-through securities issued as part of ordinary securitisation transactions. In this way, the risk profile of a default on the Covered Bonds is clearly attenuated, making it possible to obtain a higher rating.

Counterparties involved in the OBG2 Programme

Issuing Bank, initial Selling Bank, Servicer, Investment Agent, Primary Paying Agent, Account Bank, Subordinated Loan Provider and Calculation Agent: BPER Banca.
Any other seller bank that could join the Programme:

- Banco di Sardegna s.p.a.
- Banca Popolare di Sondrio s.p.a.
- Bibanca s.p.a.
- Banca Cesare Ponti s.p.a.
- BPER Bank Luxembourg s.a.

Arranger: UBS Europe SE;
Initial Dealer of the first series of bonds issued: Banca Finanziaria Internazionale s.p.a.;
Guarantor: Estense CPT Covered Bond s.r.l.;
Representative of the Noteholders (RoN), Corporate Servicer, Guarantor Calculation Agent and Back-up Servicer Facilitator: Banca Finanziaria Internazionale s.p.a.;
Subsequent Paying Agent and Back-up Account Bank: Bank of New York Mellon SA/NV - Milan Branch;
Legal Advisor: Hogan Lovells law firm;
Asset Monitor: PricewaterhouseCoopers s.p.a.;
Independent Auditors of the special purpose vehicle: Deloitte & Touche s.p.a.;
Rating agencies: Moody's Italia s.r.l.

The OBG3 Programme

The OBG3 programme provides for the issue of Covered Bonds up to a maximum of Euro 5 billion.

Issues of OBG3 Programme outstanding as at 31 December 2025

issue	Issue date	Nominal amount of the OBGs issued	Repayment date	Nominal amount repaid	OBG characteristics	Purpose
I	20/09/2010	75,000,000	20/09/2030		Fixed rate	placed on the national and international market
II	25/11/2010	20,000,000	25/11/2030		Fixed rate	placed on the national and international market
III	27/12/2010	40,000,000	27/12/2030	20,000,000	Fixed rate	placed on the national and international market
IV	23/04/2012	30,000,000	23/04/2032		Fixed rate	placed on the national and international market
V	02/11/2012	17,000,000	02/11/2032		Fixed rate	placed on the national and international market
VI	05/11/2012	50,000,000	05/11/2032		Fixed rate	placed on the national and international market
VII	06/11/2012	10,000,000	26/10/2032		Fixed rate	placed on the national and international market
VIII	25/01/2013	5,000,000	25/01/2028		Fixed rate	placed on the national and international market
IX	29/08/2013	10,000,000	29/08/2033		Fixed rate	placed on the national and international market
X	05/06/2014	10,000,000	25/05/2029		Fixed rate	placed on the national and international market
XI	28/10/2021	750,000,000	28/10/2028		Fixed rate	placed on the national and international market
XII	06/09/2024	500,000,000	27/10/2028		Fixed rate	self-subscribed for the purpose of ECB refinancing
Total		**1,517,000,000**		**20,000,000**		

The residual debt of outstanding operations as at 31 December 2025 amounted to Euro 1,497 million.

In line with the operational scheme described above Banca Carige s.p.a. (now merged into BPER Banca, as stated) on 14 November 2008 sold to Carige Covered Bond s.r.l. a first portfolio of assets complying with the eligibility requirements provided for under the law, selected in accordance with the criteria noted above and featuring the following main characteristics:

- residential and commercial mortgage loans;
- concluded by 30 March 2007;
- final instalment due by 30 June 2045;
- ratio of outstanding debt to the value of secured property, estimated at origination, not exceeding 80% for residential mortgage loans and 60% for commercial mortgage loans.

The credit facility granted by BPER Banca to Carige Covered Bond s.r.l. to finance the purchase of the transferred portfolios amounted to Euro 5 billion as at 31 December 2025. This is without prejudice to BPER Banca's right to increase the amount of said credit facility to finance the purchase of additional portfolios for the purpose of adding to the segregated assets. The relevant subordinated loan is remunerated so as to guarantee a return to the transferor of the yield on the segregated loans, albeit residual with respect to payment of the vehicle company's operating expenses, thus making the asset transfers essentially neutral from an economic standpoint.

Repayment of this loan is linked to the gradual reimbursement of the Covered Bonds that, in turn, will allow the release of the loan portfolio or the cash collections generated thereby.

Repayment of subordinated loan OBG3 Programme

(in million)

Disposal date	Amounts repaid
26/06/2023	350
25/10/2023	180
25/01/2024	60
29/07/2024	50
28/10/2024	160
27/01/2025	50
28/04/2025	80
28/07/2025	80
27/10/2025	60
Total	**1,070**

The liquidity generated by the portfolio can also be used - within the limits established by law - for suitable investments or deposits, based on BPER Banca's indications as Investment Agent. Cash generated from the portfolio of sold Eligible Assets - for which BPER Banca remains as Servicer - are transferred to current accounts with BNP Paribas, either in Italy or the UK, since this is a third party with appropriate rating.

Counterparties involved in the OBG3 Programme

Issuing Bank, Selling Bank, Servicer, Italian Account Bank, Investment Agent, Liquidity Facility Provider, Subordinated Loan Provider, and Calculation Agent: BPER Banca;
Joint Arrangers and Dealers: NatWest Markets N.V. and UBS Europe SE;
Guarantor: Carige Covered Bond s.r.l.;
Representative of the Noteholders (RoN): Deutsche Trustee Company Limited;
Principal Paying Agent, Cash Manager and Transaction Bank: BNP Paribas;
Italian Paying Agent: Deutsche Bank s.p.a.
Corporate Servicer and Guarantor Calculation Agent: Banca Finanziaria Internazionale s.p.a.;
Back-up Servicer Facilitator: Zenith Global s.p.a.;
Legal Advisor: Hogan Lovells law firm;
Asset Monitor: PricewaterhouseCoopers s.p.a.;
Independent Auditors of the special purpose vehicle: Deloitte & Touche s.p.a.;
Rating agencies: Moody's Italia s.r.l. and Morningstar DBRS Ratings Limited.

The OBG4 Programme

The OBG4 programme provides for the issue of Covered Bonds up to a maximum of Euro 5 billion.

OBG4 Programme issuances

Issue	Issue date	Nominal amount of the OBGs issued	Repayment date	Nominal amount repaid	OBG characteristics	Purpose
I	05/08/2014	500,000,000	05/08/2019	500,000,000	Fixed rate	placed on the national and international market
II	04/04/2016	500,000,000	04/04/2023	500,000,000	Fixed rate	placed on the national and international market
III	24/10/2023	500,000,000	24/10/2028		Fixed rate	placed on the national and international market
IV	22/01/2024	500,000,000	22/07/2029		Fixed rate	placed on the national and international market
V	31/03/2025	150,000,000	31/03/2030		Fixed rate	private placement
VI	21/05/2025	500,000,000	21/05/2030		Fixed rate	placed on the national and international market
Total		**2,650,000,000**		**1,000,000,000**		

The residual debt of outstanding operations as at 31 December 2025 amounted to Euro 1,650 million.

In line with the operational chart described above, on 30 May 2014, Banca Popolare di Sondrio s.p.a. sold to Popso Covered Bond s.r.l. a first portfolio of assets complying with the eligibility requirements provided for under the law, selected in accordance with the criteria noted above and featuring the following main characteristics:

- residential mortgage loans;
- granted by Banca Popolare di Sondrio s.p.a.;
- ratio of outstanding debt to the value of secured property, estimated at the payment date, not higher than 80%.

Asset disposals under the OBG4 Programme

(in million)

Disposals	Disposal date	Price of assets sold
I	30/05/2014	802
II	05/12/2015	202
III	31/01/2016	581
IV	01/11/2016	226
V	01/10/2017	307
VI	01/10/2018	323
VII	01/12/2019	352
VIII	01/11/2022	166
IX	01/11/2023	867
X	01/11/2024	982
Total		**4,808**

The credit facility granted by Banca Popolare di Sondrio s.p.a. to Popso Covered Bond s.r.l. to finance the purchase of the transferred portfolios amounted to Euro 3.5 billion as at 31 December 2025. This is without prejudice to Banca Popolare di Sondrio s.p.a.'s right to increase the amount of said credit facility to finance the purchase of additional portfolios for the purpose of adding to the segregated assets. The relevant subordinated loan is remunerated so as to guarantee a return to the transferor of the yield on the segregated loans, albeit residual with respect to payment of the vehicle company's operating expenses, thus making the asset disposals essentially neutral from an economic standpoint.

Repayment of this loan is linked to the gradual reimbursement of the Covered Bonds that, in turn, will allow the release of the loan portfolio or the cash collections generated thereby.

Repayment of subordinated loan OBG4 Programme

(in million)

Disposal date	Amounts repaid
22/10/2014	10
22/01/2016	80
23/01/2017	40
24/07/2017	120
23/10/2017	150
23/07/2018	200
22/10/2020	300
22/10/2021	100
22/04/2022	250
22/07/2022	300
24/10/2022	50
24/04/2023	149
22/04/2024	150
22/07/2024	105
22/10/2024	60
22/01/2025	150
22/04/2025	80
22/07/2025	80
22/10/2025	60
Total	**2,434**

The liquidity generated by the portfolio can also be used - within the limits established by law - for suitable investments or deposits. Cash generated from the portfolio of sold Eligible Assets - for which Banca Popolare di Sondrio s.p.a. remains as Servicer - are transferred to current accounts with BNP Paribas, either in Italy or the UK, since this is a third party with appropriate rating.

Counterparties involved in the OBG4 Programme

Issuing Bank, Selling Bank, Servicer, Cash Manager, Subordinated Lender, Issuer Paying Agent and Test Calculation Agent: Banca Popolare di Sondrio s.p.a.;
Arrangers: BNP Paribas and Banca Finanziaria Internazionale s.p.a.;
Dealer: BNP Paribas;
Guarantor: Popso Covered Bond s.r.l.;
Back-up Servicer Facilitator, Representative of the Noteholders (RoN), Corporate Servicer and Guarantor Calculation Agent: Banca Finanziaria Internazionale s.p.a.;
Legal Advisor: Chiomenti;
Asset Monitor: BDO Italia s.p.a.;
Independent Auditors of the special purpose vehicle: Deloitte & Touche s.p.a.;
Rating agencies: Fitch Ratings Ireland Limited.

Organisational structure and procedures

The structuring process for the OBG Issue Programmes made it necessary to organise specific internal work teams. In this regard, a specific structure was set up, the Institutional Funding Office, which acts as coordinator of the work teams, taking care to involve all the structures involved in the management process of the Covered Bonds.
To supervise the structuring process and management of the OBG Programmes, a specific Regulation with Operating Instructions has been prepared.

Accounting, capital and tax impact

Through the issuance of Covered Bonds, the selling banks essentially retain all risks and rewards of the transferred assets, since repayment of the subordinated loan granted to the vehicle companies is conditional upon the performance of the transferred assets used as collateral.
The selling banks are required to reinstate, in line with several alternatives, the collateral sold should the eligible assets value deteriorate and their value fall below the thresholds set by contract.
The primary objective of creating a special purpose vehicle and the disposal of eligible assets thereto is, in fact, to legally segregate, by means of a without recourse sale contract, the selling bank's assets within a separate legal entity. These assets, thus segregated, are subject to a collateral constraint under Law 130/99. Thus, the holders of Covered Bonds benefit, on the one hand, from the general guarantee represented by the issuer's capital and on the other, from the guarantee issued by the SPV in respect of the segregated portfolio. This structure of "dual protection" facilitates the creation of conditions for a potential reduction in the funding costs of the selling bank.
The overall risk profile of BPER Banca as initial selling bank is not altered in any way.
The same "Supervisory Provisions for banks" stipulate that the selling banks retain the same capital requirement that they are already required to comply with, in respect of the assets sold, prior to the sale. The transactions do not, therefore, result in a derecognition: the selling banks must continue to recognise the transferred assets in their entirety in the balance sheet and the considerations received from the sale must be accounted for as opposite entries to the financial liabilities due to the SPVs. In turn, these liabilities must be shown net of the subordinated loans granted to the vehicles, due to the principle of substance over form: it is as if the purchases of loans by the SPVs have never taken place.
The subordinated loans are not taken into consideration for the purposes of counterparty risk; these loans must not, in fact, be considered, as the credit risk is already reflected in the valuation of the loans being sold.
As regards the impact at consolidation level, it should be noted that the aforementioned special purpose vehicle companies are BPER Banca Group's entities, as they are subsidiaries of the Parent Company. They are therefore consolidated.
Finally, regarding the tax implications, consistent with the dictates of art. 7 *bis*, Law 130/99, all taxes and dues are payable as though the asset disposals had never taken place.
Again, to ensure that the operation was neutral for tax purposes, it was established, as foreseen in art. 7 bis, paragraph 7 of Law 130/99, that the sale price would be equal "*to the latest carrying amount of the loans*", or as certified by the Independent Auditors of the selling Bank.

Risks associated with the transaction

The Covered Bond Programmes involve some financial and non-financial risks, subject to analysis and monitoring by the Group's Risk Management and Compliance functions and, specifically with regard to the risks of fraud and unintentional errors in financial reporting, by the Manager responsible for preparing the company's financial reports.
In summary the main risk profiles can be summarised as follows:

- Interest rate risk. In the structure of a Covered Bond, the interest rate risk originates from the different characteristics of interest rates on Covered Bonds and on the portfolio of their collateral, eligible assets. These risks are mitigated by hedging derivatives, possibly put in place from time to time with market counterparties.
- Credit risk. In the structure of a covered bond, credit risk is attributable to the quality of loans sold by each Selling Bank. Given this risk, the rating agencies, in order to attribute to the Covered Bonds the maximum rating possible, require a level of over-collateralisation which is also linked to the quality of the Eligible Assets being sold.
- Counterparty risk. The counterparty risk is the possibility that the creditworthiness of third parties involved in the transaction, in other words, the swap counterparties and any third-party bank, with which the SPV has its accounts, may worsen to the point of creating a liquidity problem, with the result that the funds of the portfolio of assets sold that flow into the accounts of the SPV or payments made in connection with the swaps are retained by the same counterparties. This risk is mitigated by the involvement of high rated counterparties and the existence of clauses, in the relevant ISDA and CSA contracts as well as in the "Cash Management and Agency Agreement", according to which, in the case of downgrading of the counterparties, they will be immediately replaced.
- Liquidity risk. An issue of "bullet" Covered Bonds with a portfolio of eligible assets relating to loans with given repayment plans entails the need for the latter to be dynamically managed. The funds received from the collection of capital instalments on the loans sold may be, in fact, reinvested in new loans with similar characteristics. If the Banking Group does not have eligible loans available to be sold to supplement the loan portfolio sold (including to replace non-performing loans), it would be necessary to supplement the portfolio by paying cash or eligible securities, thereby impacting negatively on the counterbalancing capacity of the selling banks.
- Compliance risk. The articulate and accurate external legislation regulating Covered Bonds, together with management and internal operating rules, require a precise and formal structuring of activities under the OBG Programmes, both during the up front and on going phases. The analysis of compliance requirements is performed by the Compliance and Audit functions.
- Reputational risk. Reputational risk is the possibility that the failure by BPER Banca to fulfil certain obligations arising from its role in the OBG Programmes adversely affects the credibility and image of the banking Group on the market, resulting in a significant economic and financial impact.
- Risk of financial inadequacy. The Supervisory Instructions for banks, in the discipline of Covered Bonds, in relation to the complexity of the contractual profiles and the possible impact on the technical structure of the banks carrying out these transactions, require, among other things, a careful assessment of the impact on the financial stability of those banks. The analysis of the projects by BPER Banca's Board of Directors highlighted:
  - regarding the impact on results, the transactions would have led to, with reference to available market data, a lower cost of funding compared with equivalent senior unsecured transactions and this would have allowed start-up costs to be fully covered, already in the first year, as well as to cover ongoing costs for the period.
  - regarding the impact on the financial position, having considered the portfolio at Group level, of residential or commercial mortgage loans potentially suitable for disposal, a plan of multi-year issuances was hypothesised so as to have sufficient room to replenish the cover pool, if necessary, without affecting the financial position and/or commercial practices of the Group.

These findings have allowed BPER Banca's Board to determine that the transactions do not negatively affect the financial stability of the bank and of the Group as a whole.

Organisational and management aspects of special purpose vehicles

With regard to organisational and management aspects of special purpose vehicles (in order to assess their adequacy in relation to the role assigned to them) and the contracts entered into as part of the OBG Programmes, Reports were acquired with the support of external legal consultants, in order to ensure that the contracts entered into contain clauses that ensure the regular and efficient performance of the functions by the vehicle companies, as required by the Regulations.

Assessment of legal aspects of the Programmes for Issue of Covered Bonds

Reports were originally acquired from the law firms Linklaters and Allen & Overy, as well as from Orrick, Herrington & Sutcliffe on the Bank's OBG Programme so as to assess, in accordance with the existing rules and regulations, the legal aspects of the activities involved in the OBG Programmes. The reports contain a thorough assessment of legal structures and contractual arrangements used, with particular attention to the characteristics of the guarantees given by the assignee companies and the overall relationships between and among the participants in the OBG Programmes.

Annual assessment of the Programmes for Issue of Covered Bonds by Asset Monitor

It should be noted that, in accordance with the regulations in force, the Asset Monitors - in this case PricewaterhouseCoopers s.p.a. and BDO Italia s.p.a. - carry out annual analyses on the status of the OBG programmes and report to the Board of Directors, the Board of Statutory Auditors, the Bank's Internal Audit Function and the Bank of Italy.

To date, the analyses conducted have not identified any findings.

Quantitative information relating to the loans sold

OBG1 Programme

1. Changes during the year

Description	31.12.2025
Opening balance	6,953,636
Increases	186,126
Purchase of loan portfolio	-
Other increases:	186,126
- Interest income accrued on loans	176,562
- Default interest	-
- Penalties and various recoveries	-
- Charges from IAS adjustments	3,914
- Contingent assets on bad loans	-
- Recovery of impairment provisions	5,650
Decreases	**(1,036,854)**
Collections from customers	(1,013,039)
Other increases:	(70)
- Impairment losses on loans	(70)
- Loan losses	-
- Charges from IAS adjustments	-
- Other changes/adjustments	-
Repurchases by the Originator	(23,745)
Closing balance	**6,102,908**

2. Breakdown by residual life

Residual life of securitised loans	31.12.2025
Up to 3 months	581
From 3 months to 1 year	9,978
From 1 to 5 years	322,924
> 5 years	5,824,789
Undefined maturity	6
Total	**6,158,278**

The loan balance is gross of loan provisions and IAS impairment losses.

3. Risk concentration:

Amount by category (Euro)	Number of customers	31.12.2025
0 - 25,000	10,789	142,884
25,000 - 75,000	29,396	1,463,869
75,000 - 250,000	33,050	4,030,241
Over 250,000	1,496	521,284
Total	**74,731**	**6,158,278**

The loan balance is gross of loan provisions and IAS impairment losses.
As of 31 December 2025, sold debtors are for the most part resident in Italy and the loans are denominated in Euro.

OBG2 Programme

1. Changes during the year

Description	31.12.2025
Opening balance	**5,412,776**
Increases	1,570,692
Purchase of loan portfolio	1,429,531
Other increases:	141,161
- Interest income accrued on loans	128,144
- Default interest	(26)
- Penalties and various recoveries	-
- Charges from IAS adjustments	3,856
- Contingent assets on bad loans	-
- Recovery of impairment provisions	9,187
Decreases	**(813,588)**
Collections from customers	(793,187)
Other increases:	(77)
- Impairment losses on loans	(77)
- Loan losses	-
- Charges from IAS adjustments	-
Repurchases by the Originator	(20,324)
Closing balance	**6,169,880**

2. Breakdown by residual life

Residual life of securitised loans	31.12.2025
Up to 3 months	1,169
From 3 months to 1 year	12,711
From 1 to 5 years	386,594
> 5 years	5,819,155
Undefined maturity	10
Total	**6,219,639**

The loan balance is gross of loan provisions and IAS impairment losses.

3. Risk concentration:

Amount by category (Euro)	Number of customers	31.12.2025
0 - 25,000	7,894	106,917
25,000 - 75,000	27,539	1,388,672
75,000 - 250,000	33,029	4,072,128
Over 250,000	1,739	651,922
Total	**70,201**	**6,219,639**

The loan balance is gross of loan provisions and IAS impairment losses.
As of 31 December 2025, sold debtors are for the most part resident in Italy and the loans are denominated in Euro.

The OBG3 Programme

1. Changes during the year

Description	31.12.2025
Opening balance	2,488,321
Increases	69,483
Purchase of loan portfolio	-
Other increases:	69,483
- Interest income accrued on loans	52,926
- Default interest	542
- Penalties and various recoveries	65
- Recovery of impairment provisions	15,950
Decreases	**(310,833)**
Collections from customers	(302,138)
Other increases:	-
- Impairment losses on loans	-
- Loan losses	-
- Charges from IAS adjustments	-
Repurchases by the Originator	(8,695)
Closing balance	**2,246,971**

2. Breakdown by residual life

Residual life of securitised loans	31.12.2025
Up to 3 months	285
From 3 months to 1 year	4,150
From 1 to 5 years	120,320
> 5 years	2,237,102
Undefined maturity	1
Total	**2,361,858**

The loan balance is gross of loan provisions and IAS impairment losses.

3. Risk concentration:

Amount by category (Euro)	Number of customers	31.12.2025
0 - 25,000	4,385	59,083
25,000 - 75,000	11,700	580,793
75,000 - 250,000	12,257	1,502,432
Over 250,000	633	219,550
Total	**28,975**	**2,361,858**

The loan balance is gross of loan provisions and IAS impairment losses.
As of 31 December 2025, sold debtors are for the most part resident in Italy and the loans are denominated in Euro.

F. Models for the measurement of credit risk

BPER Banca does not have internal portfolio credit risk models (VAR methodology).

Section 2 – Market risk

2.1 Interest rate risk and price risk - Trading portfolio for regulatory purposes

The Group's organisation provides for centralisation of the market risk control function at the Parent Company; consequently, the qualitative information set out below also reflects the individual position of BPER Banca.

Qualitative information

A. General aspects

The Group's proprietary trading portfolio comprises all of the financial instruments acquired for trading purposes or for hedging a risk factor inherent to the portfolio or the banking book.
"For trading purposes" is understood as being the purchase of financial instruments with the following features:

- exposure to managed risk factors (interest rate risk and price risk, exchange rate risk, issuer risk, counterparty risk and liquidity risk);
- trading done prevalently on active markets;
- securities issued by operators of prime standing.

The trading portfolio is managed according to exposure to the interest rate risk deriving from the overall asset-liability structure and, as a rule, does not include complex or innovative derivatives.
The trading portfolio comprises all those financial instruments not purchased with the aim of achieving equilibrium of the asset-liability structure, but with a view to contributing to the results of the year, optimising the overall risk-yield profile.
The size of this portfolio is closely linked to the overall liquidity position of the Group.
Arbitrage and short-term speculative activity with regard to listed derivative instruments are marginal with respect to the management of the proprietary portfolio. The objective of the investment strategy underlying trading in these financial instruments is to maximise the overall risk/yield profile via appropriate diversification.
The Parent Company makes medium-term speculative investments in stock markets, in commodity derivatives, in mutual funds and, to a marginal extent, in hedge funds. However, this activity is just a small part of the transactions carried out in the bond markets.
The trading portfolio governance process is centralised in BPER Banca to respond to the needs of central oversight of market risk and greater efficiency of Group investment processes.
This process implies that the individual Group Banks remain responsible for optimisation of the return on liquidity through treasury transactions with BPER Banca or, alternatively, by investing in floating rate or fixed rate bonds issued by the Bank.
In this way, the governance of market risk has been centralised by the Parent Company on the basis of decisions taken by the Finance Committee, which is chaired by the Chief Executive Officer.

B. Management processes and measurement methods for interest rate and price risk

The BPER Banca Group's system of daily checking is consistent with market standards. Value at Risk (VaR) metrics are used to measure market risk.
VaR represents the estimated maximum potential loss, determined based on probabilities, that may be suffered by the aggregate concerned over a given time horizon at a pre-determined level of confidence.
The method adopted for calculating VaR belongs to the class of "historical simulation" models, according to which the overall risk is determined on the basis of the historical distribution of the returns on the risk factors to which the financial instruments held are sensitive. The methodologies used to monitor market risks also include sensitivity analyses based on parallel shifts in the market rate curves and periodic stress testing analyses.
Currently, the daily calculation of VaR makes reference to two distinct time horizons of portfolio holding; in fact, an analysis is carried out with a time horizon of one month and with a confidence interval of 99% on the entire Group's proprietary portfolio (banking book and trading book), in line with the Group's Risk Appetite Framework. This is accompanied by further analysis with the same confidence interval, but with a one-day time horizon, in order to monitor day by day the market risk dynamics of the Bank's trading portfolio. This model is only used for internal management purposes and is not involved in the calculation of the capital adequacy requirements regarding market risk.
The process of controlling interest-rate risk and price risk is centralised at BPER Banca. Periodic information is assured by the distribution of specific reports prepared at different time intervals, starting from the one produced daily.
The monitoring and control of interest rate risk of the trading portfolio aims to mitigate the risk in question, by defining a system of operating limits for the portfolios managed by the appropriate Group structures, addressing the various risks to which they are exposed. The limits are checked on a daily basis.
The daily monitoring and control of the price risk associated with the trading portfolio for supervisory purposes is performed via Value-at-Risk (VaR) analyses, in accordance with the method indicated above.

Quantitative information

3. Interest rate risk - Trading portfolio for regulatory purposes: internal models and other methodologies for the sensitivity analysis

The VaR readings determined over time horizons of ten days and one day are set out below, in relation to the rate risk associated with the trading portfolio reported for regulatory purposes at 31 December 2025.

Descriptive data		VaR		VaR	
		Time horizon: 10 days		Time horizon: 1 day	
		Confidence interval: 99%		Confidence interval: 99%	
Type of transaction	Present value	VaR	Var/Present Value	VaR	Var/Present Value
BOT	2,399	1	0.04%	-	0.00%
BTP	20,040	260	1.30%	83	0.41%
CCT	9,625	85	0.88%	27	0.28%
Other government securities	584	33	5.65%	11	1.88%
Bonds	44,604	132	0.30%	41	0.09%
Equity instruments	-	-	0.00%	-	0.00%
Mutual funds and SICAVs	-	-	0.00%	-	0.00%
Derivatives/Transactions to be settled	47,274	732	1.55%	234	0.49%
Effect of diversification		(24)		7	
Total portfolio 2025	**124,526**	**1,219**	**0.98%**	**403**	**0.32%**
Total portfolio 2024	**158,031**	**1,374**	**0.87%**	**435**	**0.28%**

The value of the trading portfolio at 31 December 2025 given a parallel shift of +/- 100 bps (sensitivity analysis) is set out below.

	+100 bps	-100 bps
31 December 2025	**(84)**	**4,537**
31 December 2024	**(370)**	**2,118**

3. Price risk - Trading portfolio for regulatory purposes: internal models and other methodologies for the sensitivity analysis

The VaR determined over time horizons of ten days and one day is set out below, in relation to the price risk associated with the trading portfolio reported for regulatory purposes at 31 December 2025.

Descriptive data		VaR		VaR	
		Time horizon: 10 days		Time horizon: 1 day	
		Confidence interval: 99%		Confidence interval: 99%	
Type of transaction	Present value	VaR	Var/Present Value	VaR	Var/Present Value
Equity instruments	10,223	1,101	10.77%	372	3.64%
Mutual funds and SICAVs	1	-	0.00%	-	0.00%
Derivatives/Transactions to be settled	2,968	586	19.74%	167	5.63%
Effect of diversification		(1,010)		(340)	
Total portfolio 2025	**13,192**	**677**	**5.13%**	**199**	**1.51%**
Total portfolio 2024	**3,419**	**861**	**25.18%**	**295**	**8.63%**

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

Interest rate risk represents the potential impact of unexpected changes in market rates on current profits and the equity value of the Parent Company. This risk typically affects the positions included in the banking book.

The exposure to interest rate risk can be further analysed into:
- income risk;
- investment risk.

Income risk derives from the possibility that an unexpected change in interest rates may reduce net interest income, being the difference between interest received and interest paid. This risk is measured by maturity gap models and depends on:
- the mismatch in the maturity structures of lending and funding, in cases where the related assets and liabilities are remunerated at fixed rates until final maturity;
- the mismatch of the review periods for rate conditions, in the case of floating-rate assets and liabilities.

The timing mismatches mentioned above expose BPER Banca to:
- refinancing risk: the risk arising when the average maturity period (period until the next rate review) is shorter for funding than for lending. In this case, the Bank is exposed to possible increases in interest rates (the Bank is Liability Sensitive);
- reinvestment risk: the risk arising when the average maturity period (period until the next rate review) is shorter for lending than for funding. In this case, the Bank's net interest income will decline if interest rates fall (the Bank is Asset Sensitive).

Investment risk derives from the possibility that adverse changes in the value of all assets, liabilities and off-balance sheet instruments held by the Bank, following changes in interest rates, may destabilise the equilibrium of the balance sheet. This risk is measured by duration gap and sensitivity analysis techniques.

The following types of interest rate risk are identified:
- Gap Risk: risk associated with differences in the maturities (fixed rate) and the repricing dates (floating rate) of the assets and liabilities held in the portfolio;
- Yield Curve Risk: risk associated with changes in the gradient and shape of the yield curve;
- Basis Risk: risk arising from the imperfect correlation between the indexation parameters for lending and funding, or from unfavourable changes in the gradient of the curve;
- Option Risk: risk associated with "explicit" or "embedded" options embedded in the banking book's assets and liabilities (e.g. cap/floor/collar, loan prepayment options).

Every month, BPER Banca monitors at both consolidated and legal entity level the impact that unexpected changes in market interest rates might have on the positions in the banking book, according to the following prospects:

- standpoint of net interest income: the purpose is to evaluate interest risk with reference to the sensitivity of net interest income to rate changes over a given period of time. Adverse changes in net interest income potentially affect the financial stability of a bank by weakening its capital adequacy. The change in net interest income depends on the various types of risk;
- standpoint of economic value: changes in interest rates may affect the economic value of the Parent Company's assets and liabilities. The economic value of a bank is represented by the present value of its expected cash flows, defined as the sum of the present value of the cash flows to be generated by its assets, liabilities and positions in derivatives. By contrast with the standpoint of current profits, the standpoint of economic value identifies the risk generated by the repricing or maturity gap over a long time horizon;
- net interest income and current earnings perspective (Market Value Changes - MVC): refers to the change in current earnings following changes in the market value of instruments measured at fair value, subject to the application of one or more interest rate curve shocks.

The objectives to be pursued in support of the proper management of interest rate risk are:

- reduce the adverse effects of the volatility of net interest income (standpoint of current profits). The stability of net interest income is mainly influenced by the Yield Curve Risk, Gap Risk, Basis Risk and Option Risk;
- immunise the economic value, being the sum of the present values of all the expected cash flows, generated by both sides of the balance sheet. By contrast with the standpoint of current profits, the standpoint of economic value takes a medium/long-term view and is mainly associated with the Gap Risk;
- ensure compliance with the related organisational requirements envisaged by the domestic and international supervisory bodies.

The model for the governance of interest rate risk is based on the following principles:

- assignment to the Parent Company of guidance and coordination rights over the strategic planning and control processes, treasury and financial management, the commercial area and the governance of lending for the entire Group, in order to ensure the consistent management of interest-rate risk and compliance with regulatory requirements;
- segregation between governance processes and the management of interest rate risk.

The strategic decisions at Group level regarding the management of risk are made by the corporate bodies of the Parent Company. The decisions made take account of the operational specifics and related risk profiles of each Group company, in order to establish an integrated and consistent risk management policy.
Given the above, the BPER Group has adopted a centralised model for the governance and management of risk.
As the Parent Company, BPER Banca is responsible for defining guidance for the governance, acceptance and management of interest-rate risk at Group level.

The model for the management of interest rate risk focuses on the following measures of risk:

- sensitivity of net interest income;
- sensitivity of economic value;
- sensitivity of net interest income and current earnings (Market Value Changes – MVC).

The sensitivity analysis of net interest income identifies the impact of changes in interest rates as a result of parallel and other shocks.
The Bank calculates the sensitivity of net interest income holding volumes constant. According to this model, maturing amounts are reinvested in transactions of similar size and financial characteristics to those maturing during the analysis period.
The indicator is calculated at both Group and legal entity levels.

The sensitivity analysis of economic value identifies the impact of yield curve shocks on the value of shareholders' equity. This change is calculated by discounting all the cash flows using two different yield curves: the current curve at the analysis date and that following the shock, and comparing the two values.

$$\Delta VA = VA_{(Curve1)} - VA_{(Curve2)}$$

In order to include the prepayment phenomenon (early repayment, in whole or in part, of the residual debt by the borrower) when measuring the sensitivity, a statistical model has been adopted whereby the potential prepayment of loan principal is estimated using different variables, both of financial nature (such as market interest rates) and contractual (such as the original duration of the loan, the type of loan, the personal characteristics of the borrower, etc.).

For the calculation of sensitivity, demand balances outstanding with customers are simulated using an econometric model which identifies a portfolio that replicates them, by allocating demand funding (lending) to a portfolio of liabilities (assets) with an identified effective repricing profile.

In addition to the risk measures mentioned above, basis risks monitoring and the measurement of capital absorbed in relation to interest rate risk are taken into account. Capital linked to interest rate risk is defined as the higher between the reduction in the economic value of capital and the reduction in net interest income under the assumption that the interest rate curve shocks required by regulations are applied.

BPER Banca monitors, on a monthly and consolidated basis, the impact that unexpected changes in credit spreads may have on the positions in the banking book on the standpoint of net interest income, on net interest income and current profits (Market Value Changes – MVC) and economic value. Credit spread risk arising from the banking book, CSRBB, captures the risk of changes in the credit spread of an instrument of the same credit quality, i.e. the trend of the credit spread within a given rating/probability of default range. The CSRBB is a combination of two elements:

- market credit spread: i.e. changes in the market price of credit risk (as opposed to the idiosyncratic credit spread), which represents the credit risk premium demanded by market operators for a given credit quality;
- market liquidity spread: i.e. changes in the market liquidity spread, which represents the liquidity premium that stimulates market appetite for investment and the presence of willing buyers and sellers

With regard to price risk, the banking book essentially includes transactions in equity instruments, mutual funds and SICAVs classified in the financial statements as measured at fair value through profit or loss and other comprehensive income.
The monitoring of the aforementioned portfolio takes place through the Value at Risk (VaR) methodology presented in detail in the section on qualitative information: “Interest rate risk and price risk - Trading portfolio reported for regulatory purposes”. The Financial Risks Service records and monitors on a daily basis the exposure to price risk through the production of specific reporting containing the main risk metrics (mainly expressed in terms of Value-at-Risk) and, where appropriate, the associated exposure limits for said type of risk.

Quantitative information

2. Interest rate risk - Banking book: internal models and other methodologies for the sensitivity analysis

Below are the year-end figures at 31 December 2025 and their trends (minimum, average, maximum) of the management reporting year relating to the banking book's net interest income, against a parallel shift of +100/-50 bps.

	+100 bps	-50 bps
31 December 2025	**41,716**	**(25,847)**
maximum change	80,946	(45,234)
minimum change	41,716	(15,486)
average change	65,726	(35,969)
31 December 2024	**56,749**	**(33,107)**

Below are the year-end figures at 31 December 2025 and their trends (minimum, average, maximum) of the management reporting year relating to the change in the value of the banking book, against a parallel shift of +/- 100 bps (sensitivity analysis).

	+100 bps	-100 bps
31 December 2025	**(499,079)**	**296,257**
maximum change	(526,157)	383,868
minimum change	(367,389)	148,065
average change	(446,618)	261,766
31 December 2024	**(366,741)**	**182,708**

In relation to the measurement of market risk, the VaR of the overall securities portfolio (banking and trading) amounts to Euro 579 million (Euro 367 million as at 31 December 2024) and is principally attributable to the Italian government securities held in the portfolio, which account for approximately 26% of the indicator, Euro 150 million (Euro 110 million as at 31 December 2024).

2. Price risk - Banking book: internal models and other methodologies for the sensitivity analysis

VaR measurements referring to time horizons of ten days and one day are set out below, in relation to the price risk associated with the trading portfolio reported for regulatory purposes at 31 December 2025.

Descriptive data		VaR		VaR	
		Time horizon: 10 days		Time horizon: 1 day	
		Confidence interval: 99%		Confidence interval: 99%	
Type of transaction	**Present value**	**VaR**	**Var/Present Value**	**VaR**	**Var/Present Value**
Equity instruments	680,736	46,985	6.90%	15,511	2.28%
Mutual funds and SICAVs	468,288	21,898	4.68%	7,218	1.54%
Derivatives/Transactions to be settled	-	-	0.00%	-	0.00%
Effect of diversification		(7,212)		(2,436)	
Total portfolio 2025	**1,149,024**	**61,671**	**5.37%**	**20,293**	**1.77%**
Total portfolio 2024	**1,037,815**	**34,647**	**3.34%**	**10,956**	**1.06%**

1.2.3 Exchange risk

Qualitative Information

A. General aspects, management and measurement of exchange risk

BPER Banca is exposed to exchange risk in connection with routine funding and lending activities and, to a marginal extent, in relation to speculative activities.

The Financial Risks Service of the Parent Company records and monitors on a daily basis the exposure to currency risk through the production of specific reporting containing the main risk metrics (mainly expressed in terms of Value-at-Risk) and, where appropriate, the associated exposure limits for said type of risk.

B. Hedging of exchange risk

The BPER Banca Group uses plain vanilla instruments for the operational hedging of exchange risk.

Quantitative information

1. Breakdown of assets, liabilities and derivatives by currency

Items	Currency					
	USD	GBP	CHF	JPY	CNY	OTHER CURRENCIES
A. Financial assets	**2,199,375**	**353,803**	**143,919**	**26,547**	**18,977**	**24,497**
A.1 Debt securities	1,644,778	240,525	-	-	-	-
A.2 Equity instruments	31,815	271	334	-	-	1
A.3 Loans to banks	65,719	9,179	6,427	19,370	17,382	20,084
A.4 Loans to customers	457,063	103,828	137,158	7,177	1,595	4,412
A.5 Other financial assets	-	-	-	-	-	-
B. Other assets	**72,875**	**1,449**	**3,374**	**207**	**-**	**754**
C. Financial liabilities	**2,023,082**	**267,141**	**28,234**	**20,259**	**2,934**	**22,224**
C.1 Deposits from banks	1,379,395	213,348	2,141	58	58	3,238
C.2 Deposits from customers	643,687	53,793	26,093	20,201	2,876	18,986
C.3 Debt securities in issue	-	-	-	-	-	-
C.4 Other financial liabilities	-	-	-	-	-	-
D. Other liabilities	**7,656**	**7**	**132**	**-**	**374**	**280**
E. Financial derivatives	**1,362,494**	**126,016**	**133,060**	**23,228**	**43,459**	**132,240**
- Options						
+ Long positions	61,194	-	-	4,195	-	11,844
+ Short positions	156,315	857	107	5,318	19,887	2,948
- Other derivatives						
+ Long positions	444,999	18,019	4,924	4,301	14,892	53,052
+ Short positions	699,986	107,140	128,029	9,414	8,680	64,396
Total assets	**2,778,443**	**373,271**	**152,217**	**35,250**	**33,869**	**90,147**
Total liabilities	**2,887,039**	**375,145**	**156,502**	**34,991**	**31,875**	**89,848**
Net balance (+/-)	**(108,596)**	**(1,874)**	**(4,285)**	**259**	**1,994**	**299**

2. Internal models and other methodologies for the sensitivity analysis

The VaR determined over time horizons of ten days and one day is set out below, in relation to the risk faced by the BPER Banca Group at 31 December 2025.

	VaR Time horizon: 10 days Confidence interval: 99%	VaR Time horizon: 1 day Confidence interval: 99%
2025	**15,482**	**5,003**
2024	**9,874**	**3,079**

Section 3 – Derivative instruments and hedging policies

3.1 Trading derivative instruments

The Group's organisation provides for centralisation of the derivatives' management process at the Parent Company; consequently, the qualitative information set out below also reflects the individual position of BPER Banca.

A. Financial derivatives

A.1 Trading financial derivatives: notional values at the end of the period

Underlying assets/Type of derivatives	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 agreements	Without netting agreements			With netting agreements	Without netting agreements	
1. Debt securities and interest rates	**-**	**15,945,802**	**7,548,832**	**-**	**-**	**12,292,595**	**4,815,814**	**-**
a) Options	-	1,929,761	310,124	-	-	1,506,429	320,370	-
b) Swaps	-	13,990,968	4,294,731	-	-	10,728,502	3,239,131	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	2,906,100	-	-	-	1,222,600	-
e) Other	-	25,073	37,877	-	-	57,664	33,713	-
2. Equities and stock indexes	**-**	**8,295,202**	**296,547**	**-**	**-**	**9,122,290**	**2,391**	**-**
a) Options	-	7,355,886	293,274	-	-	9,122,290	216	-
b) Swaps	-	939,316	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	3,273	-	-	-	2,175	-
e) Other	-	-	-	-	-	-	-	-
3. Currencies and gold	**-**	**1,008,790**	**737,243**	**-**	**-**	**721,956**	**752,607**	**-**
a) Options	-	184,266	228,042	-	-	57,618	291,090	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	624,713	509,201	-	-	478,452	461,517	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	199,811	-	-	-	185,886	-	-
4. Commodities	**-**	**-**	**-**	**-**	**-**	**151**	**151**	**-**
5. Other	-	139,818	140,383	-	-	84,003	82,265	-
Total	**-**	**25,389,612**	**8,723,005**	**-**	**-**	**22,220,995**	**5,653,228**	**-**

A.2 Trading financial derivatives: positive and negative gross fair value - breakdown by product

Type of derivatives	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 agreements	Without netting agreements			With netting agreements	Without netting agreements	
1. Positive Fair Value								
a) Options	-	426,373	6,276	-	-	305,893	6,591	-
b) Interest rate swaps	-	148,509	33,317	-	-	211,560	31,933	-
c) Cross currency swaps	-	-	-	-	-	-	-	-
d) Equity swaps	-	93,597	-	-	-	-	-	-
e) Forwards	-	4,047	5,663	-	-	7,466	8,076	-
f) Futures	-	-	-	-	-	-	-	-
g) Other	-	17,756	7,759	-	-	13,945	7,193	-
Total	**-**	**690,282**	**53,015**	**-**	**-**	**538,864**	**53,793**	**-**
2. Negative Fair Value								
a) Options	-	129,037	12,905	-	-	37,405	7,250	-
b) Interest rate swaps	-	96,552	45,223	-	-	128,275	57,081	-
c) Cross currency swaps	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-
e) Forwards	-	4,285	4,348	-	-	3,054	8,259	-
f) Futures	-	-	-	-	-	-	-	-
g) Other	-	10,168	14,401	-	-	3,079	7,849	-
Total	**-**	**240,042**	**76,877**	**-**	**-**	**171,813**	**80,439**	**-**

A.3 OTC trading financial 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 agreements				
1) Debt securities and interest rates				
- notional value	X	3,047,490	236,923	4,264,419
- positive fair value	X	12,846	1,046	22,697
- negative fair value	X	810	151	49,619
2) Equities and stock indexes				
- notional value	X	296,430	113	4
- positive fair value	X	1,420	6	2
- negative fair value	X	9,891	-	-
3) Currencies and gold				
- notional value	X	4,470	12,766	720,007
- positive fair value	X	20	11	9,964
- negative fair value	X	16	360	5,444
4) Commodities				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
5) Other				
- notional value	X	-	-	140,383
- positive fair value	X	-	-	5,003
- negative fair value	X	-	-	10,586
Contracts included in netting agreements				
1) Debt securities and interest rates				
- notional value	-	13,489,057	612,147	1,844,598
- positive fair value	-	156,433	1,203	6,667
- negative fair value	-	99,309	4,537	9,766
2) Equities and stock indexes	**-**			
- notional value	-	8,295,202	-	-
- positive fair value	-	509,434	-	-
- negative fair value	-	111,721	-	-
3) Currencies and gold	**-**			
- notional value	-	1,008,790	-	-
- positive fair value	-	5,630	-	-
- negative fair value	-	10,214	-	-
4) Commodities	**-**			
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
5) Other	**-**	**-**	**-**	**-**
- notional value	-	139,818	-	-
- positive fair value	-	10,915	-	-
- negative fair value	-	4,495	-	-

A.4 Residual life of OTC trading financial derivatives: notional values

Underlying assets/Residual life	Up to 1 year	Over 1 year up to 5 years	Over 5 years	Total
A.1 Financial derivatives on debt securities and interest rates	6,748,030	14,554,826	2,191,778	23,494,634
A.2 Financial derivatives on equity securities and stock indexes	2,584,914	6,006,721	114	8,591,749
A.3 Financial derivatives on currencies and gold	1,725,729	20,304	-	1,746,033
A.4 Financial derivatives on commodities	-	-	-	-
A.5 Other financial derivatives	250,607	29,594	-	280,201
Total 31.12.2025	**11,309,280**	**20,611,445**	**2,191,892**	**34,112,617**
Total 31.12.2024	**7,880,121**	**18,332,669**	**1,661,433**	**27,874,223**

B. Credit derivatives

B.1. Trading credit derivatives: end-of-period notional

There are no amounts for this item in this Separate Financial Report.

B.2 Trading credit derivatives: positive and negative gross fair value - breakdown by product

There are no amounts for this item in this Separate Financial Report.

B.3 OTC trading credit derivatives: notional values, gross positive and negative fair value by counterparty

There are no amounts for this item in this Separate Financial Report.

B.4 Residual life of OTC trading credit derivatives: notional values

There are no amounts for this item in this Separate Financial Report.

B.5 Credit derivatives connected with the fair value option: annual changes

There are no amounts for this item in this Separate Financial Report.

3.2 Accounting hedges

Qualitative Information

BPER Banca has adopted Chapter 6 Hedge Accounting of IFRS 9. For more details on the choices applied, please refer to Part A.2 of the Explanatory Notes, paragraph 4. “Hedging transactions”.

A. Fair value hedges

Hedged Risk - Rate Risk

As already mentioned previously and in other parts of the Financial Report, the corporate strategies provide for specific interventions aimed at the best possible management of interest rate risk. Among the intervention levers, the Group has recourse to derivative contracts (classified from an accounting point of view both as “hedging” and “trading”), used to reduce the sensitivity of the proprietary securities portfolio, loans granted and own liabilities (bond issues and on demand items), compared with a movement in risk-free rates.

The derivatives used for this purpose are:

- Interest Rate Swaps (IRS), also in currencies other than the Euro, traded over the counter, that are specific for each asset or liability instrument to be hedged, or refer to several instruments with the same maturity;
- Futures, listed, generic with underlying bonds (typically German, Italian and US bonds).

Compared with what is shown, micro-hedge accounting relationships are qualified only for hedging the interest rate risk connected to bonds in the banking book, classified among Financial assets measured at fair value through other comprehensive income and Financial assets measured at amortised cost, using IRS-type derivatives for this purpose. Hedging relationships of fixed rate bond loans issued by the Group were treated similarly under the micro-hedging arrangement.

BPER Banca has also qualified its macro hedging relations (macro-hedge accounting) for the hedging of interest rate risk associated with the medium-/long-term fixed-rate loan portfolio and some liability items - Sight Items - modelled according to the results of the behavioural model adopted by the BPER Banca Group and therefore characterised by features of "inelastic core" funding, i.e. those that are substantially characterised by a trend-based fixed cost and a stable duration over time.

Hedged risk - Credit / Counterparty Risk

Given the unexpected increase in credit/counterparty risk, the BPER Banca Group may use derivative instruments to reduce the sensitivity of the investment portfolio to this type of risk.

The derivatives used for this purpose are:

- Credit Default Swaps – CDS, traded over-the-counter, generic and linked to sub-indexes;
- Futures, listed, generic with underlying bonds (typically German, Italian and US bonds).

Compared with what is shown, the credit risk is hedged only by management, as no Hedge Accounting relationship has been qualified.

Hedged risk – Price risk

The coverage of potential unwanted changes in fair value also includes transactions involving equity securities.
The derivatives used for this purpose are generally Total Return Swap (TRS), traded over the counter, specific for each individual exposure.

B. Cash flow hedges

Hedged Risk – Rate Risk

The objective pursued by the Group in this case is to stabilise the contribution made by the securities portfolio to the net interest income of the Bank should risk-free rates rise and fall.
Cash flow hedging generally requires the use of Interest Rate Swaps - IRS, traded over the counter, specific for each instrument to be hedged or for multiple instruments with the same maturity.

Hedged Risk – Exchange Rate Risk

The objective pursued by the Group in this case is to stabilise the contribution made by the foreign currency securities portfolio to the net interest income of the Bank should the exchange rate depreciate.
Also in this case, hedging tends to be very limited (at the end of 2025 there was just one currency hedge in place) and generally requires the use of Cross Currency Swaps - CCS, traded over the counter, specific for each issue to be hedged or for multiple issues with the same maturity.

C. Hedging of foreign investments

BPER Banca does not have any foreign investment hedging relationships.

D. Hedging instruments

The hedge accounting implemented by the BPER Banca Group is therefore achieved by the use of OTC IRS derivative contracts, either plain vanilla or with cap & floor options, and CCS or TRS derivatives.

E. Hedged items

BPER Banca currently has accounting micro-hedges on bonds in the banking book, on its own bond issues and (mortgage) loans granted. For these instruments, either just the Interest rate risk component or the Interest rate risk and Inflation rate risk components are hedged.

Accounting hedges on sight items, i.e. funding, were put in place. In particular, Macro Fair Value Hedges were created, in order to hedge the interest rate risk component of the core fixed-rate inelastic component.

In 2025, BPER Banca created new Macro Fair Value Hedges on performing fixed-rate loans. This loan portfolio is dynamic and open, managed at an aggregate level using certain hedging derivatives, with the aim of hedging against interest rate risk.

Quantitative information

A. Hedging financial derivatives

A.1 Hedging financial derivatives: end-of-period notional amounts

Underlying assets/Type of derivatives	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 agreements	Without netting agreements			With netting agreements	Without netting agreements	
1. Debt securities and interest rates	**-**	**19,825,594**	**-**	**-**	**-**	**14,585,632**	**-**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	19,825,594	-	-	-	14,585,632	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
2. Equities and stock indexes	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Currencies and gold	**-**	**51,064**	**-**	**-**	**-**	**57,753**	**-**	**-**
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	51,064	-	-	-	57,753	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Commodities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
5. Other	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**19,876,658**	**-**	**-**	**-**	**14,643,385**	**-**	**-**

A.2 Hedging financial derivatives: gross positive and negative fair value - breakdown by product

Type of derivatives	Positive and negative fair value								Changes in the value used to calculate hedge effectiveness	
	Total 31.12.2025				Total 31.12.2024				Total 31.12.2025	Total 31.12.2024
	Over the counter			Organised markets	Over the counter			Organised markets		
	Central counterparties	Without central counterparties			Central counterparties	Without central counterparties				
		With netting agreements	Without netting agreements			With netting agreements	Without netting agreements			
1. Positive Fair Value										
a) Options	-	-	-	-	-	-	-	-	-	-
b) Interest rate swaps	-	777,935	-	-	-	649,351	-	-	-	-
c) Cross currency swaps	-	1,622	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	-	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
Total	**-**	**779,557**	**-**	**-**	**-**	**649,351**	**-**	**-**	**-**	**-**
2. Negative Fair Value										
a) Options	-	-	-	-	-	-	-	-	-	-
b) Interest rate swaps	-	87,684	-	-	-	207,098	-	-	-	-
c) Cross currency swaps	-	-	-	-	-	3,249	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	-	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
Total	**-**	**87,684**	**-**	**-**	**-**	**210,347**	**-**	**-**	**-**	**-**

A.3 OTC hedging financial 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 agreements				
1) Debt securities and interest rates				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
2) Equities and stock indexes				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
3) Currencies and gold				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
4) Commodities				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
5) Other				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
Contracts included in netting agreements				
1) Debt securities and interest rates				
- notional value	-	19,825,594	-	-
- positive fair value	-	777,935	-	-
- negative fair value	-	87,684	-	-
2) Equities and stock indexes				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
3) Currencies and gold				
- notional value	-	51,064	-	-
- positive fair value	-	1,622	-	-
- 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 hedging financial derivatives: notional values

Underlying assets/Residual life	Up to 1 year	Over 1 year up to 5 years	Over 5 years	Total
A.1 Financial derivatives on debt securities and interest rates	1,922,983	6,835,353	11,067,258	19,825,594
A.2 Financial derivatives on equity securities and stock indexes	-	-	-	-
A.3 Financial derivatives on currencies and gold	-	51,064	-	51,064
A.4 Financial derivatives on commodities	-	-	-	-
A.5 Other financial derivatives	-	-	-	-
Total 31.12.2025	**1,922,983**	**6,886,417**	**11,067,258**	**19,876,658**
Total 31.12.2024	**1,785,577**	**7,609,666**	**5,248,142**	**14,643,385**

B. Hedging credit derivatives

There are no amounts for this item in this Separate Financial Report.

C. Non-hedging derivatives

There are no amounts for this item in this Separate Financial Report.

D. Hedged instruments

D.1 Fair value hedges

	Micro-hedges: book value	Micro-hedges - net positions: book value of assets or liabilities (prior to netting)	Micro-hedges			Macro-hedges: Book Value
			Cumulative fair value changes (hedged instrument)	Termination of hedging: residual cumulative fair value changes	Change in value used to assess hedge ineffectiveness	
A. Assets						
1. Financial assets measured at fair value through other comprehensive income - hedging of:	**556,686**	**-**	**(36,832)**	**(2,611)**	**(36,832)**	**-**
1.1 Debt securities and interest rates	555,049	-	(46,074)	(2,611)	(46,074)	x
1.2 Equities and stock indexes	1,637	-	9,242	-	9,242	x
1.3 Currencies and gold	-	-	-	-	-	x
1.4 Loans	-	-	-	-	-	x
1.5 Other	-	-	-	-	-	x
2. Financial assets measured at amortised cost - hedging of:	**10,814,194**	**-**	**(601,349)**	**(207,419)**	**(601,349)**	**1,649,244**
1.1 Debt securities and interest rates	10,802,173	-	(595,902)	(207,419)	(595,902)	x
1.2 Equities and stock indexes	-	-	-	-	-	x
1.3 Currencies and gold	-	-	-	-	-	x
1.4 Loans	12,021	-	(5,447)	-	(5,447)	x
1.5 Other	-	-	-	-	-	x
Total 31.12.2025	**11,370,880**	**-**	**(638,181)**	**(210,030)**	**(638,181)**	**(1,649,244)**
Total 31.12.2024	**6,903,793**	**-**	**(489,437)**	**(239,291)**	**(489,437)**	**-**
B. Liabilities						
1. Financial liabilities measured at amortised cost - hedging of:	**5,018,819**	**-**	**32,598**	**19,257**	**32,598**	**1,455,254**
1.1 Debt securities and interest rates	5,018,819	-	32,598	19,257	32,598	x
1.2 Currencies and gold	-	-	-	-	-	x
1.3 Other	-	-	-	-	-	x
Total 31.12.2025	**5,018,819**	**-**	**32,598**	**19,257**	**32,598**	**1,455,254**
Total 31.12.2024	**5,452,074**	**-**	**69,868**	**25,464**	**69,868**	**2,127,778**

D.2 Hedging of cash flows and foreign investments

	Change in value used to calculate hedging ineffectiveness	Hedging reserves	Termination of hedging: residual value of hedging reserves
A. Cash flow hedges			
1. Assets	**-**	**(1,726)**	**-**
1.1 Debt securities and interest rates	-	-	-
1.2 Equities and stock indexes	-	-	-
1.3 Currencies and gold	-	(1,726)	-
1.4 Loans	-	-	-
1.5 Other	-	-	-
2. Liabilities	**-**	**-**	**-**
1.1 Debt securities and interest rates	-	-	-
1.2 Currencies and gold	-	-	-
1.3 Other	-	-	-
Total (A) 31.12.2025	**-**	**(1,726)**	**-**
Total (A) 31.12.2024	**-**	**20**	**-**
B. Hedges of foreign investments	**X**	**-**	**-**
Total (A+B) 31.12.2025	**-**	**(1,726)**	**-**
Total (A+B) 31.12.2024	**-**	**20**	**-**

E. Effects of hedging on shareholders' equity

E.1 Reconciliation of components of shareholders' equity

	Cash flow hedging reserve				
	Debt securities and interest rates	Equities and stock indexes	Currencies and gold	Loans	Other
Initial balance	-	-	20	-	-
Changes in Fair Value (effective portion)	-	-	(1,746)	-	-
Transfer to P&L	-	-	-	-	-
of which: future transactions not expected	-	-	-	-	-
Other	-	-	-	-	-
of which: transfer of hedged instruments at initial book value (IFRS 9 para. 6.5.11 letter d) points i)	-	-	-	-	-
Closing balance	**-**	**-**	**(1,726)**	**-**	**-**

The parts of the table relating to hedging reserves for foreign investments and hedging instruments (non-designated elements) are not shown as they do not apply.

3.3. Other information on derivative instruments (trading and hedging)

Financial and credit derivatives

At 31 December 2025, BPER Banca does not have any derivatives that satisfy the criteria envisaged in IAS 32, para. 42 for offsetting financial assets and liabilities.

Section 4 – Liquidity risk

Qualitative Information

A. General aspects, management and measurement of liquidity risk

Liquidity risk typically crystallises in the form of failure to meet payment obligations; it may take various forms, depending on the circumstances in which the risk arises. With reference to the definitions adopted at international level, a distinction is made between funding liquidity risk and market liquidity risk.

Funding liquidity risk is the risk that the Group will not be able to make, in an efficient manner, expected and unexpected cash payments, both current and future, without an adverse effect on the Group's current operations or its financial position.
Market liquidity risk, on the other hand, is the risk that the Group is not able to sell a financial asset without incurring a capital loss due to low depth in the reference market or as a consequence of the time frame within which the assets need to be transferred.

In the context of funding liquidity risk, a distinction is also made between:
- mismatch liquidity risk, being the liquidity risk implicit in the structure of the Group's assets and liabilities due to the transformation of maturities typical of financial intermediaries, when the profile of cash outflows is not perfectly matched by the profile of cash inflows (with reference to contractual maturities and routine behaviour);
- contingency liquidity risk, being the risk that future events may require access to significantly more liquidity than previously planned by the Group and of such scale that it is unable to settle sudden and unexpected payment commitments in the short or very short term.

The BPER Group, in line with the Group Guidelines on the Internal control system, has a specific policy for the governance and management of liquidity and funding risk (Group Policy for Liquidity and Funding Risk Governance), which includes the plan covering the objectives, processes and strategies for action under contingency circumstances (Contingency Funding Plan).

The Policy, which forms an integral part of the Risk Appetite Framework – RAF of the BPER Group, defines the principles, objectives and methods of governance and monitoring of liquidity and funding risk at Group level. More specifically, it contains:
- the definition of the governance model in terms of the parties involved in risk governance and their roles and responsibilities;
- definition of limits and mitigating actions aimed at risk containment;
- the formalisation of risk management methods, through the establishment of rules, procedures and metrics for the measurement and monitoring of liquidity and funding risk and describing the stress test model adopted to evaluate the risk exposure in adverse scenarios.

In particular, the Group's model for the governance of liquidity and funding risk has the following objectives:
- guarantee solvency in the ordinary course of business and under crisis conditions;
- ensure enough liquidity to satisfy the contractual commitments of the Group at all times, while also optimising the cost of funding given both current and expected market conditions;
- apply the instructions issued by the Supervisory Authorities, while also taking account of the Group's own operating characteristics.
- development of processes for the governance and management of liquidity and funding risk, using a model that involves the appropriate corporate bodies and functions;
- ensuring conformity of the processes for the governance and management of liquidity and funding risk with the prudential supervision instructions.

The BPER Group's model for the governance of liquidity and its risk is characterised by a centralised-type system, in which the Parent Company BPER Banca exercises management, coordination and control over each of the Group's Banks and Companies.

Internal assessment of liquidity adequacy is conducted periodically through the ILAAP (Internal Liquidity Adequacy Assessment Process), which allows the Group to identify, measure, manage, and monitor its liquidity and funding risk profile. Through the ILAAP, carried out at consolidated level, the Corporate Bodies and organisational Functions acquire the information and instruments necessary to define liquidity and funding strategies and to manage liquidity in a prudent and effective manner, maintaining on an ongoing basis the adequacy of the risk profile with respect to the objectives of the Risk Appetite Framework.

With regard to short-term liquidity (i.e., operational liquidity), the Parent Company manages funding and lending operations, defines and oversees the Funding Plan, and monitors the liquidity risk profile for each entity within the consolidated perimeter.

Similarly, for medium- to long-term liquidity (i.e., structural liquidity), the Parent Company:

- coordinates the commercial and credit policies of the Group's Banks and Companies to ensure consistency in the overall governance of funding risk and to ensure compliance with regulatory requirements ;
- ensures the clear attribution of responsibilities among the governance, control, and operational bodies within the Group, consistently developing the processes for managing and controlling funding risk.

The metrics that monitor short-term liquidity risk, aimed at maintaining the ability of the Group to meet both routine and unexpected payment obligations, while minimising the related cost, envisage:

- calculation, on a daily basis, of the exposure using the Liquidity Risk Mismatch Model, considering the eligible assets that are readily convertible into liquid funds, as well as any reserves held in the form of working capital;
- that assets minus liabilities due to mature in the various time bands fits within a cumulative limit.

The metrics that monitor funding risk are designed to maintain suitable dynamics in the ratio of medium/long-term assets and liabilities, avoiding pressure on the sources of current and expected short-term liquidity while optimising the cost of funding. These metrics envisage:

- calculation of the liquidity mismatch which, in practical terms, means calculating the gap *ratios* between assets and liabilities in the time bands beyond one year;
- calculation of the funding gap, being the difference between lending and commercial funding as a percentage of total lending;
- the use of statistical/quantitative behavioural models for items without contractual maturities or which are subject to options;

Group liquidity is monitored both in the ordinary course of business and under stress conditions. The Liquidity Stress Testing framework is aimed at assessing and monitoring the Group's ability to withstand severe but plausible liquidity stress situations, fulfilling its contractual and regulatory obligations without business interruption.
This framework is based on the simulation of scenarios characterised by adverse components of a Systemic (Market Driven) nature, Idiosyncratic (Bank Specific) nature, and a combination of systemic and idiosyncratic components, of sufficient intensity to negatively impact the Group's liquidity position.

In line with both external and internal regulatory frameworks, the Group has also implemented comprehensive organisational safeguards and internal control processes, set out in an emergency plan, or Contingency Funding Plan (CFP), to be activated in the event of anomalies identified through an appropriate system of early warning indicators.
The CFP is identified as a suitable tool for mitigating liquidity risk, with its primary purpose being to protect the Group's liquidity and funding position during periods of stress or liquidity crisis, through the provision of stress management strategies and procedures suitable for raising funds in the event of a contingency.
The Contingency Funding Plan formalises the process of liquidity management under stress or crisis scenarios. The business functions responsible for monitoring and managing liquidity risk must be able to carry out their activities both under normal conditions and at times of stress and/or liquidity crises that are unlikely to occur, but which would have a significant impact.

In view of the governance model of the liquidity and funding risk previously illustrated, BPER Banca - as the lender of last resort for all Group subsidiaries - guarantees their short, medium and long-term solvency and is responsible for activating the Contingency Funding Plan, regardless of where in the Group the liquidity crisis arises.

The BPER Group's CFP identifies four reference operating scenarios:

- ordinary course of business;
- state of attention;
- state of stress;
- state of crisis.

Depending on the operational scenario of reference, identified by monitoring a system of quantitative alerts, the management process will be defined in terms of functions involved and actions to be adopted.

The Contingency Funding Plan and its revisions must be approved by the Board of Directors of the Parent Company.

B. Liquidity indicators

The harmonised rules for banks and investment companies contained in EU Regulation 575/2013 (CRR), as subsequent updates, introduced the following liquidity indicators, to be calculated at a consolidated level:

- Liquidity Coverage Ratio (LCR): this is an indicator of coverage of short-term liquidity whose purpose is to force banks to accumulate sufficient high-quality assets that are readily convertible into cash, in order to deal with a scenario of high stress on the funding side over a period of thirty days. At 31 December 2025 the ratio was 172.1% calculated as a ratio of Euro 36,463 million of highly liquid assets and Euro 21,184 million of net cash outflows;
- Net Stable Funding Ratio (NSFR): a structural long-term indicator that is measured with a view to reporting any mismatches between assets and liabilities. As at 31 December 2025, the ratio stood at 134.4%, calculated as the ratio between Euro 143,195 million of available stable funding and Euro 106,525 million of required stable funding.

The liquidity requirements are over 100%, so above the minimum requirements.

Alongside these indicators, the legislation also sets the Leverage Ratio which is highlighted in the Directors' Report on Operations under the heading "Key figures".

Quantitative information

1. Time breakdown of financial assets and liabilities by contractual residual maturity

EURO

Items/time bands	On demand	From 1 to 7 days	From 7 to 15 days	From 15 days to 1 month	From 1 to 3 months
A. On-balance-sheet assets	**15,307,836**	**2,489,024**	**1,873,670**	**3,164,064**	**6,116,874**
A.1 Government securities	2,743	-	3,516	13,406	26,026
A.2 Other debt securities	5,703	2,092	41,457	32,779	147,383
A.3 UCITS units	468,289	-	-	-	-
A.4 Loans	14,831,101	2,486,932	1,828,697	3,117,879	5,943,465
- Banks	7,936,427	323,813	25,772	27,149	1,696,649
- Customers	6,894,674	2,163,119	1,802,925	3,090,730	4,246,816
B. On-balance sheet liabilities	**89,651,973**	**5,541,530**	**1,041,028**	**4,209,535**	**1,531,509**
B.1 Deposits and current accounts	87,978,141	26,486	73,288	249,233	611,761
- Banks	7,560,248	-	3,506	76,956	198,694
- Customers	80,417,893	26,486	69,782	172,277	413,067
B.2 Debt securities	4,090	4,300	24,108	26,600	153,797
B.3 Other liabilities	1,669,742	5,510,744	943,632	3,933,702	765,951
C. Off-balance sheet transactions					
C.1 Financial derivatives with exchange of principal					
- Long positions	-	66,423	93,245	348,313	229,673
- Short positions	-	47,459	39,743	216,011	127,111
C.2 Financial derivatives without exchange of principal					
- Long positions	177,355	-	-	-	-
- Short positions	148,139	-	-	-	-
C.3 Deposits and loans to be received					
- Long positions	-	4,607,954	-	-	-
- Short positions	-	2,553,093	2,054,861	-	-
C.4 Commitments to disburse funds					
- Long positions	653,460	-	-	13	122,054
- Short positions	4,025,556	-	-	-	-
C.5 Financial guarantees granted	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-
C.7 Credit derivatives with exchange of principal					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.8 Credit derivatives without exchange of principal					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-

1. Time breakdown of financial assets and liabilities by contractual residual maturity

EURO

(cont.)

Items/time bands	From 3 to 6 months	From 6 months to 1 year	From 1 to 5 years	Over 5 years	Undefined maturity
A. On-balance-sheet assets	**4,241,785**	**8,712,187**	**36,711,121**	**46,646,454**	**1,053,940**
A.1 Government securities	97,043	263,003	4,136,508	12,934,688	-
A.2 Other debt securities	153,816	1,888,728	4,921,154	3,562,794	220
A.3 UCITS units	-	-	-	-	-
A.4 Loans	3,990,926	6,560,456	27,653,459	30,148,972	1,053,720
- Banks	166,785	473,329	2,465,503	390,422	1,053,720
- Customers	3,824,141	6,087,127	25,187,956	29,758,550	-
B. On-balance sheet liabilities	**2,031,402**	**1,521,967**	**8,615,772**	**4,415,704**	**-**
B.1 Deposits and current accounts	689,294	409,540	150,045	62	-
- Banks	130,500	269,315	150,000	-	-
- Customers	558,794	140,225	45	62	-
B.2 Debt securities	1,197,715	944,418	7,505,008	2,629,000	-
B.3 Other liabilities	144,393	168,009	960,719	1,786,642	-
C. Off-balance sheet transactions					
C.1 Financial derivatives with exchange of principal					
- Long positions	155,037	132,673	51,318	8,374	-
- Short positions	153,824	91,544	8,403	6,951	-
C.2 Financial derivatives without exchange of principal					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.3 Deposits and loans to be received					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.4 Commitments to disburse funds					
- Long positions	314	44,691	1,737,365	95,944	-
- Short positions	-	-	-	-	-
C.5 Financial guarantees granted	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-
C.7 Credit derivatives with exchange of principal					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.8 Credit derivatives without exchange of principal					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-

1. Time breakdown of financial assets and liabilities by contractual residual maturity

OTHER CURRENCIES

Items/time bands	On demand	From 1 to 7 days	From 7 to 15 days	From 15 days to 1 month	From 1 to 3 months
A. On-balance-sheet assets	**319,031**	**10,357**	**18,583**	**123,841**	**386,998**
A.1 Government securities	-	-	-	-	13
A.2 Other debt securities	-	-	-	60,500	138,666
A.3 UCITS units	-	-	-	-	-
A.4 Loans	319,031	10,357	18,583	63,341	248,319
- Banks	137,996	2,658	-	25,363	10,711
- Customers	181,035	7,699	18,583	37,978	237,608
B. On-balance sheet liabilities	**734,432**	**851**	**62,159**	**239,420**	**1,301,152**
B.1 Deposits and current accounts	714,859	851	10,410	3,202	65,337
- Banks	35,410	-	-	-	-
- Customers	679,449	851	10,410	3,202	65,337
B.2 Debt securities	8	-	-	-	-
B.3 Other liabilities	19,565	-	51,749	236,218	1,235,815
C. Off-balance sheet transactions					
C.1 Financial derivatives with exchange of principal					
- Long positions	-	53,435	39,451	72,091	129,246
- Short positions	-	58,905	92,821	203,772	230,531
C.2 Financial derivatives without exchange of principal					
- Long positions	820	-	-	-	-
- Short positions	799	-	-	-	-
C.3 Deposits and loans to be received					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.4 Commitments to disburse funds					
- Long positions	-	-	186	-	-
- Short positions	7	179	-	-	-
C.5 Financial guarantees granted	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-
C.7 Credit derivatives with exchange of principal					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.8 Credit derivatives without exchange of principal					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-

1. Time breakdown of financial assets and liabilities by contractual residual maturity

OTHER CURRENCIES

(cont.)

Items/time bands	From 3 to 6 months	From 6 months to 1 year	From 1 to 5 years	Over 5 years	Undefined maturity
A. On-balance-sheet assets	**148,151**	**335,413**	**1,267,783**	**245,544**	**-**
A.1 Government securities	-	13	736,170	85,106	-
A.2 Other debt securities	83,007	261,754	478,257	81,444	-
A.3 UCITS units	-	-	-	-	-
A.4 Loans	65,144	73,646	53,356	78,994	-
- Banks	9,371	13,701	-	-	-
- Customers	55,773	59,945	53,356	78,994	-
B. On-balance sheet liabilities	**12,714**	**5,644**	**-**	**-**	**-**
B.1 Deposits and current accounts	3,412	5,644	-	-	-
- Banks	-	2,904	-	-	-
- Customers	3,412	2,740	-	-	-
B.2 Debt securities	-	-	-	-	-
B.3 Other liabilities	9,302	-	-	-	-
C. Off-balance sheet transactions					
C.1 Financial derivatives with exchange of principal					
- Long positions	132,094	102,387	5,977	-	-
- Short positions	130,769	142,470	62,666	-	-
C.2 Financial derivatives without exchange of principal					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.3 Deposits and loans to be received					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.4 Commitments to disburse funds					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.5 Financial guarantees granted	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-
C.7 Credit derivatives with exchange of principal					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-
C.8 Credit derivatives without exchange of principal					
- Long positions	-	-	-	-	-
- Short positions	-	-	-	-	-

As required by the regulations, liquidity risk includes the self-securitisations carried out by the Parent Company and outstanding as at 31 December 2025.

Diamantino RMBS

On 9 May 2023, BPER Banca signed a contract for the disposal of loans relating to residential mortgages and property loans of Euro 3.7 billion in favour of the Diamantino RMBS vehicle that, on 22 June 2023, issued securities for a total of Euro 3,648,422,000 (of which Euro 2,645,100,000 in class A and Euro 1,003,322,000 in class J), fully subscribed for by BPER Banca s.p.a. in order to optimise the counterbalancing capacity with securities highly rated by the refinancing market.

Disposal date:	9 May 2023
Seller:	BPER Banca s.p.a.
Special purpose vehicle:	DIAMANTINO RMBS s.r.l., Via Vittorio Emanuele II 24/28, 20122 Milan
Servicer:	BPER Banca s.p.a., as Servicer, Account Bank and Paying Agent, Zenith Services as Calculation Agent and Corporate Servicer
Issue date of securities	22 June 2023
Type of transaction	Traditional
Organisational structure	(BPER Banca s.p.a.) provides a quarterly report on the collections in which it comments on the activity carried out with indications relating to collections, providing specific details about interest and principal payments. The Corporate Servicer activities has been delegated to Zenith Service s.p.a.
Internal systems for the measurement and control of risk	The recovery of loans and management of collections is carried out by the Originator.

The operational aspects are summarised below:

Assets sold	Property loans and residential mortgage loans
Quality of assets securitised	Performing loans
Amount of securitised assets	The total nominal value of the loan portfolio sold is Euro 3.7 billion
Disposal price of securitised assets	The disposal price is Euro 3.7 billion
Guarantees and credit lines granted by the bank	None
Guarantees and credit lines granted by third parties	None
Analysis by business sector	Mortgage agreements entered into with both natural and legal persons, excluding Public Administrations.
Analysis by geographical area	Securitised loans are concentrated in Italy.

The special purpose vehicle has issued the following bonds:

ISIN code	Seniority	Maturity	Issue amount	Residual balance at 31.12.2025
IT0005549594	Senior	Dec-75	2,645,100	1,579,588
IT0005549602	Junior	Dec-75	1,003,322	1,003,322
Total			**3,648,422**	**2,582,910**

Section 5 – Operational risk

Qualitative Information

A. General aspects, governance and measurement of operational risk

Operational risk is "the risk of losses due to inadequate or dysfunctional procedures, human resources or internal systems, or to exogenous events, including the legal risk[56]".
The BPER Banca Group adopts the Standardised Approach (TSA) introduced as part of the Basel framework reforms, to calculate the Capital Requirement for operational risk. This method replaces the previous Traditional Standardised Approach (TSA) and is based on a Business Indicator and on risk factors calibrated to the Group's scale and operational complexity. The Own Funds requirements are calculated in accordance with the regulatory provisions in force, ensuring greater sensitivity to the risk profile and closer correlation with the intermediary's operational characteristics.
Note that, on the basis of the principles of organisational separation and independence of functions exercising second and third level control activities, it is envisaged that there is:

- a first level control of operational risk;
- a function that performs second level controls of operational risk within the Risk Management Department, part of the Operational, ICT and Reputational Risk Unit;
- a function for third-level controls that is attributed to the Internal Audit Department, in accordance with the Group's internal control system.

Operational risk management is based on the following principles:

- identification: operational risks are identified, highlighted and reported to senior management;
- measurement and assessment: the risk is quantified by determining the impact on business processes, inclusive of the financial impact thereon;
- monitoring: monitoring of operational risk and of exposure to significant losses is ensured, generating information flows that favour active risk management;
- mitigation: appropriate measures have been taken to mitigate operational risk;
- reporting: a reporting system has been set up to report on operational risk management.

The collection and storage of data relating to loss events is done by means of the Group's Loss Data Collection process.
The process of Loss Data Collection is supported by special IT tools, which are under constant development, to ensure the integrity and quality of data.
The assessment of operational risk exposure, which is performed by means of risk self assessment, is aimed at determining, with an annual time horizon and for significant operating segments:

- the extent of exposure to operational risk;
- an assessment of the adequacy of line processes and controls.

The management of operational risk also includes assessment of the risks associated with the process adopted to approve new products and services, the start-up of new activities, the entry into new markets and the third party management process.

The Group has implemented an analytical framework for ICT and Security risk in compliance with Bank of Italy Circular 285 of 17 December 2013, with the aim of providing an overview of the current risk situation and the remedy plan needed to avoid exceeding the threshold set for the Group's risk appetite.
Following the new regulatory provisions (Directive (EU) 2015/2366 implemented in the 28th update of Circular 285 of July 2019), every year the Group carries out an in-depth assessment of the operational and security risks related to the payment services provided and the adequacy of the mitigation measures and control mechanisms put in place to address them.

The Parent Company prepares a quarterly report for Senior Management and the managers of central organisational units on the operational losses incurred during the period, as well as an annual report that analyses the forward-looking assessments of operational risk, based on the risk self assessments carried out, and describes the various risk mitigation actions planned. Specific reporting is also provided for the ICT and Security risk management framework and the third-party risk management framework.

56 See (EU) Regulation 575/2013 of the European Parliament and the Council of 26 June 2013 on prudential requirements for credit institutions and investment companies (CRR) – Part one, Title I, art. 4. Legal risk is the risk of losses resulting from violations of laws or regulations, from contractual or extra-contractual liability or from other disputes.

Membership by the BPER Banca Group of the DIPO consortium[57] allows the Bank to obtain feedback about the operational losses reported by the other Italian banks that are members. The Parent Company currently uses this feedback to analyse the positioning of the Group with respect to the system as a whole, to update the map of operational risks and to support the estimates made during the Risk Self Assessment process.
Operational risk management includes the various steps involved in the process of Business Continuity Management. This process is designed to maintain an appropriate level of attention regarding operational continuity and to avoid the progressive obsolescence of organisational measures (rules, impact assessment, scenarios, emergency measures, operating plans etc.) taken to ensure the continuity of critical business processes.

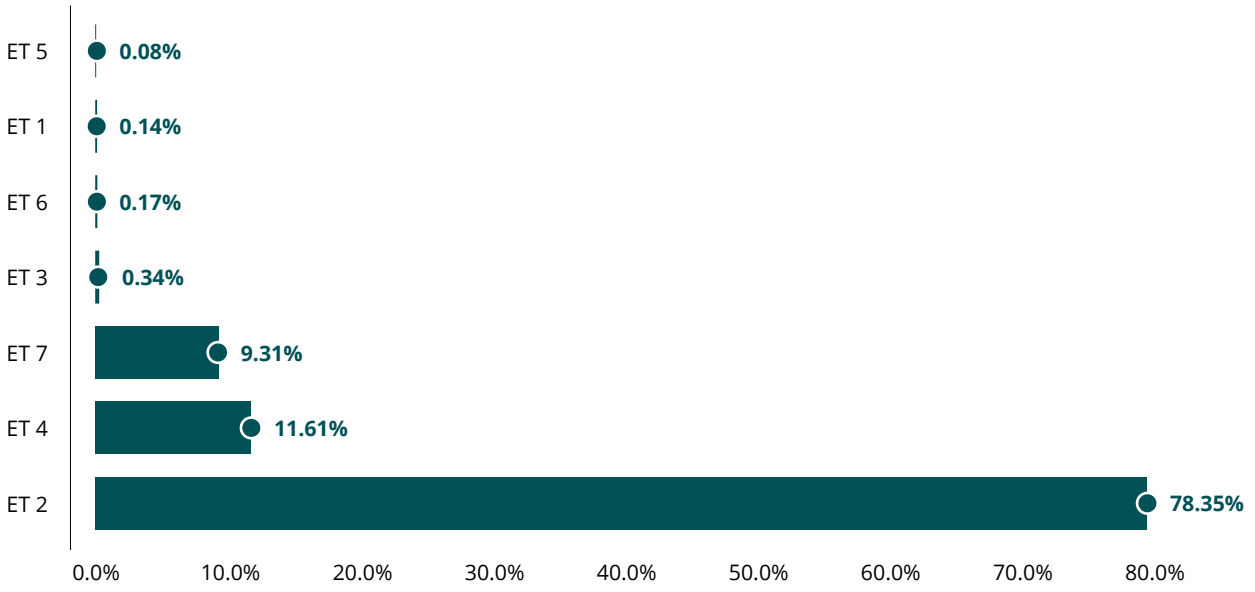
Quantitative information

The following is the distribution of the number of events and operating losses recorded in 2025, divided into the following risk categories:

- internal fraud: losses due to fraud, embezzlement or circumvention of regulations, laws or company policies, excluding incidents of discrimination or failure to apply equal treatment, which involves at least one internal resource of the entity;
- external fraud: losses due to fraud, embezzlement or violation/circumvention of laws, by a third party;
- employment and safety at work: losses arising from acts not in compliance with laws or agreements in respect of employment, health and safety at work, from the payment of compensation for personal injuries or incidents of discrimination or failure to apply equal treatment;
- customers, products and business practices: losses arising from unintentional or negligent non-performance relating to professional obligations to specific clients (including fiduciary and suitability requirements), or from the nature or characteristics of the product;
- damage to fixed assets: losses resulting from loss or damage to assets from natural disasters or other events;
- business interruption and system failures: losses arising from business interruption or system failures;
- performance, delivery and management of processes: losses due to weaknesses in the handling of transactions or management of processes, as well as losses due to relations with business partners and suppliers.

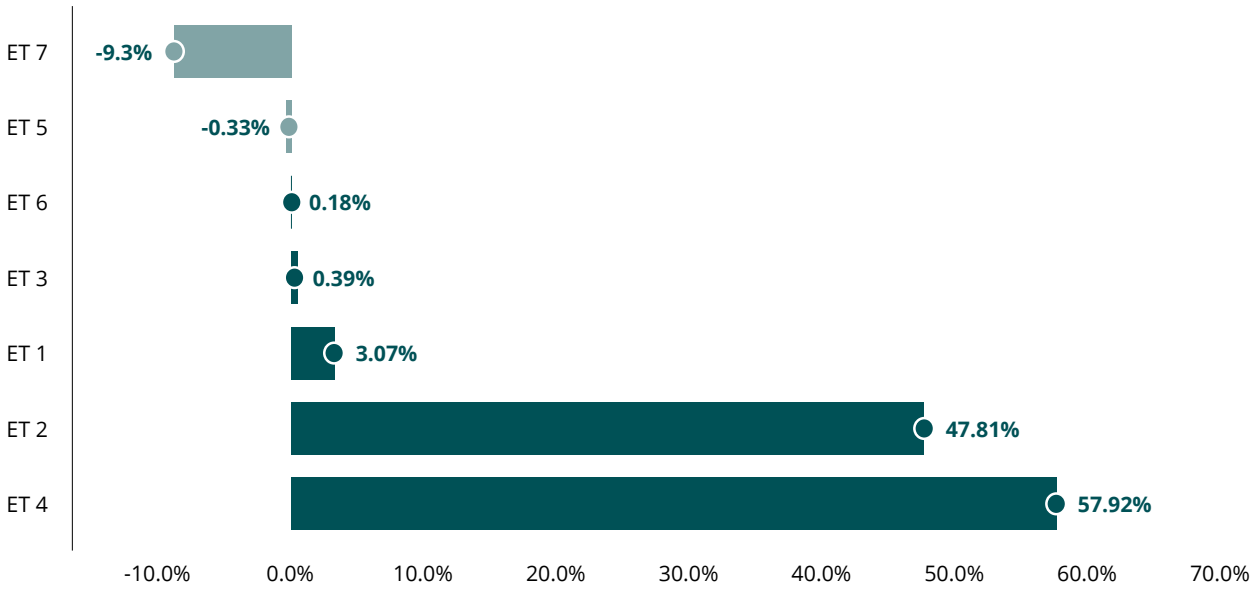
57 Database Italiano Perdite Operative (Italian Database of Operational Losses) which the BPER Banca Group has participated in since 2003. The DIPO observatory is a service provided by the Italian Banking Association designed to support the development of Operational Risk Management and to create a methodology for gathering and exchanging information on operational losses suffered by members.

FIGURE 1: PERCENTAGE BREAKDOWN OF OPERATIONAL LOSS EVENT FREQUENCIES BY EVENT TYPE



ET1 - Internal fraud
ET2 - External fraud
ET3 - Employment and safety at work
ET4 - Customers, products and business practicies
ET5 - Loss for damage to fixed assets
ET6 - Business interruption and system dysfunctions
ET7 - Performance, delivery and management of processes

FIGURE 2: PERCENTAGE CONTRIBUITION OF EVENT TYPE CATEGORIES TO TOTAL GROSS OPERATIONAL LOSS AMOUNTS



ET1 - Internal fraud
ET2 - External fraud
ET3 - Employment and safety at work
ET4 - Customers, products and business practicies
ET5 - Loss for damage to fixed assets
ET6 - Business interruption and system dysfunctions
ET7 - Performance, delivery and management of processes

The percentages are calculated on the overall total.
Negative values indicate offsetting contributions resulting from reversals of provisions.

An analysis of the graphs shows that the most relevant type of event in terms of frequency is:
- "External fraud" with 78.35% of the total frequency of new events in 2025;
- "Customers, products and business practices", with 11.61% of the total frequency of new events in 2025;

In terms of economic impact the most significant events related to:
- "Customers, products and business practices", with 57.92% of the total gross loss recognised in 2025.
- "External fraud", with 47.81% of the total gross loss recognised in 2025.

Section 6 – Reputational risk

Qualitative Information

A. General aspects, management and methods to measure reputational risk

Reputational risk is "the current or prospective risk of a decline in earnings or capital arising from an adverse perception of the Group by customers, employees, counterparties, shareholders, investors or Supervisory Authorities".
The framework for the management of reputational risk is supervised by the Reputational & Other non Financial Risk office within the Risk Management Function, with support from the organisational units involved (Reputational Risk Owner) in managing risk and monitoring the corrective actions needed to mitigate any vulnerabilities identified.

The system of reputational risk management adopted by the BPER Group has the following components:
- identification and assessment of risk based on Reputational Data Collection and Reputational Self-Assessment;
- monitoring of the Group's exposure to reputational risk using a series of specific Key Risk Indicators;
- management of critical reputational events (escalation): management of particularly critical reputational events, by means of a functional escalation process and the determination of short and long term responses and mitigation;
- reporting: preparation of suitable reports, based on the various processes/sub-processes comprising the framework, in order to present in summary form the outcome of the risk management activities to all bodies and functions concerned.

With reference to the reputational risk management process, the following results are reported (specifying that the analyses relating to the monitoring of Reputational Risk Indicators and the Reputational Risk Self-Assessments are to date carried out only at Group level):
- in 2025, 1 reputational event was recorded with high risk, 20 with medium risk and 170 with low risk on a rating scale with 3 levels (low, medium, high);
- no reputational critical issues identified in the monitoring of the Parent company's KRIs;
- no reputational critical issues identified as part of the RSA campaign of the Parent company;
- presence of some previous events in 2025 (mainly ongoing criminal proceedings) potential future reputational impacts.

No internal capital is allocated to cover reputational risk (since it is included in other risk categories).

PART F

Information on Shareholders' Equity

Section 1 – Shareholders' equity

A. Qualitative Information

Shareholders' equity comprises share capital and all types of reserve, together with the profit for the year.

B. Quantitative Information

B.1 Shareholders' equity: breakdown

Description/Amounts	Amount 31.12.2025	Amount 31.12.2024
1. Share capital	2,953,572	2,121,637
2. Share premium reserve	4,589,105	1,244,576
3. Reserves	5,026,233	4,890,520
- from profits	4,610,974	4,395,618
a) legal	424,327	420,863
b) statutory	-	-
c) treasury shares	-	-
d) other	4,186,647	3,974,755
- other	415,259	494,902
3.5 Advanced dividends (-)	(196,357)	-
4. Equity instruments	1,800,005	1,115,596
5. (Treasury shares)	(21,065)	(32,029)
6. Valuation reserves:	132,070	12,451
- Equity instruments measured at fair value through other comprehensive income	196,444	168,459
- Hedge of equity instruments designated at fair value through other comprehensive income	(9,150)	(8,875)
- Financial assets (no equity instruments) measured at fair value through other comprehensive income	(15,336)	(83,001)
- Property, plant and equipment	111,895	98,427
- Intangible assets	-	-
- Foreign investment hedges	-	-
- Cash flow hedges	(1,155)	13
- Hedging instruments (non-designated elements)	-	-
- Foreign exchange differences	-	-
- Non-current assets and disposal groups held for sale	-	-
- Financial liabilities designated at fair value through profit or loss (variation due to changes in creditworthiness)	(36,178)	(42,651)
- Actuarial gains (losses) on defined benefit plans	(114,504)	(119,975)
- Share of valuation reserves of equity investments valued at equity	-	-
- Special revaluation laws	54	54
7. Profit (loss) for the year	1,464,745	1,249,549
Total	**15,748,308**	**10,602,300**

The item "Reserves – other" decreased by Euro 79.6 million due to the extraordinary contribution recognised by the Parent Company following the provisions introduced by the 2026 Budget Law (Law No. 199 of 30 December 2025).

B.2 Valuation reserves of financial assets measured at fair value through other comprehensive income: breakdown

Description/Amounts	Total 31.12.2025		Total 31.12.2024	
	Positive reserve	Negative reserve	Positive reserve	Negative reserve
1. Debt securities	32,845	48,181	4,400	87,401
2. Equity instruments	215,268	18,824	184,886	16,427
3. Loans	-	-	-	-
Total	**248,113**	**67,005**	**189,286**	**103,828**

B.3 Valuation reserves of financial assets measured at fair value through other comprehensive income: annual changes

	Debt securities	Equity instruments	Loans
1. Opening balance	**(83,001)**	**168,459**	**-**
2. Increases	**115,110**	**48,494**	**-**
2.1 Fair value increases	98,052	28,417	-
2.2 Impairment losses for credit risk	1,189	X	-
2.3 Reclassification to profit and loss of negative reserves following disposal	13,140	X	-
2.4 Transfer to other components of shareholders' equity (equity instruments)	-	4,363	-
2.5 Other decreases	2,729	15,714	-
3. Decreases	**47,445**	**20,509**	**-**
3.1 Fair value decreases	4,719	10,429	-
3.2 Write-backs for credit risk	1,035	-	-
3.3 Reclassification to profit or loss of positive reserves: -from disposal	3,994	X	-
3.4 Transfer to other components of shareholders' equity (equity instruments)	-	967	-
3.5 Other decreases	37,697	9,113	-
4. Closing balance	**(15,336)**	**196,444**	**-**

B.4 Valuation reserves about actuarial gains (losses) on defined benefit plans: annual changes

	31.12.2025	31.12.2024
1. Opening balance	**(119,975)**	**(119,616)**
2. Increases	**8,232**	**1,184**
2.1 Actuarial gains	7,926	942
2.2 Other decreases	306	242
3. Decreases	**2,761**	**1,543**
3.1 Actuarial losses	891	1,439
3.2 Other decreases	1,870	104
4. Closing balance	**(114,504)**	**(119,975)**

Section 2 – Own funds and capital adequacy *ratios*

Information about own funds and capital adequacy is provided in the document "Public Disclosure - Pillar 3" as at 31 December 2025, prepared pursuant to the requirements of Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 (CRR) and subsequent updates and illustrates the key metrics used by the BPER Banca Group (own funds, capital requirements, financial leverage and liquidity coverage ratio) as required by art. 447 of Regulation (EU) 575/2013, as later amended.

The document contains consolidated information and is published on the same date as or as soon as possible after the Consolidated Financial Report on the website of the Parent Company https://group.bper.it.

PART G
Business combinatios

Section 1 – Transactions carried out during the year

1.1. Business combinations

No business combinations pursuant to IFRS 3 were carried out during the period to 31 December 2025.

1.2 Transactions between entities under common control

On 16 January 2025, the demerger deed relating to the transfer of payment services from Bibanca s.p.a. to BPER Banca s.p.a. was executed, determining its accounting effectiveness. The project had been launched on 6 and 7 August 2024 by resolutions approving the transaction adopted by the Boards of Directors of BPER Banca and Bibanca; it was authorised by the European Supervisory Authority with a measure dated 30 October 2024. Subsequently, the transaction was approved by the extraordinary Shareholders' Meetings of BPER and Bibanca, both held on 19 December 2024. The transfer of activities to a single entity will enable the BPER Banca Group to align monitoring of the business and its pricing with market best practice, to optimise relations with payment circuits and simplify the internal governance model.
For more details on the strategic rationale behind the transaction, please refer to the Directors' Report on Group Operations.

Section 2 – Transactions carried out after the end of the reporting period

2.1. Business combinations

No business combinations falling within the scope of IFRS 3 have occurred after 31 December 2025 and before the date of approval of the Separate Financial Report by the Board of Directors of the Bank.

Section 3 – Retrospective adjustments

No retrospective adjustments to business combinations performed in previous years were necessary.

PART H
Related-party transactions

1. Information on the remuneration of Managers with strategic responsibilities

	Board of Directors	Statutory Auditors	Other managers with strategic responsibilities
Short-term benefits (1)	4,928	350	8,641
post-employment benefits (2)	-	-	551
Other long-term benefits (3)	1,316	-	1,968
Indemnities for termination of employment (4)	-	-	452
Share-based payment (5)	438	-	865
Total 31.12.2025	**6,682**	**350**	**12,477**
Short-term benefits (1)	4,376	328	8,774
Post-employment benefits (2)	-	-	542
Other long-term benefits (3)	874	-	1,552
Indemnities for termination of employment (4)	-	-	2,960
Share-based payment (5)	1,380	-	2,268
Total 31.12.2024	**6,630**	**328**	**16,096**

The information provided is consistent with that required by IAS 24.

The amounts shown for the Directors, including the emoluments of the Chief Executive Officer, the Statutory Auditors and other Managers with strategic responsibilities, represent their emoluments for the year, regardless of when they are paid.

(1) The item includes salaries, indemnities in lieu of untaken vacation, paid leave of absence and any fringe benefits, such as insurance, housing and car, in addition to social security contributions.
In particular, it should be noted that with regard to the amounts relating to Directors (Euro 4,928 thousand), extensive detail has been given at the foot of the same table in the Explanatory Notes to the Consolidated Financial Report.
The amounts shown for other Key Management Personnel belong to the types of costs detailed above. They are disclosed in the Report on Remuneration (art. 123-*ter* of Legislative Decree No. 58/1998) in accordance with Consob's instructions.
(2) The item includes payments to the supplementary pension funds and provisions for termination indemnities.
(3) The item includes deferred variable remuneration relating to annual variable incentive plans, as specified in the Remuneration Report.
(4) The item includes termination indemnities.
(5) The item includes the costs accrued for the Long-Term Incentive Plan during the year.

2. Information on related-party transactions

The Bank has adopted a series of regulations that include the "Group policy governing non-compliance risk in relation to conflicts of interest with related parties and risk activities with associated persons". This regulatory framework complies with the Bank of Italy's requirements in terms of "Risk activities and conflict of interest with related parties and associated persons" as contained in Circular 285 dated 17 December 2013 and subsequent updates. The Policy describes the prudential limits placed on risk activities involving related parties and associated persons, the continuous monitoring of limits, the management of situations where the limits have been exceeded. An "internal threshold of attention" establishes an individual limit on the weighted consolidated exposure that is lower than the regulatory threshold. This threshold is set at such a level as to constitute an adequate precaution against accepting particularly significant exposures to related parties and persons associated with them.

The following shows the transactions with related parties, identified in application of IAS 24.

	Assets	Liabilities	Guarantees and commitments	Revenues	Costs
Subsidiaries	11,354,016	8,971,433	3,798,720	532,008	236,442
Associates	961,192	275,606	68,145	105,057	45,605
Directors, Statutory Auditors and Managers	851	1,658	256	33	113
Other related parties	305,935	1,076,582	141,488	102,186	48,357
Total 31.12.2025	**12,621,994**	**10,325,279**	**4,008,609**	**739,284**	**330,517**
Subsidiaries	10,183,839	7,898,022	2,468,122	562,852	296,793
Associates	632,884	17,714	84,904	27,267	48,309
Directors, Statutory Auditors and Managers	937	2,017	256	45	17
Other related parties	589,034	1,866,466	139,169	221,388	107,122
Total 31.12.2024	**11,406,694**	**9,784,219**	**2,692,451**	**811,552**	**452,241**

Balances and transactions with related parties all relate to routine banking and other services and arose normally during the year, as a consequence of needs and requirements in the common interests of the parties or, where applicable, of the Group. The conditions applied to the individual accounts are in line with those currently applied in the market.
"Executives" means Executives with strategic responsibilities, as defined for the purposes of the table "Information on the remuneration of Executives with strategic responsibilities", shown on the previous page.
"Other related parties" are situations other than those set out in the table, such as entities controlled by associated companies of BPER Banca, entities which have a significant influence on the BPER Banca Group and entities subject to the control of Directors, Statutory Auditors or Managers, or by subjects that may have significant influence over them, as defined by IAS 24.

	Assets	Liabilities	Guarantees and commitments	Revenues	Costs
Total reference amounts - 2025	**141,081,992**	**125,333,684**	**45,530,088**	**6,062,594**	**3,772,542**
Total reference amounts - 2024	**131,684,086**	**121,081,786**	**41,750,878**	**6,530,596**	**4,489,679**

The total reference amounts for revenues include interest income, commission income and other operating income; costs include interest expense, commission expense, operating expenses and administrative expenses.

Related party transactions stated as a percentage of reference amounts (financial position and economic results)

	Assets	Liabilities	Guarantees and commitments	Revenues	Costs
Subsidiaries	8.05%	7.16%	8.34%	8.78%	6.27%
Associates	0.68%	0.22%	0.15%	1.73%	1.21%
Directors, Statutory Auditors and Managers	0.00%	0.00%	0.00%	0.00%	0.00%
Other related parties	0.22%	0.86%	0.31%	1.69%	1.28%
Total 31.12.2025	**8.95%**	**8.24%**	**8.80%**	**12.20%**	**8.76%**
Subsidiaries	7.73%	6.52%	5.91%	8.62%	6.61%
Associates	0.48%	0.01%	0.20%	0.42%	1.08%
Directors, Statutory Auditors and Managers	0.00%	0.00%	0.00%	0.00%	0.00%
Other related parties	0.45%	1.54%	0.33%	3.39%	2.39%
Total 31.12.2024	**8.66%**	**8.07%**	**6.44%**	**12.43%**	**10.08%**

3. Relations between the Parent Company and subsidiary and/or associated companies (CONSOB's recommendations of 20/2/1997 and of 27/2/1998)

There are intercompany balances and transactions with banks and other companies in which BPER has a direct or indirect interest and which form part of the Financial Report. Balances and transactions with these companies are as follows.

	Assets	Liabilities	Guarantees and commitments	Revenues	Costs
Banco di Sardegna s.p.a.	1,753,272	6,522,746	90,009	80,317	140,897
Bibanca s.p.a.	3,447,861	4,041	-	132,222	4,252
BPER (Europe) International Sa Lux	728,117	250,489	20,000	15,806	6,526
Banca Popolare di Sondrio s.p.a.	13,620	129,090	6,000	1,022	2,716
Banca Popolare di Sondrio (SUISSE) s.a.	-	-	-	-	-
Factorit s.p.a.	24	1	95,000	1	14
Sinergia Seconda s.r.l.	-	-	-	-	-
Banca della Nuova Terra s.p.a.	-	-	-	-	-
BPER Factor s.p.a.	2,711,926	14,118	1,724,172	47,805	-
Modena Terminal s.r.l.	104	1,038	4,031	156	4
BPER Real Estate s.p.a.	184,161	112,111	134,292	4,532	6,020
Estense Covered Bond s.r.l.	-	-	-	-	-
Sardaleasing s.p.a.	2,059,054	2,259	1,180,385	63,123	-
Bper Trust Company s.p.a.	115	63	-	1	264
Estense CPT Covered Bond s.r.l.	-	4	-	-	23
Adras s.p.a.	13,416	1,749	-	102	-
ARCA Fondi SGR s.p.a.	42,186	-	-	155,158	-
Finitalia s.p.a.	284,944	841	539,134	8,759	6,280
Banca Cesare Ponti s.p.a.	106,580	1,930,332	2,682	22,405	69,446
Carige Covered Bond s.r.l.	-	75	-	-	-
Lanterna Finance s.r.l.	-	59	-	-	-
Lanterna Mortgage s.r.l.	-	10	-	-	-
Commerciale Piccapietra s.r.l.	75	1,343	-	-	-
St. Anna Golf s.r.l.	8,469	-	415	29	-
Annia s.r.l.	92	1,064	2,600	570	-
Servizi Internazionali e strutture integrate 2000 s.r.l.	-	-	-	-	-
Pirovano Stelvio s.p.a.	-	-	-	-	-
Rajina Immobiliare s.r.l.	-	-	-	-	-
Rent2Go s.r.l.	-	-	-	-	-
Centro delle Alpi SME s.r.l.	-	-	-	-	-
Popso Covered Bond s.r.l.	-	-	-	-	-
Immobiliare S. Paolo s.r.l.	-	-	-	-	-
Immobiliare Borgo Palazzo s.r.l.	-	-	-	-	-
PrestiNuova s.r.l. - Agenzia Attività Finanziaria	-	-	-	-	-
Total referring to subsidiaries	**11,354,016**	**8,971,433**	**3,798,720**	**532,008**	**236,442**

(cont.)

	Assets	Liabilities	Guarantees and commitments	Revenues	Costs
Unione Fiduciaria s.p.a.	-	22	10,000	21	77
Resiban s.p.a.	312	558	300	16	856
Cassa di Risparmio di Fossano s.p.a.	-	352	-	-	-
Cassa di Risparmio di Savigliano s.p.a.	-	-	-	109	-
Sarda Factoring s.p.a.	421	8	-	-	-
Alba Leasing s.p.a.	630,393	10,395	57,415	19,905	21
Lanciano Fiera - Polo Fieristico d'Abruzzo Consorzio	70	180	130	9	3
Gardant Bridge Servicing s.p.a.	-	31,056	300	92	36,996
Gility s.r.l. Benefit Corporation	4	1,025	-	2	-
Arca Vita s.p.a.	321,769	232,008	-	84,903	7,652
Polis Fondi s.g.r.p.a.	8,223	-	-	-	-
Sifas-Soc. Impianti Funiviari allo Stelvio s.p.a.	-	-	-	-	-
Bormio golf s.p.a.	-	-	-	-	-
Lago di Como Gal Società Consortile	-	-	-	-	-
Liquid Factory s.b.r.l.	-	-	-	-	-
Acquedotto dello Stelvio s.r.l.	-	-	-	-	-
NPLight s.p.a.	-	-	-	-	-
Nuova Erzelli s.r.l.	-	2	-	-	-
Totals relating to associates and joint ventures	961,192	275,606	68,145	105,057	45,605
Total 31.12.2025	**12,315,208**	**9,247,039**	**3,866,865**	**637,065**	**282,047**
Total 31.12.2024	**10,816,723**	**7,915,736**	**2,553,026**	**590,119**	**345,102**

PART I
Equity-based payments

Qualitative Information

The Group's organisation provides for centralisation of the BPER Banca Group's remuneration policies at the Parent Company. The qualitative information set out below may also reflect the individual position of BPER Banca.

1. Description of equity-based payments

On 18 April 2025, the Shareholders' Meeting, based on a prior resolution of the Board of Directors of 12 March 2025, approved the Remuneration policies of the BPER Banca Group for the year 2025 containing guidelines on the use of remuneration plans based on equity (financial) instruments.

In order to pursue the objective of encouraging alignment of the interests of management with those of shareholders, the "Supervisory Provisions for banks" regarding "Remuneration and incentive policies and practices (Bank of Italy Circular No. 285 of 17 December 2013 and subsequent updates) establish that at least 50% of variable remuneration provided to "key employees" (or "Material Risk Takers" or "MRT") should be paid in the form of shares or associated financial instruments (pursuant to article 114-*bis* of Legislative Decree No. 58 of 24 February 1998 and paid through upfront payment systems or deferred for a period of no less than 4-5 years. "Variable remuneration" refers to both variable performance-linked components or other parameters, and to amounts paid as incentives for the early termination of the employment relationship or for the early exit from office recognised to recipients ("severance").

In compliance with the aforementioned regulatory provisions, the BPER Banca Group has therefore made provision for:

- A short-term incentive plan on an annual basis - MBO 2025: the plan identifies the following beneficiaries: in addition to the Chief Executive Officer, the executives with strategic responsibilities of the BPER Banca Group and selected persons from other categories of employees or associates of the BPER Banca Group classified as "Material Risk Takers" pursuant to the applicable legislation. As far as the structure is concerned, the Plan envisages paying part of the incentive through the assignment of BPER Banca shares, subject to the fulfilment of the conditions for its activation ("entry gates") and based on the bonus amount accrued by each MRT. The period for implementing the Plan runs between 2026 (the period in which the results for the financial year 2025 are recognised) and the actual availability of the last deferred portion in BPER shares (2032). If the annual variable remuneration is ≤ Euro 50 thousand and ≤ 1/3 of total annual remuneration, the bonus will be paid up-front and 100% in cash.
- 2025-2027 Long-Term Incentive (LTI) Plan: in addition to the Chief Executive Officer, the plan is aimed at people who are considered essential to the success of the strategic guidelines outlined in the "B:Dynamic | Full Value 2027" Business Plan. As regards the structure, the Plan makes provision, subject to the achievement of specific long-term company performance targets in line with the Strategic Plan in force, for the assignment to beneficiaries of an individual bonus, to be paid solely in ordinary BPER Banca shares at the end of the three-year vesting period (1 January 2025 - 31 December 2027). The period for implementing the 2025-2027 LTI Plan runs between the year of the shareholders' meeting approval (2025) and the actual availability of the last deferred portion in BPER shares (2034).

For detailed information, please refer to the document "2025 Report on remuneration policy and compensation paid", published on the Bank's website www.bper.it – Homepage > Governance > Documents.

Methods of implementation of the short-term incentive plan on an annual basis -MBO 2025

The assignment of variable remuneration is provided on the condition that the BPER Banca Group achieves the economic-financial targets established on an ex-ante basis ("entry gates") tied to the following parameters targeted at ensuring the maintenance of adequate income,capital and liquidity standards:

- Consolidated Common Equity Tier 1 Ratio (CET1);
- Consolidated Liquidity Coverage Ratio (LCR);
- Net Stable Funding Ratio (NSFR) - consolidated;
- Consolidated Return On Risk-Weighted Assets (RORWA).

After checking that the entry gates have been exceeded, the bonus allocation and the deriving extent of the variable remuneration are defined by evaluating individual performances using a process that includes an analysis of various qualitative and quantitative indicators.
If the variable remuneration determined for each individual beneficiary is greater than Euro 50 thousand or 1/3 of the total annual remuneration, this Plan is activated, which envisages payment (also through quotas with deferred vesting) of a part of the bonus through the free-of-charge, personal assignment of a given number of BPER shares. With regard to the share bonus component deferred over time, the Plan envisages its allocation in equal portions to the years subsequent to that of the bonus assignment (subject to a retention period of 1 year starting from the maturity date of each deferred portion), after having exceeded the entry gates set for the year prior to the year of disbursement of each deferred quota.

The up-front and deferred instalments are subject to malus rules that can reduce the instalment to zero in the event of failure to achieve the entry gates for the financial year preceding the year of payment of each deferred instalment. The malus mechanism, which can block payment of the deferred portions of the Bonus, also acts on activation of the clawback clauses.

The total number of BPER Banca shares derives from the size of the bonus assigned and the average price of the share established in the period prior to the date of the Board of Directors' meeting which approves the Group's consolidated results.

The Bank asks Beneficiaries - through specific individual agreements - not to make use of personal hedging or insurance strategies, in compliance with the regulatory framework in force.

Note that there are Compensation Plans still outstanding for the years 2019, 2020 (in phantom stocks), 2021, 2022, 2023 and 2024 in shares.

For detailed information on the contents of the Plan, please refer to the "2025 Information Document on the compensation plan based on financial instruments" prepared in accordance with article 114-*bis* of the Consolidated Law on Finance and article 84-*bis* of the Issuers' Regulation available to the public at the company's registered office, on the Bank's website www.bper.it – Homepage > Governance > Shareholders' Meeting.

Methods of implementation of the 2025-2027 Long-Term Incentive (LTI) Plan

In line with market practices, the entry gates defined for the LTI Plan are in line with those defined for the MBO Plan: consolidated Common Equity Tier 1 (CET1) ratio, consolidated Net Stable Funding Ratio (NSFR), consolidated Return On Risk-Weighted Assets (RORWA) and consolidated Liquidity Coverage Ratio (LCR). In particular, the assignment of variable remuneration (exclusively in BPER Banca shares) in the 2025-2027 LTI Plan is linked to the achievement, in 2028 with reference to 2027, of the entry gate objectives as defined. Failure to achieve even only one of the entry gates means not paying any bonus under this long-term incentive scheme.

After checking that the Entry Gates have been exceeded, the actual allocation of the bonus and the related amount, within the maximum limits set for the variable remuneration, are defined through a process of corporate performance assessment that includes an analysis of 5 KPIs.
For the three-year period 2025-2027, the scorecard of the ILT Plan, which is the same for all beneficiaries, is made up of profitability objectives operational efficiency, capitalisation and sustainability objectives, in addition to a relative Total Shareholder Return objective which was introduced to strengthen alignment with investors.

2025-2027 LTI scorecard

KPI	Weight	Target
ROTE (2025-2027 average) (*)	35%	16%
CET 1 ratio as at 31/12/2027	20%	14.5%
Cost/Income at 31/12/2027	15%	50%
rTSR 9/10/24-29/02/2028 (**)	10%	3rd quartile
ESG	20%	100%

(*) 2025-2027 average, with CET1 Ratio constraint > 13%.
(**) Includes the change in the share price and all dividends distributed during the reference period: 9 October 2024 - last trading day of February 2028 (based on the implicit assumption that these dividends are re-invested in the stock itself). For further information, please refer to the "Information document on the compensation plan based on financial instruments - 2025-2027 LTI Plan".

Attainment of the above-mentioned KPIs is verified in 2028 in relation to the last year of the vesting period (2027). However, continuous monitoring of the indicators is required under the Plan to verify compliance with the objectives of the Strategic Plan. The target values of the KPIs of the 2025-2027 LTI Plan are indicated in the Remuneration Report approved by the Shareholders' Meeting on 18 April 2025.
The target amount of the Individual Bonus (on a one-year and three-year vesting basis) for each Recipient shall be determined (in respect of the variable/fixed ratio defined by the relevant remuneration policies at the moment of participation and in compliance with the regulations in force at any given time), as a percentage of the relevant individual gross annual remuneration:

- 37.5% (112.5% on a three-year basis) for the Chief Executive Officer of the Parent Company;
- 30% (90% on a three-year basis) for the Top Management of Business and Corporate areas;
- 22.5% (67.5% on a three-year basis) for the Senior Management of Business and Corporate areas;
- 15% (45% on a three-year basis) for the Recipients identified among selected key resources for the achievement of the strategic guidelines.

The Plan excludes the Company's control functions.

The manner in which bonuses are awarded is structured as an up-front portion, awarded at the end of the three-year vesting period, and as a portion deferred pro-rata in equal tranches, over a number of years (5 years). The payment structure for the shares provides for a retention period of one year for the up-front portion and for the deferred portions.
The exact identification of the number of ordinary BPER Banca shares to be assigned in each fiscal year of the Plan term is conditional on the opening of gates and the level of achievement of the specific performance indicators upon payment of the Bonus at 2027.

The Bank cannot assign shares to beneficiaries, in whole or in part, and also reserves the right to ask the beneficiaries to return the shares, in whole or in part, if malus and claw-back clauses are triggered.
The Bank asks beneficiaries – through specific individual agreements – not to make use of personal hedging or insurance strategies which may alter or nullify the effects of the alignment with the risk inherent in the Plan, in compliance with the regulatory framework in force.

For detailed information on the contents of the Plan, please refer to the "Information document on the compensation plan based on financial instruments – 2025-2027 LTI Plan" prepared in accordance with article 114-*bis* of the Consolidated Law on Finance and article 84-*bis* of the Issuers' Regulation available to the public at the company's registered office, on the Bank's website www.bper.it – Homepage > Governance > Shareholders' Meeting.

Quantitative information

As regards the ILT Plan, the grant of shares without charge in execution of the Plan will take place using treasury shares that derive from purchases authorised at the Shareholders' Meeting, pursuant to arts. 2357 and 2357-*ter* of the Italian Civil Code.

With regard to the 2022-2024 Long-Term Incentive (LTI) Plan, the achievement of the entry gates and performance levels obtained entailed the assignment of 9,015,426 BPER Banca shares, as of May 2025, according to the procedures set out in the Plan.

Please refer to the Directors' Report on Group Operations, chapter 4. *"Other information"*, paragraph 4.5 "*Treasury shares held in the portfolio*" for a description of the authorisation obtained from the ECB.

The determination of the short-term variable remuneration referring to 2024 involved the assignment of 623,230 BPER Banca s.p.a. shares, starting from May 2025.

2. Other information

Determination of the fair value and accounting treatment

Short-term variable component

The determination of the variable remuneration for 2025 is being finalised at the date of approval of this Separate Financial Report.
In relation to 2024, the short-term variable remuneration involved the assignment of 623,230 BPER Banca s.p.a. shares.

Long-term variable component - Long-Term Incentive (2019-2021 LTI Plan)

The achievement of the entry gates and performance levels obtained entailed the assignment of 1,396,987 BPER Banca shares, as of June 2022, according to the procedures set out in the Plan.

Long-term variable component - Long-Term Incentive (2022-2024 LTI Plan)

With regard to the 2022-2024 Long-Term Incentive (LTI) Plan, the achievement of the entry gates and performance levels obtained entailed the assignment of 9,015,426 BPER Banca shares, as of May 2025, according to the procedures set out in the Plan.

PART L
Segment reporting

Segment reporting, as required by IFRS 8, is presented only in the consolidated financial statements. Please refer to the Consolidated Explanatory Notes, Part L, for details on the business segments.

PART M
Information on leases

Section 1 – Lessee

Qualitative Information

With regard to the contracts entered into as lessee, BPER Banca recognises both the leased right-of-use asset and the liability for the future lease instalments envisaged in the contract.

In the context of the elections allowed by IFRS 16, BPER Banca decided not to recognise right-of-use assets or lease payables in relation to the following lease contracts:

- lease of intangible assets;
- short-term leases with less than 12 months remaining;
- lease of assets with a low unit value (as described further in the Explanatory Notes – Part A – Accounting policies, an asset is deemed to have a low unit value if its fair value when new was not more than Euro 5 thousand).

Consequently, the lease payments for these assets are charged to item "160. Administrative expenses" on an accruals basis; for further information about this, see the Explanatory Notes - Part C - Income statement, Table 10.5 "Other administrative expenses: breakdown".

Quantitative information

Rights of use acquired through leases: see the Explanatory Notes - Part B - Assets, table 8.1 "Property, plant and equipment used in operations: breakdown of assets measured at cost".

Lease liabilities: see the Explanatory Notes – Part B - Liabilities, table 1.1 "Financial liabilities measured at amortised cost: breakdown by product of due to banks", table 1.2 "Financial liabilities measured at amortised cost: breakdown by product of due to customers", and table 1.6 "Lease liabilities".

Interest expense on lease liabilities: see the Explanatory Notes – Part C – Income statement, table 1.3 "Interest and similar expense: breakdown".

Other expenses associated with right-of-use assets acquired under leases: see the Explanatory Notes - Part C – Income statement, table 12.1 "Net adjustments to property, plants and equipment: breakdown".

Income from sub-lease transactions: see the Explanatory Notes – Part C – Income statement, table 1.1 "Interest and similar income: breakdown".

1.1 Right-of-use assets acquired under leases: changes in right-of-use assets relating to property, plant and equipment used in operations

Property, plant and equipment used in operations	Right-of-use assets acquired under leases 31.12.2024	Depreciation of the year	Other changes of the year	Impairment losses of the year	Book value 31.12.2025
a) land	-	-	-	-	-
b) buildings	316,798	(52,988)	57,619	607	322,036
c) furniture	-	-	-	-	-
d) electronic systems	55,614	(18,188)	27,523	-	64,949
e) other	5,508	(3,050)	5,490	-	7,948
Total	**377,920**	**(74,226)**	**90,632**	**607**	**394,933**

As regards "Other changes during the year", the impact is mainly linked to the new contracts acquired (approximately Euro 42 million), to transitions to "assets held for sale" (approx. Euro 1.2 million) and to the remeasurement of the rights of use (Remeasurement) mainly due to ISTAT adjustments, changes in the lease term and the opening and closing of contracts.

1.2 Expense and Income relating to leases other than right of use

	Total 31.12.2025	Total 31.12.2024
Costs relating to short-term leases	3,137	2,511
Expense relating to leases of low-value assets (*)	2,786	2,894
Income from finance subleases	-	1

(*) Including VAT.

1.3 Lease liabilities: changes

	Lease liabilities 31.12.2024	Interest expense	Lease payments made	Other	Book value 31.12.2025
Total lease liabilities	**393,661**	**14,492**	**(85,171)**	**90,026**	**413,008**

Section 2 – Lessor

Qualitative Information

The lease contracts in which BPER Banca is the lessor are classified as either finance leases or operating leases.

Finance leases transfer to the lessee substantially all the risks and rewards of ownership.

In substance, under finance leases, the lessee obtains the economic benefits deriving from use of the leased asset over most of its economic life, in exchange for a commitment to pay the lessor a consideration that is substantially the same as the fair value of the asset and the related financial charges. The lease contract is therefore recognised by the lessor in the following manner:

- the value of the credit granted is recognised as an asset, net of the principal portion of the lease payments due and paid by the lessee;
- interest income is credited to the income statement.

Operating leases do not transfer to the lessee substantially all the risks and rewards incidental to ownership, which remain with the lessor.

Under operating leases, the lessor shall recognise the lease payments in profit or loss on an accruals basis.

See the Explanatory Notes – Part A – Accounting policies for additional information.

Given the legal structure of finance leases, the credit risk faced by the Bank is limited by retaining ownership of the asset until the end-of-lease payment is made by the lessee. This factor is particularly important in relation to property leases and those in which the asset concerned is highly fungible. In particular, in order to limit more effectively the risk of losses and whenever indicated in the lease origination report, BPER Banca may request the customer to provide additional secured guarantees (typically pledged securities) and/or unsecured guarantees (personal or bank sureties). In addition, finance leases may also be secured by commitments to take over the lease or repurchase the asset (sometimes obtained from the supplier of the asset concerned).

Quantitative information

1. Balance Sheet and Income Statement information

Finance leases: see the Explanatory Notes - Part B - Assets, table 4.2 “Financial assets measured at amortised cost: breakdown of loans to customers”.

Interest income on finance leases: see the Explanatory Notes – Part C – Income statement, table 1.1 “Interest and similar income: breakdown”.

Other income from operating leases: see the Explanatory Notes – Part C - Income statement, table 14.2 “Other operating income: breakdown”.

2. Finance leases

2.1 Breakdown by time bands of lease payments receivable and reconciliation with finance leases recognised as assets

Time bands	31.12.2025 Lease payments receivable	31.12.2024 Lease payments receivable
Up to 1 year	11	244
Over 1 year up to 2 years	-	4,003
Over 2 years up to 3 years	-	-
Over 3 years up to 4 years	-	-
Over 4 years up to 5 years	-	-
Over 5 years	-	-
Total lease payments receivable	**11**	**4,247**
RECONCILIATION WITH FINANCE LEASES		
Unearned finance income (+)	-	(101)
Unguaranteed residual value (-)	-	-
Finance leases	**11**	**4,348**

“Not accrued gains” derive from unearned interest embedded in lease payments receivable.

2.2 Other information

2.2.1 Other information about finance leases: type and credit quality

	31.12.2025		31.12.2024	
	Performing	Non-performing	Performing	Non-performing
A - Real estate assets	**-**	**11**	**4,346**	**2**
Land	-	-	-	-
Buildings	-	11	4,346	2
B - Operating assets	**-**	**-**	**-**	**-**
C - Movable assets	**-**	**-**	**-**	**-**
Motor vehicles	-	-	-	-
Aircraft and rolling stock	-	-	-	-
Other	-	-	-	-
D - Intangible assets	**-**	**-**	**-**	**-**
Trademarks	-	-	-	-
Software	-	-	-	-
Other	-	-	-	-
Total	**-**	**11**	**4,346**	**2**

2.2.2 Other information about finance leases: unopted assets, assets returned after termination, other assets

	31.12.2025			31.12.2024		
	Unopted assets	Assets returned after termination	Other assets	Unopted assets	Assets returned after termination	Other assets
A - Real estate assets	**-**	**258**	**-**	**-**	**142**	**-**
Land	-	-	-	-	-	-
Buildings	-	258	-	-	142	-
B - Operating assets	**-**	**-**	**-**	**-**	**-**	**-**
C - Movable assets	**-**	**-**	**-**	**-**	**-**	**-**
Motor vehicles	-	-	-	-	-	-
Aircraft and rolling stock	-	-	-	-	-	-
Other	-	-	-	-	-	-
D - Intangible assets	**-**	**-**	**-**	**-**	**-**	**-**
Trademarks	-	-	-	-	-	-
Software	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total	**-**	**258**	**-**	**-**	**142**	**-**

3. Operating leases

3.1 Breakdown of lease payments receivable by time bands

Time bands	31.12.2025 Lease payments receivable	31.12.2024 Lease payments receivable
Up to 1 year	5,683	6,371
Over 1 years up to 2 years	5,215	5,726
Over 2 years up to 3 years	5,128	5,173
Over 3 years up to 4 years	4,571	5,051
Over 4 years up to 5 years	4,140	4,481
Over 5 years	14,161	17,277
Total	**38,898**	**44,079**

3.2 Other information

No additional information is deemed necessary to meet the disclosure objective specified in paragraph 92 of IFRS 16.

ATTACHMENTS

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Statement of cash flow of the staff pension fund

Pension Fund, Section "A"

	(in thousands)
Results as at 31 December 2024	**101,647**
Changes due to the time value of money and discount rate adjustments	3,483
Actuarial gains (losses)	(6,801)
Pension supplements paid to retired personnel	(8,697)
Other increases	13,651
Results as at 31 December 2025	**103,283**

The item "Other increases" refers to the balances of other pension schemes in existence at the end of 2024, which were merged into Section A of the Pension Fund for the personnel of BPER Banca during the financial year.

Statment of property revaluations

(art. 10 Law 72 of 19/03/1983)

(in Euro)

Assets	Law n. 74 of 11.02.1952	Law n. 823 of 29.12.1973	Law n. 576 of 1.12.1975	Law n. 72 of 19.03.1983	Law n.218 of 30.07.1990	Law n.408 of 29.12.1990	Law n. 413 of 30.12.1991	Law n.342 of 21.11.2000	Law n.266 of 23.12.2005 - TAX VALUES	OTHER REVALUATIONS
ALASSIO - CORSO DANTE ALIGHIERI N. 227	-	-	-	-	167,007	-	-	-	-	-
ALASSIO - VIA GIUSEPPE MAZZINI N. 2	-	-	-	-	1,285,922	-	-	-	-	-
ALBISOLA SUPERIORE - CORSO GIUSEPPE MAZZINI	-	-	-	81,083	36,716	-	63,332	-	-	-
ALBISSOLA MARINA - CORSO BIGLIATI B N. 14-R	-	-	27,878	96,061	86,269	-	155,872	-	-	-
ALTARE - VIA ROMA N. 2	-	-	-	-	8,916	-	76,551	-	-	-
ANDORA - VIA A. DORIA N. 36	-	-	-	-	6,348	-	202,083	-	-	-
ANZOLA DELL'EMILIA - VIA F.LLI CERVI 33,VIA MICELLI 4	-	-	-	-	-	-	31,511	-	365,342	-
APRILIA - PIAZZA ROMA ANG VIA DEI LAURI SN	-	-	-	-	-	-	-	201,426	529,066	-
APRILIA - PIAZZA ROMA ANG VIA DELLE MARGHERITE SNC	-	-	28,405	671,394	-	1,136,205	-	1,847,821	1,465,037	-
APRILIA - VIA CICERONE SNC	-	-	-	-	-	134,279	-	272,295	99,176	-
APRILIA - VIA GRECIA 2	-	-	-	-	-	-	-	39,428	112,083	-
APRILIA - VIA ROSSETTI SNC	-	-	-	-	-	46,481	-	-	153,105	-
ARENZANO - PIAZZA CAMILLO GOLGI N. 19D-19E	-	-	-	-	53,027	-	-	-	-	-
ARENZANO - VIA SAULI PALLAVICINO N. 25	-	-	-	-	669,623	-	-	-	-	-
ARIANO IRPINO - XXV APRILE SNC	-	-	-	-	-	-	357,490	310,565	94,571	-
ATRIPALDA - VIA MELFI ANGOLO PIAZZA UMBERTO I° SNC	-	-	-	-	-	-	381,480	408,201	187,260	-
AVELLINO - DUE PRINCIPATI 132	-	-	-	-	-	-	14,480	69,048	2,894	-
AVELLINO - ROMA ANGOLO VIA MACCHIA SN	-	-	-	-	-	-	87,199	258,354	101,476	-
AVELLINO - VIALE ITALIA SNC	-	-	-	-	-	-	27,386	125,107	-	-
AVELLINO - VIA COLLINA LIGUORINI SNC	-	-	-	-	-	-	435,140	6,685,816	431,741	-
AVELLINO - COLLINA LIGUORINI SNC	-	-	-	-	-	-	-	4,728,714	1,262,820	-
AVELLINO - COLLINA LIGUORINI SNC	-	-	-	-	-	-	199,769	1,646,701	1,025,596	-
AVERSA - SAN FRANCESCO DA PAOLA 3	-	-	-	-	-	-	184,510	358,998	29,264	-
AVEZZANO - VIA TRIESTE 16	-	-	-	691,655	-	-	902,358	-	1,872,298	-
BAGNOLO IN PIANO - V.ROMA 1/A	-	-	-	-	-	-	-	-	47,134	-
BALDISSERO D'ALBA - PIAZZA MARTIRI, 5	-	-	-	-	-	-	-	-	74,838	-
BARDI - VIA PIETRO DELLA CELLA 8-10	-	-	4,648	4,037	-	-	4,819	-	220,383	-
BARDINETO - PIAZZA MAMELI N. 10A	-	-	-	4,132	8,359	-	6,386	-	-	-
BASTIGLIA - VIA CANALETTO 19-21	-	-	-	152,868	-	-	87,282	-	467,280	-
BATTIPAGLIA - VIA ROMA 108 / 112	-	-	-	-	-	-	-	15,363	26,708	-
BEDONIA - PIAZZA SENATORE MICHELI 3-4	-	-	-	129,767	-	-	83,107	-	331,816	-
BELLIZZI - ROMA 168/172	-	-	-	85	-	-	23	-	4,847	-
BERTINORO - V. ROMA 10	-	-	-	81,245	-	-	29,184	-	97,338	25,823
BERTINORO - V. ANITA GARIBALDI 31-33	-	-	-	-	-	-	204,478	-	401,765	103,291
BERTINORO - V. LORETA 215	-	-	-	-	-	-	-	-	196,882	-
BOLOGNA - VIA VENEZIAN 5/A	-	-	272,742	2,361,757	-	-	1,147,736	-	10,788,456	3,164
BOLOGNA - VIA EMILIA LEVANTE 81	-	-	15,494	438,988	-	-	266,858	-	1,451,145	-
BOLOGNA - VIA CAIROLI 11/H,VIA BOLDRINI 24/H	-	-	-	232,406	-	-	126,154	-	1,245,703	-
BOLOGNA - VIA CORTICELLA 218/H	-	-	-	-	-	-	6,089	-	492,042	-
BOLOGNA - VIA FIORAVANTI 28/A	-	-	-	-	-	-	-	-	665,030	-
BOMPORTO - VIA PER MODENA 9-11	-	-	11,731	73,631	-	-	37,745	-	301,484	-
BORDIGHERA - VIA VITTORIO EMANUELE	-	-	-	-	173,928	-	-	-	-	-
BORDIGHERA - VIA VITTORIO EMANUELE	-	-	-	-	902,925	-	-	-	-	-
BORGIA - VIA GARIBALDI 27	-	-	-	94,000	-	-	20,000	-	87,896	-
BORGIO VEREZZI - VIALE C. COLOMBO	-	-	-	119,819	123,557	-	102,548	-	-	-
BORGO VAL DI TARO - VIA NAZIONALE 88-90	-	-	-	192,667	-	-	76,149	-	-	-
BRA - VIA PIUMATI 64	-	-	-	-	-	-	-	-	134,817	-
BRA - VIA A. DE GASPERI 2	-	-	-	-	-	-	-	-	201,859	-
BRA - VIA ADOLFO SARTI 6	-	-	9,762	62,614	-	-	-	-	1,072,605	-
BRA - PIAZZA CARLO ALBERTO 1	-	-	-	-	-	-	-	-	289,696	-
BRA - VIA PRINCIPI DI PIEMONTE N°12 BRA (CN)	-	-	118,407	759,470	-	-	-	-	2,137,037	-
BRA - VIA SARTI - VIA CAVOUR	-	-	6,110	39,188	-	-	-	-	160,788	-
BRA - CORSO MONVISO	-	-	-	-	-	-	-	-	6,244	-
BUDRIO - VIA BISSOLATI 2	-	-	-	-	-	-	74,640	-	236,475	-
BUSALLA - VIA ROMA N. 12R	-	-	-	-	121,173	-	-	-	-	-
CAIRO MONTENOTTE - VIA COLLA N. 2	-	-	17,935	100,708	95,067	-	204,330	-	-	-
CAIRO MONTENOTTE - VIA ROMANA N. 2 INTERNO 9	-	-	-	-	1,011	-	-	-	-	-
CAIRO MONTENOTTE - VIA FRATELLI FRANCIA, 3	-	-	-	-	54,742	-	-	-	-	-
CALIZZANO - VIA IV NOVEMBRE N. 12	-	-	-	43,897	27,834	-	25,284	-	-	-
CAMOGLI - PIAZZA ABATE GIOVANNI SCHIAFFINO N. 9	-	-	-	-	453,987	-	-	-	-	-
CAMPO DI GIOVE - VIA MARCONI 5	-	-	-	-	-	-	16,642	-	62,485	-

(in Euro)

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CAMPO LIGURE - VIA TRENTO N. 2	-	-	-	-	259,569	-	-	-	-	-
CAMPOMORONE - VIA ALCIDE DE GASPERI N. 60-62-64	-	-	-	-	388,416	-	-	-	-	-
CAPANNORI - VIA DELLA MADONNINA N. 2	-	-	-	-	-	673,246	-	-	-	-
CAPANNORI - VIA DELL'ISOLA	-	-	-	-	-	-	50,245	-	-	-
CAPANNORI - VIA DELLA MADONNINA N. 2	-	-	-	-	-	44,724	-	-	-	-
CAPANNORI - VIA DELL'ISOLA	-	-	-	-	-	18,288	115,036	-	-	-
CAPESTRANO - PIAZZA CAPPONI 2	-	-	-	-	-	-	68,926	-	144,703	-
CARPI - PIAZZA MARTIRI 35-37	-	-	77,469	1,508,054	-	-	633,731	-	3,019,734	-
CARPI - VIA NUOVA PONENTE 8	-	-	-	-	-	-	666,744	-	731,491	-
CARRARA - VIA LORIS GIORGI N. 1D	-	-	-	-	-	-	531,359	-	-	-
CARRARA - VIA ROMA N. 2	-	-	129,114	1,368,611	-	1,233,927	1,593,222	-	-	-
CARRARA - VIALE VENTI SETTEMBRE N 144	-	-	-	-	-	273,769	60,895	-	-	-
CARRARA - VIA GIOVAN PIETRO N. 1	-	-	-	-	-	501,733	96,977	-	-	-
CARRARA - VIA NAZARIO SAURO N. 75	-	-	-	-	-	-	262,915	-	-	-
CASAL DI PRINCIPE - RAFFAELLO 9	-	-	-	-	-	-	-	-	20,141	-
CASALECCHIO DI RENO - VIA BAZZANESE 11/4	-	-	-	-	-	-	74,200	-	649,548	-
CASALGRANDE - VIA RADICI 19/A	-	-	-	196,254	-	-	126,060	-	-	-
CASARZA LIGURE - VIA IV NOVEMBRE N. 28B	-	-	-	-	270,070	-	-	-	-	-
CASELLA - VIA UMBERTO MANDELLI N. 29D INTERNO E/F	-	-	-	-	234,772	-	-	-	-	-
CASOLA IN LUNIGIANA - PIAZZA DELLA TORRE, 96	-	-	-	-	-	-	34,306	-	-	-
CASTEL DI SANGRO - VIA XX SETTEMBRE SNC	-	-	-	-	-	-	167,835	-	400,809	-
CASTELFRANCO EMILIA - CORSO MARTIRI 287/V.SAIETTI 9	-	-	67,139	903,800	-	-	353,272	-	1,593,547	-
CASTELNOVO DI SOTTO - VIA ROMA/VIA GRAMSCI 2	-	-	-	-	-	-	-	-	368,302	-
CASTELVECCHIO SUBEQUO - PIAZZA I° MAGGIO 39	-	-	-	-	-	-	-	-	180,529	-
CASTELVETRO DI MODENA - S.S. N.569, 46/C, VIA VOLTA 4	-	-	-	149,772	-	-	102,770	-	497,464	-
CASTELVETRO DI MODENA - VIA STATALE 115	-	-	-	-	217,253	-	-	-	806,551	-
CAVA DE' TIRRENI - CSO UMBERTO/V. SORRENTINO 349	-	-	-	-	-	-	-	-	1,821,182	-
CAVEZZO - VIA GRAMSCI 2, P.ZZA 3 MARTIRI 1	-	-	60,830	473,209	-	-	277,614	-	972,290	-
CAVRIAGO - VIA RIVASI BASSA 24/B	-	-	-	-	-	-	-	-	180,047	-
CELANO - PIAZZA IV NOVEMBRE 29	-	-	-	161,303	-	-	184,322	-	268,743	-
CELLE LIGURE - VIA FRATELLI FIGUCCIO N. 1	-	-	13,824	80,562	17,394	-	82,156	-	-	-
CENGIO - VIA PADRE GARELLO	-	-	-	38,733	1,114	-	18,165	-	-	-
CENTOLA - INDIPENDENZA 10	-	-	-	-	-	-	-	-	83,621	-
CERESOLE ALBA - VIA REGINA MARGHERITA, 6	-	-	5,165	61,624	-	-	-	-	36,990	-
CERIALE - VIA ROMA	-	-	9,620	115,683	53,141	-	96,772	-	-	-
CERVIA - VIA SALARA VECCHIA 2	-	15,494	15,494	32,020	-	21,477	195,611	-	279,745	-
CERVIA - PIAZZA GARIBALDI 16/19	-	-	-	43,320	-	112,220	1,385,635	-	2,273,017	-
CERVIA - VIALE MATTEOTTI 3/5/37/39	-	-	-	140,035	-	475,496	359,120	-	1,117,400	-
CERVIA - PIAZZA REPUBBLICA 5/6/7/11	-	-	-	-	-	-	-	-	61,766	-
CESENA - V. ALBENGA 40,V. SAN REMO 60	-	-	-	91,379	-	-	82,575	-	430,672	232,406
CESENA - C.SO SOZZI 15	-	-	227,714	1,650,911	-	-	1,115,289	-	13,597,649	2,976,648
CESENA - V. SETTECROCIARI 6486	-	-	-	46,297	-	-	47,687	-	167,802	103,291
CESENA - V. COMUNALE MONTIANO 2390	-	-	-	97,027	-	-	36,514	-	131,777	103,291
CESENA - V.LE MARCONI 183	-	-	-	-	-	-	-	-	250,092	-
CESENA - V. VALSUGANA 41	-	-	-	-	-	-	-	-	176,956	-
CESENATICO - V. BUONARROTI 17	-	-	-	113,613	-	-	43,077	-	232,048	103,291
CHIAROMONTE - CONTRADA SANTA MARIA SNC	-	-	-	-	-	-	-	-	22,254	-
CHIAVARI - CORSO DANTE N. 24, PIAZZA ROMA N. 6	-	-	-	-	1,898,750	-	-	-	-	-
CISTERNA DI LATINA - CORSO DELLA REPUBBLICA 141/143	-	-	-	-	-	284,051	-	510,140	46,390	-
CIVITELLA ROVETO - VIA ROMA 12	-	-	-	-	-	-	59,759	-	154,865	-
COGOLETO - PIAZZA ANTONIO GIUSTI N. 1	-	-	-	-	487,471	-	-	-	-	-
COLLECCHIO - VIA LA SPEZIA 1 - VIA LORIA	-	-	-	-	-	-	20,899	-	472,020	-
COMANO - VIA ROMA N. 69	-	-	-	-	-	-	21,315	-	-	-
CONCORDIA SULLA SECCHIA - VIA DELLA PACE 12, 14 16	1,124	-	23,707	146,162	-	-	71,456	-	436,480	-
CORIGLIANO-ROSSANO - VIALE R. MARGHERITA/VIA BUSENTO SNC	-	-	-	214,139	-	-	-	-	341,970	-
CORREGGIO - VIA MAZZINI 50,LARGO CARDUCCI	-	-	-	-	-	-	572,352	-	1,224,653	-
CREVALCORE - VIA MATTEOTTI 254, VIA PERTI	-	-	-	-	-	-	43,168	-	250,831	793
CROTONE - VIA V.VENETO 24	-	-	218,939	1,000,456	-	-	344,857	-	4,040,661	-
DIANO MARINA - PIAZZA MAGLIONE GIUSEPPE N. 5	-	-	-	-	294,458	-	-	-	-	-
FABBRICO - VIA POZZI 1/5,VIA XXV APRILE 84	-	-	-	438,988	-	-	268,541	-	946,656	-
FARA SAN MARTINO - VIA PARADISO SNC	-	-	-	-	-	-	-	-	232,594	-
FERRANDINA - VIA CAVOUR 1-3-5	-	-	-	30,634	-	-	48,856	-	-	-
FERRARA - V.LE CAVOUR 140/2	-	-	-	-	-	-	43,446	-	171,619	-
FINALE EMILIA - VIA MAZZINI 1/D, VIA MATTEOTTI 1	2,979	-	-	-	-	-	531,171	-	1,325,318	-
FINALE LIGURE - PIAZZA DEL SOLE N. 6	-	-	-	36,668	44,189	-	35,015	-	-	-

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FINALE LIGURE - VIA GIUSEPPE GARIBALDI N. 3	-	-	-	-	579,388	-	-	-	-	-
FOGGIA - C.SO GARIBALDI 72	-	-	-	-	2,074,220	-	-	-	383,124	-
FOGGIA - V.LE G. DI VITTORIO 66-78	-	-	-	-	76,823	-	48,401	-	695,557	-
FOGGIA - C.SO GIUSEPPE GARIBALDI 78	-	-	-	-	-	-	-	-	182,888	-
FOGGIA - CORSO GIUSEPPE GARIBALDI, 80	-	-	-	-	-	-	-	-	5,109	-
FORLI' - C.SO DELLA REPUBBLICA 41	-	-	-	-	-	-	703,011	-	2,935,868	1,194,933
FORLIMPOPOLI - P.ZZA GARIBALDI 22	-	-	-	-	-	-	-	-	101,368	-
FORMIGINE - VIA BILLO 2/V: BRAMANTE 1	-	-	-	-	-	-	134,586	-	536,472	-
FRANCAVILLA AL MARE - VIA PRIMO VERE 98	-	-	-	126,647	-	-	13,599	-	564,403	-
GATTATICO - PIAZZA ALCIDE CERVI 28	-	-	-	-	-	-	90,450	-	173,930	-
GENOVA - VIA DI QUINTO N. 38-38A	-	-	-	-	270,824	-	-	-	-	-
GENOVA - VIA FELICE DEL CANTO N. 4A	-	-	-	-	408,246	-	-	-	-	-
GENOVA - VIA NAPOLI N. 40A/R	-	-	-	-	236,488	-	-	-	-	-
GENOVA - VIALE AMMIRAGLIO GIORGIO DES GENEYS N. 41R	-	-	-	-	707,000	-	-	-	-	-
GENOVA - VIA GUGLIELMO OBERDAN N. 120A	-	-	-	-	544,921	-	-	-	-	-
GENOVA - PIAZZA MANIN N. 12BR	-	-	-	-	474,713	-	-	-	-	-
GENOVA - VIA GIOVANNI BATTISTA CUSTO N. 11R	-	-	-	-	205,218	-	-	-	-	-
GENOVA - VIA PASQUALE PASTORINO N. 26R	-	-	-	-	129,279	-	-	-	-	-
GENOVA - VIA EMILIA N. 48CR-48DR-48ER	-	-	-	-	1,404,049	-	-	-	-	-
GENOVA - VIA PIACENZA N. 179DR-179ER-94C-GR	-	-	-	-	475,204	-	-	-	-	-
GENOVA - PIAZZA SEBASTIANO GAGGERO N. 9R - VIA VERITÀ 28	-	-	-	-	930,738	-	-	-	-	-
GENOVA - VIA GERMANO JORI N. 22A	-	-	-	-	454,443	-	-	-	-	-
GENOVA - VIA MONTICELLI N. 68R	-	-	-	-	1,112,619	-	-	-	-	-
GENOVA - VIA MONTICELLI N. 13 INTERNO 1	-	-	-	-	202,372	-	-	-	-	-
GENOVA - VIA DANTE GAETANO STORACE N. 41R	-	-	-	-	387,298	-	-	-	-	-
GENOVA - VIA FEDERICO AVIO N. 2R, VIA TERENZIO MAMIANI N. 17R	-	-	-	-	1,462,460	-	-	-	-	-
GENOVA - VIA DE NICOLAY N. 44R-46R	-	-	-	-	206,540	-	-	-	-	-
GENOVA - VIA AURELIANO GALEAZZO N. 4-6	-	-	-	6,556	-	-	-	-	-	-
GENOVA - VIA FABIO GARELLI N. 17R/43	-	-	-	-	327,392	-	-	-	-	-
GENOVA - CORSO SARDEGNA N. 90-R	-	-	-	-	810,100	-	-	-	-	-
GENOVA - VIA GIOVANNI TORTI N. 80R	-	-	-	-	958,038	-	-	-	-	-
GENOVA - VIA SILVIO LAGUSTENA	-	-	-	-	572,725	-	-	-	-	-
GENOVA - VIA SAN MARTINO N. 58-60-62	-	-	-	-	256,188	-	-	-	-	-
GENOVA - VIA SAN MARTINO N. 67-H	-	-	-	-	705,358	-	-	-	-	-
GENOVA - VIA GIOVANNI ARRIVABENE N. 39RT	-	-	-	-	811,204	-	-	-	-	-
GENOVA - VIA TIMAVO N. 92R	-	-	-	-	732,741	-	-	-	-	-
GENOVA - VIA SESTRI N. 128R-130R-132R-ANG ROSOLINO PILO	-	-	-	-	291,843	-	-	-	-	-
GENOVA - PIAZZA DELLE AMERICHE N. 1	-	-	-	-	1,728,124	-	-	-	-	-
GENOVA - VIA SESTRI N. 114-R	-	-	-	-	2,076,593	-	-	-	-	-
GENOVA - VIA PISA N. 58	-	-	-	-	1,575,194	-	-	-	-	-
GENOVA - VIA DELLA LIBERTÀ N. 76AR	-	-	-	-	174,801	-	-	-	-	-
GENOVA - VICO CHIUSO LORENZO PARETO INTERNO 4	-	-	-	-	321,561	-	-	-	-	-
GENOVA - VIA PELIO N. 6	-	-	-	926,361	1,891,461	-	-	-	-	-
GENOVA - VIA BRUNO BUOZZI N. 57R-58R	-	-	-	-	329,130	-	-	-	-	-
GENOVA - PIAZZA DI SANTA SABINA N. 6	-	-	-	-	1,234,496	-	-	-	-	-
GENOVA - VIA ANTONIO GRAMSCI N. 135R-137R-139R	-	-	-	-	256,318	-	-	-	-	-
GENOVA - VIA FILIPPO TURATI N. 2R-4R-6R	-	-	-	-	217,668	-	-	-	-	-
GENOVA - PIAZZA BANCHI N. 2R	-	-	-	-	245,361	-	-	-	-	-
GENOVA - VIA LUCCOLI N. 19R-21R	-	-	-	-	295,948	-	-	-	-	-
GENOVA - PIAZZA DEI GARIBALDI N. 29R	-	-	-	-	713,592	-	-	-	-	-
GENOVA - VIA DAVID CHIOSSONE N. 26R	-	-	579,948	1,506,607	1,741,647	-	943,860	-	-	-
GENOVA - VICO AL MONTE DI PIETA N. 4	-	-	-	-	2,991,641	-	-	-	-	-
GENOVA - VIA DAVID CHIOSSONE N. 12	-	-	-	-	4,444,696	-	-	-	-	-
GENOVA - PIAZZA SAN MATTEO N. 6AR-6BR	-	-	-	-	703,635	-	-	-	-	-
GENOVA - VIA VENTICINQUE APRILE N. 14R-16R	-	-	-	-	1,140,993	-	-	-	-	-
GENOVA - VIA VENTICINQUE APRILE N. 6	-	-	-	-	25,567	-	-	-	-	-
GENOVA - VIA VENTI SETTEMBRE N. 41	-	-	-	-	1,128,708	-	-	-	-	-
GENOVA - VIA CASSA DI RISPARMIO N. 4/1	-	-	-	6,807	250,501	-	-	-	-	-
GENOVA - VIA CASSA DI RISPARMIO N. 15	-	-	1,871,809	12,911,422	30,227,917	-	-	-	-	-
GENOVA - VIA CECCARDO ROCCATAGLIATA CECCARDI N. 4 INTERNO 16	-	-	-	-	1,543,054	-	-	-	-	-
GENOVA - VIA GABRIELE D'ANNUNZIO N. 79	-	-	-	7,043,117	33,787,823	-	6,316,887	-	-	-
GENOVA - VIA CORSICA N. 15R	-	-	-	-	669,802	-	-	-	-	-
GENOVA - VIA VENTI SETTEMBRE N. 20	-	-	-	-	49,529	-	-	-	-	-

(in Euro)

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GENOVA - VIA DOMENICO FIASELLA N. 36R-38R-40R	-	-	-	-	402,419	-	-	-	-	-
GENOVA - VIA CESAREA N. 64R-66R-68R	-	-	-	-	442,913	-	-	-	-	-
GENOVA - VIA GRANELLO N. 69R - VIA CESAREA 60R - 62R - 66R	-	-	-	-	1,347,820	-	-	-	-	-
GENOVA - VICO DI CAMPISANO, 8- SALITA MONTAGNOLA DELLA MARINA, 3	-	-	-	-	199,868	-	-	-	-	-
GESUALDO - CORSO ITALIA SNC	-	-	-	-	-	-	86,189	64,727	4,282	-
GRANAROLO DELL'EMILIA - VIA S. DONATO 50	-	-	-	-	-	-	285,577	-	902,073	-
GROTTAMINARDA - GIARDINO SNC	-	-	-	-	-	-	679	269,982	139,921	-
GUIGLIA - VIA M. D AZEGLIO 644	-	-	-	26,121	35,819	-	-	-	58,169	-
IMPERIA - VIA GIUSEPPE BERIO N. 10	-	-	-	-	2,311,190	-	-	-	-	-
IMPERIA - PIAZZA UNITÀ NAZIONALE N. 19 INTERNO 9	-	-	-	-	103,291	-	-	-	-	-
IMPERIA - VIA SAN MAURIZIO N. 27 INTERNO B	-	-	-	-	56,202	-	-	-	-	-
INTRODACQUA - VIA GARIBALDI 1	-	-	-	-	-	-	-	-	129,938	-
ISOLA DEL CANTONE - VIA ROMA N. 180	-	-	-	-	200,357	-	-	-	-	-
L'AQUILA - PIAZZA S. SILVESTRO 1	-	-	-	-	-	-	391,982	-	4,792,710	-
L'AQUILA - VIA ALCIDE DE GASPERI 4-12-14	-	-	-	-	-	-	378,488	-	853,854	-
L'AQUILA - VIA S. AGOSTINO 22	-	-	-	67,139	-	-	157,939	-	193,947	-
L'AQUILA - STRADA STATALE 17 BIS SNC	-	-	-	-	-	-	78,313	-	185,146	-
LA SPEZIA - VIALE ITALIA - VIA NAZIONALE 252	-	-	-	-	2,190,810	-	-	-	-	-
LANCIANO - LUIGI DE CRECCHIO 36	-	-	53,705	553,138	-	-	410,986	-	617,477	-
LANCIANO - VIALE CAPPUCCINI 76	-	-	-	-	-	-	228,083	-	5,815,496	-
LANCIANO - CONTRADA GAETA 1	-	-	-	-	-	-	52,465	-	544,985	-
LAVAGNA - PIAZZA LA SCAFA N. 9-5/6-7/8	-	-	-	-	171,399	-	-	-	-	-
LAVAGNA - PIAZZA DELLA LIBERTÀ N. 37-38-39	-	-	-	14,295	76,833	-	-	-	-	-
LIONI - VIA RONCA 2	-	-	-	-	-	-	-	26,924	7,503	-
LOANO - VIA STELLA SIMONE N. 17	-	-	-	-	536,027	-	-	-	-	-
LUCCA - VIALE GIACOMO PUCCINI N. 1174	-	-	-	-	-	260,415	243,570	-	-	-
LUCCA - PIAZZA SAN MARTINO N. 4-5-6	-	-	42,077	289,063	-	6,103,670	487,044	-	-	-
LUCCA - PIAZZA CESARE BATTISTI 26	-	-	-	-	-	68,311	-	-	-	-
LUZZARA - VIA FILIPPINI 10	-	-	-	-	-	-	-	-	168,484	-
MAGLIANO DE' MARSI - VIA AVEZZANO 2	-	-	-	-	-	-	21,877	-	293,741	-
MANTOVA - V. GRAZIOLI 30/A	-	-	-	-	-	-	-	-	728,736	-
MANTOVA - V.LE SABOTINO 1/A	-	-	-	-	-	-	-	-	74,433	-
MARANELLO - VIA P. GIARDINI 74	-	-	-	-	-	-	94,500	-	880,659	-
MARANO SUL PANARO - VIA VIGNOLESE 92	-	-	7,747	72,933	291,142	-	-	-	207,875	-
MASONE - VIALE VITTORIO VENETO N. 6	-	-	-	-	231,731	-	-	-	-	-
MASSA - VIA FLAVIO TORELLO BARACCHINI	-	-	-	-	-	2,372	54,937	-	-	-
MASSA - VIA ADELINA ZINI N. 6	-	-	-	-	-	298,402	68,816	-	-	-
MASSA - VIA AGOSTINO GHIRLANDA N.2	-	-	16,211	-	-	428,195	95,339	-	-	-
MATERA - VIA NAZIONALE 1	-	-	-	-	-	-	158,872	-	600,422	-
MATERA - PIAZZA SAN FRANCESCO D ASSISI 12	-	-	258,715	2,192,886	-	-	882,874	-	2,730,977	-
MATERA - PIAZZA VITTORIO EMANUELE III 5-6	-	-	-	-	-	-	5,369	-	138,230	-
MERCOGLIANO - VIALE S. MODESTINO 33	-	-	-	-	-	-	-	-	9,124	-
MIGLIONICO - PIAZZA MERCATO 15	-	-	-	-	-	-	1,397	-	-	-
MILANO - VIA CERESIO N. 3	-	-	-	-	44,349	-	-	-	-	-
MILLESIMO - PIAZZA DELLA LIBERTÀ N. 1-10	-	-	-	61,947	32,927	-	86,127	-	-	-
MIRANDOLA - V.CAVALLOTTI 6, VIA SMERIERI 3	-	-	-	475,618	-	-	608,470	-	1,383,124	-
MIRANDOLA - VIA TORINO 5	-	-	-	-	-	-	28,299	-	396,676	-
MOCONESI - VIALE ALCIDE DE GASPERI N. 19	-	-	-	-	197,130	-	-	-	-	-
MODENA - VIA EMILIA EST 893	-	-	-	500,963	-	-	404,444	-	1,940,234	-
MODENA - VIALE AMENDOLA 474	-	-	-	-	-	-	150,896	-	1,255,071	-
MODENA - VIA S.CARLO 8/28, VIA SCUDARI 3-7-9	-	-	387,343	5,376,316	-	-	2,627,564	-	17,913,522	-
MODENA - VIA CANALETTO 94	-	-	-	748,863	-	-	417,475	-	879,067	-
MODENA - VIA STAFFETTE PARTIGIANE 25	-	-	-	278,887	-	-	163,664	-	1,377,463	-
MODENA - VIA DANIMARCA 6	-	-	-	-	-	-	508,491	-	3,642,019	-
MODENA - V. IACOPO DA PORTO 545	-	-	-	-	-	-	-	-	60,430	-
MONTALBANO JONICO - VIA CESARE BATTISTI 9	-	-	-	-	-	-	-	-	11,168	-
MONTECCHIO EMILIA - VIA PRAMPOLINI 2/A	-	-	-	-	-	-	-	-	201,767	-
MONTEREALE - VIA NAZIONALE 44	-	-	-	-	-	-	127,977	-	98,435	-
MONTOGGIO - VIA ROMA N. 89	-	-	-	-	170,126	-	-	-	-	-
MUGNANO DEL CARDINALE - ROMA SNC	-	-	-	-	-	-	155,828	261,636	27,829	-
MULAZZO - STRADA ARPIOLA-CASSANA	-	-	-	-	-	44,077	16,333	-	-	-
NAPOLI - PONTE DI TAPPIA 88	-	-	-	-	-	-	-	-	168,726	-
NAPOLI - FRAN.SCO SOLIMENE 30-34	-	-	-	-	-	-	-	106,330	94,677	-
NOCERA INFERIORE - P.ZZA AMENDOLA SNC	-	-	-	-	-	-	-	644,860	49,858	-

(in Euro)

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NOCERA SUPERIORE - VIA ROMA	-	-	-	-	-	-	-	-	29,427	-
NOCETO - V. MATTEOTTI 34,P.RISORGIMENTO 3	-	-	-	-	-	-	449,149	-	933,276	-
NOLI - VIA VIGNOLO N. 6	-	-	9,763	103,809	46,534	-	51,830	-	-	-
NONANTOLA - P.ZA IV NOVEMBRE,6 V. ROMA 41/43	-	-	-	459,647	-	-	213,228	-	1,205,511	-
NOVA SIRI - VIA GRAMSCI SNC	-	-	-	-	-	-	93,569	-	78,834	-
ORTONA - PIAZZA DELLA CHIESA SNC	-	-	-	-	-	-	-	-	24,117	-
ORTONA - VIA DELLA LIBERTA 27/31	-	-	-	-	-	-	89,431	-	514,313	-
PAGLIETA - CORSO VITTORIO EMANUELE 44/46	-	-	-	-	-	-	83,844	-	138,580	-
PALENA - VIA ROMA 31	-	-	-	-	-	-	-	-	96,436	-
PAVULLO NEL FRIGNANO - V.GIARDINI 11, P.S. BARTOLOMEO 11	-	-	25,474	146,402	-	-	72,475	-	206,874	-
PESCARA - VIA CONTE DI RUVO 55/61	-	-	-	-	-	-	-	-	1,580,817	-
PESCINA - VIA DELLA STAZIONE SNC	-	-	-	-	-	-	-	-	179,014	-
PIACENZA - VIA FAUSTINO PERLETTI N. 9	-	-	-	-	18,851	-	-	-	-	-
PIANORO - VIA NAZIONALE 108	-	-	-	-	-	-	238,100	-	897,810	-
PIETRA LIGURE - CORSO ITALIA N. 23	-	-	-	-	167,755	-	-	-	-	-
PIETRA LIGURE - PIAZZA MARTIRI DELLA LIBERTÀ N. 1-10	-	-	-	-	1,021,648	-	-	-	-	-
PIEVE DI TECO - VIA LUIGI EULA	-	-	-	-	266,291	-	-	-	-	-
PIEVEPELAGO - VIA ROMA 85, 89	-	-	-	150,902	-	-	77,320	-	238,627	-
PONTREMOLI - PIAZZA DELLA REPUBBLICA	-	-	-	-	-	-	21,072	-	-	-
RAIANO - CORSO ITALIA 52	-	-	-	-	-	-	-	-	27,902	-
RAPALLO - VICO DEL POZZO N. 24	-	-	-	-	240,620	-	-	-	-	-
RAPALLO - VIA MONSIGNOR AGOSTINO GIUSTINIANI N. 11	-	-	-	-	1,348,088	-	-	-	-	-
RAVENNA - VIA SUZZI 2	-	-	-	-	-	559,121	854,130	-	766,472	-
RAVENNA - VIA GUERRINI 14	-	129,114	46,238	249,867	-	856,309	2,398,135	-	4,386,494	-
RAVENNA - VIA DIAZ 35	-	-	16,625	323,601	-	-	1,349,173	-	2,158,006	-
RAVENNA - VIA REALE 193/193A	-	25,823	18,076	43,899	-	75,010	228,382	-	239,478	-
RAVENNA - PIAZZA MAZZINI 2	-	-	-	-	-	-	-	-	94,682	-
RAVENNA - VIALE FARINI 66	-	-	-	-	-	-	-	-	-	8,504
RAVENNA - VIA ROMEA VECCHIA 23/25	-	15,494	10,329	24,733	-	3,628	174,057	-	158,300	-
RAVENNA - SS ADRIATICA 419	-	-	-	-	-	13,728	34,810	-	113,456	-
RAVENNA - VIALE DEI NAVIGATORI 76	-	-	-	20,670	-	19,843	213,440	-	382,220	-
RAVENNA - VIA G. DI VITTORIO 16	-	-	-	-	-	-	276,521	-	358,911	-
RAVENNA - VIA DLLE LIRICA 19	-	-	-	-	-	-	-	-	196,094	-
RECCO - VIA ROMA N. 11	-	-	-	-	881,829	-	-	-	-	-
REGGIO EMILIA - VIALE MATTEOTTI 1,V.DEI MILLE 2/A	-	-	-	-	-	-	1,005,845	-	2,556,451	-
REZZOAGLIO - LOCALITÀ CAPOLUOGO N. 12A INTERNO 2	-	-	-	-	426,338	-	-	-	-	-
RICCIONE - VLE DANTE 80	-	-	-	-	-	-	314,426	-	2,983,894	619,748
RIMINI - V. CORIANO 58	-	-	-	-	-	-	76,946	-	445,798	143,270
RIMINI - V. CADUTI DI MARZABOTTO 47	-	-	-	-	-	-	40,777	-	1,212,711	154,937
ROCCA DI MEZZO - VIA XXIV MAGGIO SNC	-	-	-	-	-	-	176,101	-	460,376	-
ROMA - VIA DEGLI ASTRI 97/103	-	-	-	-	-	-	-	-	400,733	-
ROMA - CORSO VITTORIO EMANUELE II 299	-	-	-	-	-	-	344,735	-	1,124,472	-
RONCO SCRIVIA - CORSO ITALIA N. 55B-55C-55D	-	-	-	-	168,919	-	-	-	-	-
RONCO SCRIVIA - CORSO ITALIA, 100	-	-	-	-	308,209	-	-	-	-	-
ROSSIGLIONE - VIA ROMA N. 32	-	-	-	-	170,317	-	-	-	-	-
ROTONDELLA - PIAZZA ALBISSINI SNC	-	-	-	-	-	-	11,597	-	64,514	-
ROTONDI - PIAZZA V. EMANUELE SNC	-	-	-	214,139	-	-	110,516	96,777	10,129	-
RUBIERA - P.ZA GRAMSCI 1	-	-	-	-	-	-	-	-	522,780	-
S. MAURO PASCOLI - VLE PINETA 18	-	-	-	69,292	-	-	42,629	-	248,331	99,595
S. MAURO PASCOLI - PZA MAZZINI 1	-	-	-	236,666	-	-	221,722	-	836,622	449,318
SALA CONSILINA - LOC TRINITA VIA NAZIONALE 234	-	-	-	-	-	-	17	-	240,486	-
SALERNO - LUNGOMARE TRIESTRE 32	-	-	-	-	-	-	185,064	784,156	1,641,185	-
SALUZZO - CORSO ITALIA, 86	-	-	140,342	926,333	-	-	-	-	-	-
SAN BARTOLOMEO AL MARE - PIAZZA MAGNOLIE N. 32	-	-	-	-	259,482	-	-	-	-	-
SAN COLOMBANO CERTENOLI - VIA CUNEO DOMENICO N. 81 CDE	-	-	-	-	197,179	-	-	-	-	-
SAN DEMETRIO NE' VESTINI - PIAZZA ANGELO PELLEGRINI 1	-	-	-	-	-	-	64,322	-	234,727	-
SAN GIOVANNI IN FIORE - VIA MACHIAVELLI/VIA CELLINI SNC	-	-	-	-	-	-	-	-	132,407	-
SAN MARTINO IN RIO - VIA ROMA 43	-	-	-	-	-	-	-	-	44,970	-
SANFRÈ - PIAZZA UMBERTO I, 1	-	-	-	43,580	-	-	-	-	127,403	-
SANREMO - CORSO AUGUSTO MOMBELLO N. 29	-	-	-	-	2,542,824	-	-	-	-	-
SANTA MARGHERITA LIGURE - VIA XXV APRILE N. 2A INTERNO 1	-	-	-	-	303,790	-	-	-	-	-
SANTA MARGHERITA LIGURE - LARGO ANTONIO GIUSTI N. 17	-	-	-	-	792,711	-	-	-	-	-
SANTA VITTORIA D'ALBA - STRADA STATALE 231	-	-	-	78,249	-	-	-	-	121,804	-

(in Euro)

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SANTARCANGELO DI ROMAGNA - V. DON MINZONI 22	-	-	-	118,302	-	-	57,367	-	1,053,004	387,343
SANTO STEFANO AL MARE - PIAZZA A. SAFFI, 4-5-6	-	-	-	-	375,188	-	-	-	-	-
SAPRI - VILLA COMUNALE SNC	-	-	-	-	-	-	-	-	2,851	-
SARSINA - V. KENNEDY 26	-	-	-	-	-	-	67,973	-	228,346	51,646
SASSELLO - VIA ROMA N. 4	-	-	2,984	39,768	26,262	-	42,128	-	-	-
SASSO MARCONI - VIA PORRETTANA 23	-	-	-	-	-	-	125,278	-	488,784	-
SASSUOLO - P.MARTIRI 79, VIA S. GIORGIO 2	4,979	-	77,469	769,521	-	-	348,692	-	1,551,780	-
SASSUOLO - VIA MONTE SANTO 2	-	-	-	-	-	-	266,807	-	1,005,340	-
SASSUOLO - V. MAZZINI 327	-	-	-	-	-	-	-	-	322,958	-
SAVIGNANO SUL PANARO - VIA CLAUDIA 2019, 2043	-	-	-	174,881	-	-	70,633	-	391,492	-
SAVIGNANO SUL PANARO - VIA CLAUDIA 3621	-	-	4,747	79,676	351,076	-	-	-	494,440	-
SAVIGNONE - VIA GIOVANNI XXIII N. 1	-	-	-	-	60,263	-	-	-	-	-
SAVONA - VIA FILIPPO CORRIDONI N. 1R	-	-	-	64,039	44,504	-	63,685	-	-	-
SAVONA - VIA DON GIOVANNI MINZONI N. 49	-	-	-	-	143,253	-	27,410	-	-	-
SAVONA - VIA LIBERO BRIGANTI N. 33R INTERNO 1	-	-	-	78,501	91,814	-	294,442	-	-	-
SAVONA - PIAZZA ARMANDO DIAZ N. 36-R	-	-	-	74,370	173,702	-	11,436	-	-	-
SAVONA - CORSO ITALIA N. 10	-	-	240,299	1,639,632	2,214,442	-	1,128,825	-	-	-
SAVONA - PIAZZA MAESTRI DELL'ARTIGIANATO N. 4 SCALA B INTERNO 1	-	-	-	409,031	850,067	-	232,626	-	-	-
SAVONA - VIA ANTONIO BRILLA N. 18R	-	-	-	50,209	141,316	-	34,320	-	-	-
SCANNO - VIA NAPOLI 5	-	-	-	-	-	-	79,019	-	54,649	-
SELLIA MARINA - VIA ACQUE DELLE MANDRIE SNC	-	-	-	-	-	-	18,142	-	56,357	-
SERRA RICCÒ - VIA ANTONIO MEDICINA N. 104	-	-	-	-	279,645	-	-	-	-	-
SESTRI LEVANTE - CORSO COLOMBO N. 35R	-	-	-	-	671,323	-	-	-	-	-
SICIGNANO DEGLI ALBURNI - VIA PAGANO 66	-	-	-	-	-	-	-	-	84,887	-
SOLIERA - VIA CARPI-RAVARINO 386, 390	-	-	-	247,899	-	-	180,703	-	596,755	-
SOLOFRA - DE STEFANO 78/86	-	-	-	-	-	-	-	75,707	19,210	-
SORI - VIA GIUSEPPE GARIBALDI N. 6C	-	-	-	-	266,797	-	-	-	-	-
SPILAMBERTO - VIALE MARCONI 2	-	-	-	-	-	-	-	-	1,017,266	-
SPOTORNO - VIA CAVOUR N. 43 INTERNO 1 - VIA AURELIA, 43	-	-	-	196,253	478,511	-	260,652	-	-	-
STIGLIANO - VIA PRINCIPE DI NAPOLI SNC	-	-	-	-	-	-	7,881	-	-	-
SULMONA - PIAZZADEL CARMINE 2	-	-	97,020	306,337	-	-	433,106	-	1,360,460	-
SULMONA - CIRCONVALLAZIONE OCCIDENTALE SNC	-	-	-	-	-	-	18,270	-	29,153	-
TAGGIA - VIA BLENGINO N. 12	-	-	-	-	642,828	-	-	-	-	-
TAGGIA - VIA PAOLO BOSELLI N. 21	-	-	-	-	154,322	-	-	-	-	-
TAGLIACOZZO - PIAZZA DUCA DEGLI ABRUZZI 12	-	-	-	-	-	-	155,509	-	198,825	-
TOIRANO - VIA BRAIDA N. 21-23-27	-	-	-	-	129,723	-	-	-	-	-
TORINO - CORSO GIACOMO MATTEOTTI 13	-	-	-	-	159,743	-	-	-	-	-
TORRIGLIA - VIA GIACOMO MATTEOTTI N. 48	-	-	-	-	18,262	-	-	-	-	-
TORRIGLIA - VIA MOLINETTI N. 7BC	-	-	-	-	132,350	-	-	-	-	-
TRASACCO - PIAZZA UMBERTO I 3	-	-	-	-	-	-	48,868	-	150,720	-
VADO LIGURE - VIA AURELIA N. 154	-	-	-	-	236,705	-	233,185	-	-	-
VALLATA - VIA KENNEDY 30/A	-	-	-	-	-	-	253,822	230,192	18,892	-
VARAZZE - PIAZZA D. ALIGHIERI N. 1	-	-	-	-	476,749	-	-	-	-	-
VASTO - SAN MICHELE 4	-	-	-	572,767	-	-	191,468	-	899,999	-
VASTO - VIA BACHELET 4	-	-	-	-	-	-	-	-	10,549	-
VIAREGGIO - VIA FELICE CAVALLOTTI N. 37 -GARIBALDI	-	-	-	103,291	-	840,383	374,840	-	-	-
VIAREGGIO - VIA PRATO N. 12	-	-	-	-	-	146,143	69,705	-	-	-
VIGNOLA - VIALE MAZZINI 1	-	-	87,798	1,149,286	2,616,917	-	-	-	3,662,250	-
VIGNOLA - C. BATTISTI 2	-	-	-	326,742	423,364	-	-	-	552,946	-
ZOLA PREDOSA - VIA RISORGIMENTO 153	-	-	-	-	-	-	-	-	1,039,787	-
	9,082	**185,925**	**5,356,843**	**58,248,705**	**145,380,066**	**14,675,503**	**48,904,289**	**20,039,268**	**167,959,520**	**6,761,293**

Fees for audit and non-audit services

Information pursuant to art. 149-*duodecies* of Consob Issuers' Regulation

This schedule, prepared pursuant to art. 149-*duodecies* of CONSOB Issuers' Regulation (Resolution 11971 of 14 May 1999 and subsequent amendments), reports the 2025 fees for audit and non-audit services provided by the Independent Auditors and member firms of its network. These fees represent the costs incurred and recorded in the Separate Financial Report, net of expenses, unrecoverable VAT and the CONSOB contribution.

(in thousands)

Type of service	Party providing the service	Recipient	Fees
Audit services	Deloitte & Touche s.p.a.	BPER Banca s.p.a.	1,733
Certification services (*)	Deloitte & Touche s.p.a.	BPER Banca s.p.a.	2,109
Other services	Deloitte Network	BPER Banca s.p.a.	98
Total			**3,940**

It should be noted that Statutory Auditing also includes the Limited Review of the Consolidated Financial Statements as at 31 March and 30 September prepared for the purpose of determining the result for the period for the calculation of the Common Equity Tier 1 capital as required by Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms.

(*) Certification services mainly refer to services rendered concerning:

- activities carried out in relation to the translation into English of the independent auditors' reports on the Separate Financial Report at 31 December 2025;
- activities carried out in relation to programmes for the issuance of covered bonds;
- activities to check the GHG Statement that will be attached to the CDP Questionnaire – Reporting on Climate Change;
- verification activities in relation to sustainability reporting;
- activities carried out for the purpose of issuing the Report pursuant to art. 23 paragraph 7 Bank of Italy Regulation 5 December 2019 - Mifid II;
- activities carried out for the statutory audit of 2020-2021-2022-2023-2024 expenses for 4.0 innovation and innovation activities;
- activities carried out for the purpose of issuing the Opinion pursuant to Art. 2441 of the Italian Civil Code and Art. 158 of the Consolidated Law on Finance for the BPS public exchange offer;
- activities carried out for the purpose of issuing the ISAE 3420 Report on pro-forma consolidated information for the BPS public exchange offer;
- activities carried out for the purpose of preparing the report determining the exchange ratio in connection with the BPS public exchange offer;
- activities carried out to verify the conformity of tax returns.

Reconciliation between the Financial Statements and the Reclassified Financial Statements

Reclassified balance sheet - Assets

(in thousands)

Circular No. 262/2005 8° update - Assets		31.12.2025	Cash and cash equivalents	Financial assets						Loans			Macro-hedge accounting		Equity investments	Property, plant and equipment	Intangible assets	Other assets
				a) Financial assets held for trading	b) Financial assets designated at fair value	c) Other financial assets mandatorily measured at fair value	d) Financial assets measured at fair value through other comprehensive income	e) Debt securities measured at amortised cost - banks	e) Debt securities measured at amortised cost - customers	a) Loans to banks	b) Loans to customers	c) Loans mandatorily measured at fair value	a) Hedging derivatives	b) Change in value of macro-hedged financial assets (+/-)				
10.	Cash and cash equivalents	8,337,603	8,337,603															
20.	Financial assets measured at fair value through profit or loss	1,506,131																
	a) financial assets held for trading	835,329		835,329														
	c) other financial assets mandatorily measured at fair value	670,802				502,965						167,837						
30.	Financial assets measured at fair value through other comprehensive income	4,666,126					4,666,126											
40.	Financial assets measured at amortised cost	110,724,026																
	a) loans to banks	12,119,993						4,896,270		7,223,723								
	b) loans to customers	98,604,033			-				18,954,564		79,649,469							
50.	Hedging derivatives	779,557											779,557	(84,444)				
60.	Change in value of macro-hedged financial assets (+/-)	(84,444)																
70.	Equity investments	6,729,841													6,729,841			
80.	Property, plant and equipment	1,825,206	-													1,825,206		
90.	Intangible assets	548,980															548,980	
100.	Tax assets	1,200,514																
	a) current	226,054																226,054
	b) deferred	974,460																974,460
110.	Non current assets and disposal groups classified as held for sale	297,733																297,733
120.	Other assets	4,550,719																4,550,719
	Total assets	**141,081,992**	**8,337,603**	**835,329**	**-**	**502,965**	**4,666,126**	**4,896,270**	**18,954,564**	**7,223,723**	**79,649,469**	**167,837**	**779,557**	**(84,444)**	**6,729,841**	**1,825,206**	**548,980**	**6,048,966**

Reclassified balance sheet - Liabilities and shareholders' equity

(in thousands)

Circular No. 262/2005 8° update - Liabilities and shareholders' equity		31.12.2025	Due to banks	Direct deposits			Financial liabilities held for trading	Macro-hedge accounting		Other liabilities	Shareholders' equity							
				a) Due to customers	b) Debt securities issued	c) Financial liabilities designated at fair value		a) Hedging derivatives	b) Change in value of macro-hedged financial liabilities (+/-)		a) Valuation reserves	b) Reserves	c) Equity instruments	d) Advanced dividends	e) Share premium reserve	f) Share capital	g) Treasury shares	h) Profit (Loss) for the year
10.	Financial liabilities measured at amortised cost	117,055,527																
	a) due to banks	13,311,956	13,311,956															
	b) due to customers	94,702,457		94,702,457														
	c) debt securities issued	9,041,114			9,041,114													
20.	Financial liabilities held for trading	321,474					321,474											
30.	Financial liabilities designated at fair value	3,385,873				3,385,873												
40.	Hedging derivatives	87,684						87,684										
50.	Change in value of macro-hedged financial liabilities (+/-)	(43,704)							(43,704)									
60.	Tax liabilities	235,378																
	a) current	176,792								176,792								
	b) deferred	58,586								58,586								
70.	Liabilities associated with assets classified as held for sale	320,753								320,753								
80.	Other liabilities	2,799,333								2,799,333								
90.	Employee termination indemnities	87,571								87,571								
100.	Provisions for risks and charges	1,083,795																
	a) commitments and guarantees granted	95,652								95,652								
	b) pension and similar obligations	103,283								103,283								
	c) other provisions for risks and charges	884,860								884,860								
110.	Valuation reserves	132,070									132,070							
130.	Equity instruments	1,800,005											1,800,005					
140.	Reserves	5,026,233										5,026,233						
145.	Advanced dividends	(196,357)												(196,357)				
150.	Share premium reserve	4,589,105													4,589,105			
160.	Share capital	2,953,572														2,953,572		
170.	Treasury shares (-)	(21,065)															(21,065)	
180.	Profit (Loss) for the year (+/-)	1,464,745																1,464,745
	Total liabilities and shareholders' equity	**141,081,992**	**13,311,956**	**94,702,457**	**9,041,114**	**3,385,873**	**321,474**	**87,684**	**(43,704)**	**4,526,830**	**132,070**	**5,026,233**	**1,800,005**	**(196,357)**	**4,589,105**	**2,953,572**	**(21,065)**	**1,464,745**

Reclassified Income statement

(in thousands)

Circular No. 262/2005 8° update - Income statement		31.12.2025	Net interest income	Net commission income	Dividends	Net income from financial activities	Other operating expense/ income	Staff costs	Other administrative expenses	Net adjustments to property, plant and equipment and intangible assets	Net impairment losses to financial assets at amortised cost - loans	Net impairment losses to financial assets at amortised cost - other financial assets	Net impairment losses to financial assets at fair value	Gains (Losses) from contractual modifications without derecognition	Net provisions for risks and charges	Gains (Losses) on investments	Contribution to systemic funds	Integration costs	Income taxes on current operations for the year	Profit (Loss) for the year
10.	Interest and similar income	3,811,285	3,811,285																	
20.	Interest and similar expense	(1,176,918)	(1,176,918)																	
30.	**Net interest income**	**2,634,367**																		
40.	Commission income	1,783,642		1,783,642																
50.	Commission expense	(185,506)		(185,506)																
60.	**Net commission income**	**1,598,136**																		
70.	Dividends and similar income	268,811			268,811															
80.	Net income from trading activities	222,691				222,691														
90.	Net income from hedging activities	(3,594)				(3,594)														
100.	Gains (Losses) on disposal or repurchase of:	43,252																		
	a) financial assets measured at amortised cost	34,007				34,007														
	b) financial assets measured at fair value through other comprehensive income	8,269				8,269														
	c) financial liabilities	976				976														
110.	Net income on other financial assets and liabilities measured at fair value through profit or loss	(179,876)																		
	a) financial assets and liabilities designated at fair value	(192,569)		25,566		(218,135)														
	b) other financial assets mandatorily measured at fair value	12,693				12,693														
120.	**Net interest and other banking income**	**4,583,787**																		
130.	Net impairment losses for credit risk relating to:	(264,779)																		
	a) financial assets measured at amortised cost	(265,060)									(267,257)	2,197								
	b) financial assets measured at fair value through other comprehensive income	281											281							
140.	Gains (Losses) from contractual modifications without derecognition	(572)												(572)						
150.	**Net income from financial activities**	**4,318,436**																		
160.	Administrative expenses:	(2,366,909)																		
	a) staff costs	(1,456,445)						(1,340,940)										(115,505)		
	b) other administrative expenses	(910,464)						(11,470)	(846,165)								(8,240)	(44,589)		
170.	Net provisions for risks and charges	(32,819)								19,801								(19,801)		
	a) commitments and guarantees granted	(3,005)													(3,005)					
	b) other net provisions	(29,814)													(29,814)					
180.	Net adjustments to property, plant and equipment	(147,427)								(147,427)										
190.	Net adjustments to intangible assets	(168,813)						-		(168,813)								-		
200.	Other operating expense/income	424,458					184,428	1,564	238,466											
210.	**Operating costs**	**(2,291,510)**																		
220.	Gains (Losses) of equity investments	(15,571)														(15,571)				
230.	Valuation differences on property, plant and equipment and intangible assets measured at fair value	1,237														1,237				
250.	Gains (Losses) on disposal of investments	(395)														(395)				
260.	**Profit (Loss) from current operations before tax**	**2,012,197**																		
270.	Income taxes on current operations for the year	(547,452)																	(547,452)	
280.	**Profit (Loss) from current operations after tax**	**1,464,745**																		
300.	**Profit (Loss) for the year**	**1,464,745**	**2,634,367**	**1,623,702**	**268,811**	**56,907**	**184,428**	**(1,350,846)**	**(607,699)**	**(296,439)**	**(267,257)**	**2,197**	**281**	**(572)**	**(32,819)**	**(14,729)**	**(8,240)**	**(179,895)**	**(547,452)**	**1,464,745**

CERTIFICATIONS AND OTHER REPORTS

CONTENTS

Certification of the 2025 Separate Financial Report pursuant to art. 81-*ter* of Consob Regulation No. 11971 of 14 May 1999, as amended 947

Independent Auditors' Report pursuant to art. 14 of Legislative Decree No. 39 of 27 January 2010 and art. 10 of EU Regulation No. 537/2014 on the Separate Financial Report 948

Report of the Board of Statutory Auditors to the Shareholders' Meeting pursuant to art. 153 of Legislative Decree 58/1998 958

Certification of the 2025 Separate financial report pursuant to art. 81-ter of Consob Regulation no. 11971 of 14 May 1999, as amended

- The undersigned
  - Gianni Franco Papa, as Chief Executive Officer of BPER Banca S.p.A.,
  - Giovanni Tincani, as the Manager responsible for preparing the Company's financial reports of BPER Banca S.p.A.,

  having considered the requirements of paras. 3 and 4 of art. 154-bis of Decree no. 58 of 24 February 1998,

  confirm:

  - the adequacy, in relation to the characteristics of the Bank, and
  - the proper application, during 2025, of the administrative and accounting procedures adopted for the preparation of the separate financial report.

- This assessment of the adequacy of the administrative and accounting procedures adopted for the preparation of the 2025 separate financial report is based on a model developed by BPER Banca S.p.A., consistent with the Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. This framework represents reference standards for systems of internal control that are generally accepted at an international level.

- It is also certified that:
  - the 2025 separate financial report:
    a) have been prepared in accordance with the applicable international accounting standards recognised within the European Union pursuant to European Parliament and Council Regulation (EC) no. 1606/2002 of 19 July 2002, Decree 38/2005 and the enabling regulations for art. 9 of this Decree;
    b) agree with the underlying accounting records and entries;
    c) present a true and fair view of the financial position and results of operations of the Bank;
  - the report on operations includes a reliable analysis of performance and the results of operations, as well as of the position of the Bank, together with a description of the principal risks and uncertainties to which it is exposed.

Modena, 11 March 2026

Signed by
Gianni Franco Papa

Chief Executive Officer

Signed by
Giovanni Tincani

Manager responsible for preparing the Company's financial reports

Deloitte & Touche S.p.A.
Piazza Malpighi, 4/2
40123 Bologna
Italia

Tel: +39 051 65811
Fax: +39 051 230874
www.deloitte.it

INDEPENDENT AUDITOR'S REPORT PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010 AND ARTICLE 10 OF THE EU REGULATION 537/2014

To the Shareholders of
BPER Banca S.p.A.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of BPER Banca S.p.A. (the "Bank"), which comprise the balance sheet as at December 31, 2025, the income statement, the statement of other comprehensive income, the statement of changes in shareholders' equity, the statement of cash flows for the year then ended and the explanatory notes including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Bank as at December 31, 2025, and of its financial performance and its 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 and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05 and the requirements of national regulations issued pursuant to art. 43 of Italian 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 Financial Statements* section of our report. We are independent of the Bank in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

Sede Legale: Via Santa Sofia, 28 - 20122 Milano | Capitale Sociale: Euro 10.688.930,00 i.v.
Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560166 - R.E.A. n. MI-1720239 | Partita IVA: IT 03049560166

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Classification and valuation of performing loans to customers measured at amortised cost	
Description of the key audit matter	As reported in paragraph *2.3 Balance sheet aggregates* of the Directors' Report on Operations and in the *quantitative information, A. Credit quality, Part E – Information on risks and related hedging policies* in the Explanatory notes, performing loans to customers, only with reference to loans portfolio, measured at amortised cost of BPER Banca S.p.A. as at December 31, 2025 amount to a gross exposure of Euro 79,285 million, where impairment losses are associated for Euro 434 million, and consequently to a net exposure of Euro 78,851 million, highlighting a coverage ratio equal to 0.55%. In the Explanatory notes *Part A.1 – General Information, Section 4 – Other Aspects- Risks and uncertainties inherent in the current macroeconomic environment - Management Overlays applied in the assessment of credit risk; Part A.2 - Main items in the financial statements Paragraph 3 - Financial assets measured at amortised cost and Paragraph 23. Method for determining the extent of impairment*, are described with reference to performing loans to customers: • Bank's rules for classifying loans to customers measured at amortised cost in compliance with the current instructions of the Supervisory Authorities and the applicable accounting standards; • the methods for determining their recoverable amounts which are based on the estimate of the present value of expected cash flows deriving from a lump sum valuation; • the methods with which managerial corrective measures (so-called management overlays) have been applied in the assessment of credit risk and consequently in determining the expected credit losses also to take into account the persistent uncertainty in the general and sectoral macroeconomic scenario, mainly due to geopolitical tensions (the armed conflicts in Russia-Ukraine and in the Middle East) and U.S. policies on global trade and international relations, accompanied by measures to combat climate risk with unpredictable effects on the economic and production system. Furthermore, as reported in *Part E – Information on risks and related hedging policies, Section 1 – Credit Risk, Chapter 2. Credit risk management policies, Paragraph 2.2. Systems for managing, measuring and monitoring* of the Explanatory notes as at December 31, 2025, the Bank, as part of its policies for managing loans to customers, adopted rules and procedures for monitoring credit exposures, which have entailed, among other things, a structured action of classification into homogeneous risk categories.

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In particular, on the basis of “rating” and “Early Warning” systems, the Bank identified among performing loans to customers measured at amortised cost those most at risk.

Considering the significance of the amount of the performing loans to customers measured at amortised cost recorded in the financial statements and the complexity of the classification and estimation processes adopted by the Bank, we have identified the classification of performing loans to customers with particular reference to exposures with a higher level of management risk (“high risk” exposures) as well as the related process for determining the loan loss provisions, as a key audit matter of the financial statements of the Bank as at December 31, 2025.

Audit procedures performed

The audit procedures performed included, among others, the following:

- analysis and understanding of the Bank's internal control system as well as the related internal regulations concerning the credit process which included, in particular, the identification of the organizational and procedural safeguards implemented by the Bank for monitoring credit quality, for the adequacy of the classification according to the provisions of the sector regulations and for the credit valuation in compliance with the applicable accounting standards;

- analysis and understanding of the IT systems and applications used and the test of the operating effectiveness of the relevant controls, also with the support of our IT experts;

- check of the implementation of the procedures and of the relevant controls, as well as test their operating effectiveness for the purposes of the classification and valuation process;

- analysis and understanding of the criteria used by the Bank for the classification in the different categories envisaged by IFRS9 (so-called “staging”) as well as for the assessment of the riskiness of the counterparties;

- analysis and understanding of the main valuation models adopted by the Bank and the related updates, as well as a check on a sample basis of the reasonableness of the parameters subject to estimation, also with the support of our IT experts and credit model experts belonging to the Deloitte network;

- checks on a sample basis of the classification of “high risk” loans according to the provisions of the sector and internal regulations, as well as of the related valuation in compliance with the applicable accounting standards;

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- analysis and check of the methods of determination and related quantification of the management overlays adopted by the Bank in determining collective impairment losses;
- analysis and check of performing loans collective impairment losses also through the development of independent estimates;
- comparative and trend analyses on the volumes of loans to customers and on related coverage ratios, through comparison with the data of the previous year and with sector data;
- analysis of subsequent events occurring after the reference date of the financial statements;
- check of the completeness and compliance of the disclosures provided in the financial statements in accordance with the regulatory framework and applicable accounting standards.

Classification and valuation of non-performing loans to customers measured at amortised cost classified as bad loans and unlikely to pay loans

Description of the key audit matter

As reported in paragraph *2.3 Balance sheet aggregates of the Directors' Report on Operations and in the quantitative information, A. Credit quality, Part E – Information on risks and related hedging policies* of the Explanatory notes, non-performing loans to customers, only with reference to loans portfolio, measured at amortised cost of BPER Banca S.p.A. as at December 31, 2025 amount to a gross exposure of Euro 1,877 million, where impairment losses are associated for Euro 1,079 million and consequently to a net exposure of Euro 798 million, highlighting a coverage ratio equal to 57.49%.

The Directors' Report on Operations also shows that the above-mentioned non-performing loans to customers, classified in accordance with IFRS 9 "Financial Instruments" as "Third Stage", include bad loans for a net value of Euro 130 million with a coverage ratio equal to 72.17% and unlikely to pay loans for a net value of Euro 649 million with a coverage ratio equal to 52.67%.

In the Explanatory notes *Part A.2 - Main items in the financial statements Paragraph 3 - Financial assets measured at amortised cost and Paragraph 23. Method for determining the extent of impairment*, are described:

- Bank's rules for classifying non-performing loans to customers measured at amortised cost in compliance with the current instructions of the Supervisory Authorities and the applicable accounting standards;

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- the methods for determining their recoverable amounts which are based on the estimate of the present value of expected cash flows deriving from an analytical valuation of bad loans and unlikely to pay loans whose exposure is higher than the thresholds established by internal regulations, and from a lump sum valuation of the remaining non-performing loans to customers measured at amortised cost. Furthermore, the quantification of the recoverable amount of non-performing loans which are included in the Bank's strategy, that envisages the recovery of those loans through disposals, reflects also the estimate of their disposal value, duly weighted on the basis of the probability of occurrence of the possible "workout" and "disposal" scenarios.

Considering the complexity of the estimation processes adopted by the Bank, which implied a structured action of classification of non-performing loans to customers measured at amortised cost into homogeneous risk categories, as well as the relevance of the discretionary components linked to the estimate of the related recoverable amount (such as the estimate of expected cash flows, the time of recovery, the value of the collateral, if any, and the possible recovery strategies), we have identified the classification of non-performing loans to customers measured at amortised cost classified as bad loans and unlikely to pay loans and their valuation as a key audit matter of the financial statements of the Bank as at December 31, 2025.

Audit procedures performed

The audit procedures performed included, among others, the following:

- analysis and understanding of the Bank's internal control system as well as the related internal regulations concerning the credit process which included, in particular, the identification of the organizational and procedural safeguards implemented by the Bank for the monitoring of credit quality and management of non-performing loans, for the adequacy of the classification according to the provisions of the sector regulations and for the related valuation in compliance with the applicable accounting standards;

- analysis and understanding of the IT systems and applications used and the test of the operating effectiveness of the relevant controls, also with the support of our IT experts;

- check the implementation of the procedures and relevant controls, as well as their operating effectiveness for the purposes of the classification and valuation process;

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- analysis and understanding of the main valuation models adopted by the Bank and the related updates, as well as a check on a sample basis of the reasonableness of the parameters subject to estimation, also with the support of our IT experts and credit model experts belonging to the Deloitte network;

- analysis and understanding of the process of identification and determination of the strategy to reduce credit exposures included in the “disposal” perimeter;

- analysis and understanding of the valuation model adopted for the determination of additional impairment losses relating to non-performing loans belonging to the “disposal” perimeter valued on the basis of recovery expectations through sale and verification of the reasonableness of the expected market prices;

- checks on a sample basis for each category of non-performing loans of the classification and of the related valuation in compliance with the Bank's internal regulations;

- comparative and trend analyses, for each category of non-performing loans, on the volumes and on related coverage ratios, through comparison with the data of the previous year and with sector data;

- analysis of subsequent events occurring after the reference date of the financial statements;

- check of the completeness and compliance of the disclosures provided in the financial statements in accordance with the regulatory framework and applicable accounting standards.

Responsibilities of the Directors and the Board of Statutory Auditors for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05 and the requirements of national regulations issued pursuant to art. 43 of Italian Legislative Decree no. 136/15 and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Bank’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of the Bank or for the termination of the operations or have no realistic alternative to such choices.

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The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit 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 these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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;

- obtain 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 Bank's internal control;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank'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 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 Bank to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate 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 identify during our audit.

Deloitte.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence applicable in Italy, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report.

Other information communicated pursuant to art. 10 of the EU Regulation 537/2014

The Shareholders' Meeting of BPER Banca S.p.A. has appointed us on November 26, 2016 as auditors of the Bank for the years from December 31, 2017 to December 31, 2025.

We declare that we have not provided prohibited non-audit services referred to in art. 5 (1) of EU Regulation 537/2014 and that we have remained independent of the Bank in conducting the audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the Board of Statutory Auditors, in its role of Audit Committee, referred to in art. 11 of the said Regulation.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinion on the compliance with the provisions of the Delegated Regulation (EU) 2019/815

The Directors of BPER Banca S.p.A. are responsible for the application of the provisions of the European Commission Delegated Regulation (EU) 2019/815 with regard to the regulatory technical standards on the specification of the single electronic reporting format (ESEF – European Single Electronic Format) (hereinafter referred to as the "Delegated Regulation") to the financial statements as at December 31, 2025, to be included in the annual financial report.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 700B in order to express an opinion on the compliance of the financial statements with the provisions of the Delegated Regulation.

In our opinion, the financial statements as at December 31, 2025 have been prepared in XHTML format in accordance with the provisions of the Delegated Regulation.

Opinions and statement pursuant to art. 14, paragraph 2, sub-paragraphs e), e-bis) and e-ter), of Legislative Decree 39/10 and pursuant to art. 123-bis, paragraph 4, of Legislative Decree 58/98

The Directors of BPER Banca S.p.A. are responsible for the preparation of the report on operations and the report on corporate governance and ownership structure of BPER Banca S.p.A. as at December 31, 2025, including their consistency with the related financial statements and their compliance with the law.

Deloitte.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to:

- express an opinion on the consistency of the report on operations and of some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98 with the financial statements;

- express an opinion on the compliance with the law of the report on operations and of some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98;

- make a statement about any material misstatement in the report on operations and in some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98.

In our opinion, the report on operations and the specific information contained in the report on corporate governance and ownership structure are consistent with the financial statements of BPER Banca S.p.A. as at December 31, 2025.

In addition, in our opinion, the report on operations and the specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98 are prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2, sub-paragraph e-ter), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by
Stefano Merlo
Partner

Bologna, Italy
March 31, 2026

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.

REPORT OF THE BOARD OF STATUTORY AUDITORS TO THE SHAREHOLDERS' MEETING PURSUANT TO ART. 153 OF LEGISLATIVE DECREE NO. 58/1998

Shareholders,

This Report, prepared pursuant to art. 153 of Legislative Decree No. 58/1998 (the "Consolidated Law on Finance"), outlines the activities carried out by the Board of Statutory Auditors (the "BoSA" or the "Control Body") of BPER Banca s.p.a. ("BPER" or "the Bank" or "the Company") in 2025 and on any omissions or reprehensible facts possibly identified. As part of this report, any observations and proposals of the Board of Statutory Auditors regarding the Financial Reports, their approval and matters within its remit are also included.

During the 2025 financial year, the Board of Statutory Auditors carried out its duties in compliance with the applicable regulations, and in particular pursuant to the Italian Civil Code, the Consolidated Law on Finance, Legislative Decree No. 385/1993 ("Consolidated Law on Banking") and Legislative Decree No. 39/2010, as subsequently amended and supplemented, the BPER Articles of Association ("Articles of Association"), the regulations issued by the supervisory and control authorities, and the guidance contained in the "Rules of conduct of the Board of Statutory Auditors of listed companies" issued by the Italian National Council of Chartered Accountants and Accounting Experts ("*Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili* - CNDCEC"). The Board of Statutory Auditors also monitored the functionality of the internal control system, in accordance with the provisions of Bank of Italy Circular No. 285/2013 and the effective implementation of the corporate governance rules set out in the Corporate Governance Code, with which the Company complies. This Report also contains the information required by CONSOB Communication No. DEM/1025564 of 6 April 2001.

1. COMPOSITION OF THE BODY, MEETINGS, INFORMATION FLOWS AND TRAINING ACTIVITIES

Composition

As at the closing date of the financial year and as at the date of this Report, the Board of Statutory Auditors is composed of: Silvia Bocci (Chair), Michele Rutigliano and Patrizia Tettamanzi (Standing Auditors).

In particular, the Board of Statutory Auditors in office at the end of the 2025 financial year and at the date of approval of this Report was appointed for the three-year period 2024-2026 by the Shareholders' Meeting of 19 April 2024, which appointed Angelo Mario Giudici as Chair, Michele Rutigliano and Patrizia Tettamanzi as Standing Auditors and Sonia Peron and Andrea Scianca as Alternate Auditors.

The Control Body was later supplemented by the Shareholders' Meeting of 19 December 2024, which appointed Silvia Bocci as Chair of the Board of Statutory Auditors to replace the outgoing Angelo Mario Giudici.

Meetings held

The following meetings of the corporate bodies of BPER Banca were held in 2025 and the early months of 2026 until the date of approval of this Report:

Corporate Body	# meetings in 2025	average duration in 2025	# meetings in 2026	average duration in 2026
Board of Statutory Auditors	**23**	**04:36**	**10**	**04:10**
Board of Directors	19	02:32	6	03:00
Nomination and Corporate Governance Committee	10	00:42	3	00:40
Remuneration Committee	12	00:45	5	01:20
Control and Risks Committee	20*	03:47	7**	03:46
Related Parties Committee	15	00:50	3	01:00
Sustainability Committee	10	00:40	4	00:40

* Of which 16 meetings were held in part jointly with the Board of Statutory Auditors

* Of which 5 meetings were held in part jointly with the Board of Statutory Auditors

The activities of the Board of Statutory Auditors are governed by the relevant rules of operation, whose most recent update has been in force since 3 July 2023.

All members of the Board of Statutory Auditors always participated in its work, with one justified exception.

The Board of Statutory Auditors also attended all meetings of the Board of Directors. Furthermore, the Board of Statutory Auditors attended in full all meetings of the Control and Risk Committee, and – through the Chair and/or another Auditor appointed by the Chair – the meetings of other Board committees. In particular, throughout 2025, interactions with the Control and Risks Committee were ongoing, also thanks to 16 meetings held in partially joint session with that Body.

In addition, the members of the Board attended the Ordinary and Extraordinary Shareholders' Meeting of 18 April 2025 and the Extraordinary Shareholders' Meeting of 12 March 2026.

Information flows

During the 2025 financial year, the Board of Statutory Auditors obtained the information necessary to carry out its supervisory duties via the overall information flow system adopted by the BPER Group. This system, in line with the Group Policy – Internal Control System, defines the structure and methodology of information flows as a tool for collaboration and coordination between the Control Functions and

between these and the Corporate Bodies, both of the Parent Company and the Group Companies. The BoSA also obtained the necessary information to perform its duties through the participation of the Auditors in the aforementioned meetings of the Board of Directors and internal Board committees.

During 2025, the members of the Board met on four occasions with the Supervisory Body pursuant to Legislative Decree No. 231/2001 in order to promote mutual information exchange.

The Board then ensured an adequate flow of information with the Control Bodies of BPER's main subsidiaries, both banking and non-banking, preparing and sending them specific questionnaires for the reporting of significant elements and/or events. Based on these, it held individual meetings during the sessions of 13 January, 3 February and 17 February 2026. With regard to foreign companies, in the absence of a body equivalent to the Board of Statutory Auditors, discussions were held with members of the respective General Management and the Heads of the control functions.

In 2025, the BoSA held frequent meetings with the Manager responsible for preparing the Company's financial reports and the Independent Auditors.

With a view to coordination with the Company Control Functions, the Board of Statutory Auditors also engaged in periodic dialogue with the Chief Audit Officer (CAO), the Chief Risk Officer (CRO), the Chief Compliance Officer (CCO), and the Chief Anti Money Laundering Officer (CAMLO), and/or with their respective structures, and has periodically met, in addition to the Chief Executive Officer, with the main corporate functions of the Bank, in particular: the Chief General Counsel (CGC), the Chief Financial Officer (CFO), the Chief Operating Officer (COO) Deputy General Manager, the Chief People Officer (CPO), the Chief Lending Officer (CLO), the Chief Private & Wealth Management Officer (CPWMO), the Chief Retail & Commercial Banking Officer (CRCBO), the Chief Information & Security Officer (CISO), the Chief Information Officer (CIO), the Chief Data Officer (CDO), the Head of the Finance Department, the Head of the Organisation Department, the Head of the Loan Policies and Support Department, the Head of the Special Credit Department, the Head of the Planning and Control Department, the Head of the Investment Strategy Department, the Head of the Digital Business Department, as well as other Executives reporting to the aforementioned structures.

The opinions, recommendations and suggestions formulated by the BoSA were reported directly to the Bank's Corporate Bodies, communicated to the recipient functions during the meetings held with said parties (also through the Bank's structure that supports the BoSA in its activities). The BoSA monitored their progress over time, without identifying any specific critical issues to date.

Training activity

A comprehensive and rigorous training plan, aimed at continuously deepening and consolidating their expertise, was made available to the members of the Board of Statutory Auditors and the Board of Directors. Specifically, the training focused on:

- 6 training sessions for BPER's corporate bodies, during which the following topics were explored in depth: the internal control system, credit risk, market risk, liquidity and interest rate risk, operational and IT risk, data governance, control functions and digital transformation;

- 9 in-depth sessions on various topics delivered by an external advisor (including artificial intelligence, digital transformation, cybersecurity, the European DORA Regulation, Journey to Cloud, anti-corruption and antitrust, the EBA Guidelines on the management of ESG risk factors, ILAAP, ICAAP, career paths in BPER and the sizing of control functions, ICT risks, and the digital euro);
- 7 sessions from the 2024-2025 training plan delivered by an external advisor, covering the following topics: “Business model analysis”, “Strategic planning”, “Accounting and financial statements”, “Prudential supervision”, “Succession planning”, “Supervisory expectations”, “Governance & Fit & Proper”, “Credit risk”, “The internal control system: an integrated view of controls”, “New trends in Control Functions” and “Digital Transformation”.

2. SUPERVISION OF THE OBSERVANCE OF THE LAW AND OF THE ARTICLES OF ASSOCIATION AND RESPECT FOR THE PRINCIPLES OF PROPER ADMINISTRATION

The Board of Statutory Auditors monitored the observance of the law, the Articles of Association and the provisions issued by the Supervisory Authorities.

The management of the Bank complies with the law and the Articles of Association. This is due to an appropriate structure of powers and a system of delegated authority, which are constantly reviewed by the Board of Directors in line with the Bank’s size, organisational structure and governance framework.

The Board of Statutory Auditors monitored compliance with the principles of proper administration and protection of the Bank's assets through its participation in the meetings of the Board of Directors and Board Committees, as well as on the basis of information received from the Control Functions and the Independent Auditors.

During the meetings attended and in light of the checks carried out, the Board of Statutory Auditors did not become aware of any transactions which were manifestly imprudent, risky or in potential conflict of interest, nor of actions contrary to the decisions of the Shareholders' Meeting or that might compromise the integrity of the Company's assets.

As regards the decision-making processes of the Board of Directors, the Board of Statutory Auditors, through direct participation in the BoD’s meetings, monitored their compliance with the law and the Articles of Association.

The Board of Statutory Auditors also acknowledged the statements made by the Directors in accordance with art. 2391 of the Italian Civil Code and art. 53 of the Consolidated Law on Banking, in compliance with the applicable legislation and the “Group Regulation of the process for managing Significant Interests of Corporate Officers”.

Most significant economic, financial and equity transactions of the bank

The Board of Statutory Auditors, also through its participation in the meetings of the Board of Directors and the Board Committees, received from the Chief Executive Officer, in compliance with the frequency

required by law, the appropriate information on the activities carried out and on the most significant economic, financial and equity transactions carried out by the Company and its subsidiaries.

Please refer to the Directors' Report on the 2025 Financial Statements, which contains a detailed account of the significant events and main strategic transactions that characterised the financial year.

That being said, the Board draws attention to the following.

Significant events and strategic transactions

Acquisition of the Banca Popolare di Sondrio Group

On 6 February 2025, the Board of Directors of BPER Banca resolved to launch a voluntary public exchange offer, in accordance with and for the purposes of articles 102 and 106, paragraph 4 of the Consolidated Law on Finance, on all ordinary shares of Banca Popolare di Sondrio s.p.a. (“Banca Popolare di Sondrio” or “BPSO”), setting an exchange ratio of 1.45 newly issued BPER shares for each share tendered.

As at 30 May 2025, the Bank had obtained all the regulatory authorisations required to launch the offer and, on 4 June 2025, CONSOB approved the Offer Document.

On 3 July 2025, the Board of Directors resolved to amend the offer and increase its consideration by adding a cash component of Euro 1.00 for each share of Banca Popolare di Sondrio tendered to the offer.

The acceptance period for the offer therefore commenced on 16 June 2025 and ended on 11 July 2025, with 58.15% of Banca Popolare di Sondrio’s share capital having been tendered; on 18 July 2025, the offer became fully effective upon payment of the per-share consideration. Taking into account the shares tendered to the offer, as well as the shares of Banca Popolare di Sondrio – representing 0.34% of its share capital – already held by BPER (acquired on 7 April 2025, outside the scope of the offer), at the end of the offer acceptance period, BPER came to hold 58.49% of the share capital of Banca Popolare di Sondrio.

Between 21 and 25 July 2025, the offer period was reopened, as provided for in Article 40-bis of the Issuers’ Regulations, following which – taking into account all the shares of Banca Popolare di Sondrio tendered to the offer, as well as the shares already held by BPER – BPER came to hold 80.69% of the share capital of Banca Popolare di Sondrio.

In light of the above, therefore, with effect from 18 July 2025, Banca Popolare di Sondrio and its subsidiaries, became part of the BPER Group and are subject to the relevant management and coordination arrangements pursuant to art. 2497 of the Italian Civil Code and art. 61 of the Consolidated Law on Banking.

On 15 September 2025, the Shareholders’ Meeting of Banca Popolare di Sondrio proceeded with the full renewal of the Board of Directors and approved the consensual termination of the statutory audit mandates assigned to EY s.p.a. for the financial years 2017–2025 and to KPMG s.p.a. for the financial

years 2026–2034, as well as the limited assurance engagement on the Sustainability Report, and appointed Deloitte & Touche s.p.a. to carry out the limited review on the financial years 2025–2033 and the review of the Sustainability Report for the financial years 2025–2027, determining the relevant fee.

Consequently, on 5 November 2025, the Boards of Directors of BPER Banca and Banca Popolare di Sondrio approved the merger plan for the merger by absorption of Banca Popolare di Sondrio into BPER, in respect of which the European Central Bank (ECB) issued its regulatory authorisations on 26 January 2026.

Finally, the Shareholders' Meetings of BPER Banca and Banca Popolare di Sondrio, meeting in extraordinary session in Milan on 12 March 2026, approved the plan for the merger by absorption of Banca Popolare di Sondrio into BPER Banca, including the relevant exchange ratio, set at 1.45 ordinary shares of BPER, with regular dividend entitlement, for each ordinary share of Banca Popolare di Sondrio.

The Board of Statutory Auditors, through its participation in meetings of the Board of Directors and internal Board Committees, as well as through dedicated discussions with the supervisory body of Banca Popolare di Sondrio, has received detailed information on the nature of the transaction and its implications, whilst continuously monitoring the merger process, in particular with regard to the determination of the exchange ratio and its change within the overall integration process of the two entities. In this context, the BoSA also monitored the authorisation process aimed at BPER Banca taking over, after completion of the merger, the activity of depositary bank previously carried out by Banca Popolare di Sondrio.

Voluntary redundancy incentive plan

As part of the proposed merger by absorption of Banca Popolare di Sondrio into BPER Banca, the Board of Directors of BPER Banca and, within the scope of their respective remits, that of BPSO, approved, on 16 October 2025, a voluntary redundancy incentive plan aimed at promoting generational renewal through the voluntary departure of 800 employees of the BPER Banca Group, including through the use of extraordinary benefits from the "Credit Sector Solidarity Fund", to be implemented during 2026 and 2027.

The plan will be implemented with employee exits in the second half of 2026 or the first half of 2027, subject to the completion of the relevant trade union consultation process and in accordance with current regulations.

The Board of Statutory Auditors, also through participation in meetings of the Board of Directors and internal Board Committees, received detailed information on the features of the manoeuvre and its related impacts, without identifying any critical issues.

Contract for the purchase of a synthetic exposure on 9.99% of the share capital

On 21 October 2025, BPER Banca entered into derivative contracts with a leading market counterparty to purchase, from that date, a synthetic exposure to its own shares representing 9.99% of its share capital.

As indicated in the relevant press release, the purchase of the synthetic exposure was taken:

- from a strategic perspective, in order to send a strong signal of confidence in the Bank's growth prospects, in a process which, by the first half of 2026, already envisaged the integration of Banca Popolare di Sondrio and the full development of the related synergies;
- from a financial perspective, to enable the Bank better management of any future share buyback plan, should the Bank decide to proceed with such a plan (subject to obtaining the necessary corporate and regulatory authorisations), including in response to market demands.

The Board of Statutory Auditors, also through participation in meetings of the Board of Directors and internal Board Committees, received detailed information on the features of the transaction and its impacts, without identifying any critical issues, continuously monitoring its development.

Derisking 2024-2026 NPE Business Plan

It should be noted that, on 28 March 2024, the 2024-2026 NPE Business Plan and the related operational plan were presented and approved, including targets for non-performing exposures.

In the new 2024-2026 NPE Business Plan, the entry into force of the servicing agreement with Gardant Bridge Servicing s.p.a. (finalised on 15 January 2024) for the management of NPE portfolios was taken into account through the creation of a platform 70% owned by Gardant Bridge Servicing s.p.a., a company currently part of the Do Value Group (formerly the Gardant Group), and 30% by BPER Banca, which, together with the sale of additional portfolios of non-performing exposures and the improvement of internal servicing and workout activity, helped confirm an NPE ratio at contained levels consistent with the targets of the Business Plan.

The Board of Statutory Auditors has continuously monitored the transaction by conducting in-depth reviews of the management of non-performing loans via the aforementioned servicing platform, analysing data relating to the performance of the existing partnership with the current Do Value Group, and focusing on the examination of key performance and cost indicators, as well as the development lines of the partnership itself.

Placement of financial instruments

On 8 January 2025, BPER Banca successfully placed a Senior Non-Preferred Bond issuance for an amount of €500 million with 6-year maturity, non-call 5, targeting institutional investors.

On 12 November 2025, BPER Banca also successfully placed an Additional Tier 1 ("AT1") perpetual bond issuance, callable on 19 March 2031 (the "First Reset Date") and, subsequently, on each coupon

payment date, for a total amount of Euro 750 million. The Notes, reserved for institutional investors, were placed at par with a fixed coupon of 5.875%, until the First Reset Date, payable semi-annually. If not called by the Bank, the coupon will be redetermined by adding a reset spread of 357.2 bps to the 5-year mid swap rate in Euro as at the First Reset Date.

This matter has been examined in detail by the Board of Statutory Auditors, to the extent of its remit, as well as through examination of the periodic reporting information.

2024-2027 Business Plan "B:Dynamic | Full Value 2027"

On 9 October 2024, the Bank's Board of Directors approved the new 2024–2027 Business Plan, designed to consolidate BPER's position as the third-largest banking group in Italy.

Consequently, during 2025, the Board of Statutory Auditors examined the report on the monitoring of the progress of the Business Plan "B:Dynamic | Full Value 2027", with particular reference to the Key Performance Indicators (KPIs) identified to ensure the monitoring of the defined objectives and the progress of the Plan itself.

In particular, strategies in the field of Artificial Intelligence were examined to verify that investments are correctly directed towards activities and solutions capable of maximising the network's productivity, with a view to freeing up commercial time for relationship managers and monitor the preparatory activities for updating and adapting the Plan in light of the extraordinary transaction with Banca Popolare di Sondrio.

Distribution of an interim dividend for the 2025 financial year

On 5 November 2025, the Board of Directors of BPER Banca resolved to distribute an interim dividend for the 2025 financial year of Euro 196,357,333.50, equal to an interim dividend of Euro 0.10 per share.

The Board of Statutory Auditors monitored the transaction throughout the stages leading to its approval and implementation, confirming its compliance with all legal requirements.

Buy-back transaction

On 11 March 2026, the Board of Directors resolved to submit to the Ordinary Shareholders' Meeting, convened for 23 April 2026, a proposal to purchase, in one or more tranches, a number of ordinary shares representing a percentage not exceeding 3% of the Company's share capital and, in any event, for a total value not exceeding Euro 750 million, and to submit a specific application for authorisation to the ECB in this regard. This request is intended to achieve the following objectives: (a) increase the efficiency of invested capital, while improving key indicators such as earnings per share and return on equity, without altering either BPER's business model or its prudential profile; (b) implement shareholders' remuneration strategies; and (c) provide BPER with a treasury shares portfolio to be used for any future extraordinary transactions.

The Board of Statutory Auditors supervised the approval process of the transaction, the effectiveness of which is subject to obtaining the necessary corporate and regulatory authorisations. The Board will subsequently monitor the potential implementation phase.

Atypical and/or unusual transactions, including intercompany transactions and transactions with related parties

The information received from the Board of Statutory Auditors during the course of the meetings of the Board of Directors and that provided by the Chief Executive Officer, by the various corporate functions, by the Internal Audit and other Control Functions, by the Boards of Statutory Auditors of the subsidiaries and the Independent auditing firm did not highlight the existence of atypical and/or unusual transactions completed with third parties, with Banks and Companies of the Banking Group or with related parties and/or associated persons[1].

Intra-group transactions and transactions with related parties and/or associated persons are regulated within the BPER Group by the Policy for the governance of the risk of non-compliance concerning conflicts of interest with Relevant Persons and risk activities with Associated Persons", adopted by the Bank pursuant to CONSOB Regulation No. 17221/2010 and Bank of Italy Circular No. 285/2013.

As part of its supervisory activities, the Board of Statutory Auditors monitored continuously the entire process related to the application of the Policy. This was done both through the Board's participation in all meetings of the Related Parties Committee and through the receipt of regular information flows addressed directly to the Board of Statutory Auditors. In particular, it continuously monitored the entire process relating to transactions completed with related parties and associated persons, including those involving the Bank's main shareholders.

Based on the overall control activities carried out by the Board of Statutory Auditors, there were no violations or irregularities in relation to the application of the above Policy. Furthermore, the supervisory limits and the maximum amounts established for risk activities with related parties and associated persons were complied with.

The Financial Report to which reference is made, reports the information on transactions with associated persons and related parties[2], as prescribed by art. 2497 *bis* of the Italian Civil Code and by Consob Communication DEM 6064293 of 28 July 2006. From the information gathered by the Board of Statutory Auditors, these transactions were concluded in the interests of the Bank, and no critical aspects were identified in respect of their appropriateness.

Among transactions of major relevance in the 2025 financial year, the following are noted: (i) the capital increase of BPER Banca, with exclusion of the option right pursuant to art. 2441, paragraph 4, of the

[1] Directors' Report of BPER Banca s.p.a., para. 4.2, and Directors' Report of the BPER Banca Group, para. 7.10

[2] Directors' Report of BPER Banca s.p.a., para. 4.2 and Directors' Report of the BPER Banca Group, para. 7.10; Part H of the Explanatory Notes to the Separate and Consolidated Financial Reports of BPER Banca.

Italian Civil Code, to service a voluntary public exchange offer launched by BPER Banca over all the shares of Banca Popolare di Sondrio; (ii) the increase in the consideration for the voluntary public exchange offer launched by BPER Banca on all the shares of Banca Popolare di Sondrio and (iii) the merger by absorption of Banca Popolare di Sondrio into BPER Banca.

The aforementioned transactions were approved by the Board of Directors, subject to prior unanimous favourable opinion issued by the Related Parties Committee. For each of these transactions, the Board of Statutory Auditors monitored the process of analysis and evaluation of the Related Parties Committee and acknowledged the publication of the prescribed information document drafted in accordance with art. 5 of Consob Regulation No.17221 and in compliance with the layout set forth in annex 4 provided herein. The information documents relating to the aforementioned transactions of major relevance have been made available to the public at the registered office of BPER Banca in Modena (Via San Carlo 8/20), on the authorised storage system (www.emarketstorage.it), and on BPER Banca s.p.a.'s website. (https:/group.bper.it/).

Finally, the Board of Statutory Auditors hereby certifies that the transactions pursuant to art. 136 of the Consolidated Law on Banking were unanimously approved by the Board of Directors and with the favourable opinion of all members of the Board of Statutory Auditors.

3. SUPERVISION OF THE ADEQUACY OF THE ORGANISATIONAL STRUCTURE

During 2025, the Board of Statutory Auditors regularly monitored the adequacy of the organisational structure of BPER and the Group, whose growth in size - facilitated also by a number of extraordinary transactions in the past few years - together with its increased organisational complexity, was accompanied by a consistent strengthening of the governance and control structure.

With regard to the organisational structure of BPER, the Board of Statutory Auditors monitored the organisational reviews made to the Parent Company's structure through detailed discussions at meetings with the Chief Operating Officer and the Head of the Organisation Department. In this context, periodic updates were requested regarding BPER's current "as is" organisational chart, including authorised headcount and a "to be" structure.

As part of these in-depth analyses, the Board of Statutory Auditors identified how business evolution, digitalisation and the use of artificial intelligence will have a significant impact on banking operations and, consequently, on the activities of the business functions.

This will require further assessment of the workforce, including in Control Functions, the size of which is constantly monitored by the Board of Statutory Auditors, to assess whether there are appropriate skills and processes in place to ensure the effective and responsible use of new technologies.

The rapidly and constantly evolving technological landscape also assigns new responsibilities to the Board of Statutory Auditors, aimed at ensuring that IT systems are appropriate to the nature and size of the Company, proportionate to the corporate risks, integrated into the Internal Control System, traceable and with accessible logs, and that artificial intelligence and automation do not introduce unmonitored risks.

Also with regard to the adequacy of the organisational structure, the Control Body further examined the organisational model designed for the new integrated entity following the merger of Banca Popolare di Sondrio into BPER. In this context, it examined (i) the evolution of business structures, in accordance with the strategic guidelines set out in the documentation provided; (ii) the changes to BPER Banca's organisational chart, with particular reference to the proposed organisational changes concerning the roles of Chief Audit Officer, Chief Risk Officer, Chief Compliance Officer and Chief AML Officer; (iii) the change to BPER Banca's theoretical target staffing, with the distribution of staff across the various organisational structures, with particular reference to the target staffing for the Control Functions as at 1 January 2028, for which reference should be made to the following chapter "Supervision of the adequacy of the internal control system", whilst also reconsidering the self-assessment carried out at the end of 2024.

Furthermore, through the regular analysis of IT risk reports, together with the half-yearly reporting on BCBS-239 and the in-depth reviews carried out in response to regulatory requirements that have arisen in the IT field, the Board has fulfilled its supervisory duties with regard to information systems and business continuity. As a result of several discussions with the competent Functions, particular attention was paid to the costs related to the digital transformation and the impact resulting from the 40th update of Circular 285/2013 and the Digital Operational Resilience Act (DORA), which led to a revision of certain processes and internal regulations.

Furthermore, as part of the Group's extraordinary corporate reorganisation transactions, the transfer of the e-money business from Bibanca s.p.a. ("Bibanca") to BPER Banca was completed in January 2025. In this regard, it should be noted that the project, driven by the pursuit of internal operational efficiency within the Group, was launched on 6 and 7 August 2024 following resolutions by the Boards of Directors of BPER Banca and Bibanca, which approved the partial non-proportional demerger of Bibanca's e-money business in favour of BPER, which was subsequently authorised by the European Supervisory Authority by measure dated 30 October 2024. Subsequently, the transaction was approved by the extraordinary Shareholders' Meetings of BPER and Bibanca, both held on 19 December 2024. The demerger deed was signed on 16 January 2025 and became effective from 27 January 2025. The transfer of the e-money business to a single entity enables the BPER Banca Group to align monitoring of the e-money business and its pricing with market best practice, optimise relations with the networks dedicated to such payment instruments, and simplify the internal governance model. The Board of Statutory Auditors continuously monitored the operation through dedicated reviews, including with the subsidiary Bibanca, and by participating in the meetings of the Board of Directors and the Control and Risks Committee of BPER Banca involved in the decision-making process.

Finally, the Management and Coordination of the Banks and Subsidiaries is mainly carried out through the appointment of the respective Corporate officers and the implementation of the mechanisms established to implement the internal Directives of the Parent company. In accordance with statutory provisions, laws as well as external and internal regulations, the Corporate Bodies of the Parent Company, the Banks and the Subsidiaries receive regular and structured information flows relating, inter alia, to risks and controls. The Board of Statutory Auditors oversaw the management and coordination

activities of the Parent Company, through continuous verification of the implementation of Group Directives and via periodic meetings with the Control Bodies of subsidiaries, preceded in 2025 by the dissemination of questionnaires regarding the outcomes of control and supervisory activities carried out by the Boards of Statutory Auditors of the individual legal entities. In relation to these matters, the Board of Statutory Auditors also verified that the Boards of Directors of Banca Popolare di Sondrio and its subsidiaries had implemented the internal regulations of the BPER Banca Group.

4. SUPERVISION OF THE ADEQUACY OF THE INTERNAL CONTROL SYSTEM

The BPER Group Internal Control System

One of the responsibilities of the Board of Statutory Auditors is to ensure the adequacy and effectiveness of the Internal Control and Risk Management System.

In line with the regulatory framework of reference, BPER adopted a Policy defining the principles relating to the design, implementation and evaluation of the Group's Internal Control System, the roles of the Corporate Bodies and Control Functions involved, the methods of coordination and collaboration and the information flows regularly exchanged among the Control Functions and between the latter and the Corporate Bodies, both of the Parent Company and the Group Companies. Within the scope of the Policy entitled “Group Policy on the Internal Control System” and the document governing the information flows between the Control Functions and Corporate Bodies, the roles, responsibilities and areas of intervention of the Control Functions Coordination Committee have been defined.

More specifically, the BPER Group’s Internal Control System is a set of rules, functions, structures and processes aimed at ensuring that the activities carried out comply with the relevant legislation and best practices. At Group level, this system is structured in order to allow the Parent Company to carry out the following, also as part of its management and coordination activities vis-à-vis the Group Companies:

- strategic control of both the trend in the activities carried out by the Group companies and the acquisition and disposal policies implemented by the latter;
- management control aimed at ensuring the maintenance of conditions of economic, financial, capital balance for both the individual group companies, and the Group as a whole;
- technical-operational control targeted at evaluating the risk profiles associated with the Group’s operations and complexity.

This System is designed to take into account the peculiarities of the business of each Group company in compliance with the principles of: i) proportionality in the application of regulations according to size and operational characteristics; ii) stepwise transition to gradually more advanced methodologies and processes for measuring risks and the capital that is available as a result; iii) unity in the definition of the approaches used by the various functions; iv) effectiveness and efficiency of risk control.

In application of the principles described and as a general rule, the Internal Control System of the Group envisages outsourcing to the Parent Company of the second and third-level Company Control Functions

of the Group Companies under Italian law; however, as required by legislation, the latter still remain responsible for their performance.

Each Legal Entity also ensures the correct performance of typical operations through line controls, inherent in its own processes.

As currently provided for by the Internal Control System, considering the different regulatory context, the centralised model has been partially derogated for Group companies based abroad, namely BPER Bank Luxembourg S.A. and Banca Popolare di Sondrio (SUISSE) S.A.

This derogation – even temporary (e.g. following extraordinary transactions) – may also be granted by the Parent Company in the case of Group companies under Italian law, as resolved for the subsidiary Arca Fondi SRG s.p.a., where justified by efficiency and cost-effectiveness considerations in risk management and control, and must be approved by the Board of Directors of the Parent Company, following a favourable opinion from the Control and Risks Committee and the Board of Statutory Auditors.

The Board of Statutory Auditors conducted continuous and timely monitoring of BPER's internal control system. This was achieved through regular meetings with the Control Functions, periodic information flows to the Board of Statutory Auditors, and specific in-depth analyses requested on major issues.

In particular, considering the significant evolution of the Group in terms of size and business, the significant organisational changes that have affected the Bank's structures, with the consequent updating of internal regulations, and taking into account the impact of digitalisation and the use of artificial intelligence, the Board of Statutory Auditors has proposed to the Audit Department that the information flows from the Control Functions to the Corporate Bodies should be an area worthy of attention. This request was promptly taken on board by the Internal Audit Function which, in collaboration with the other Control Functions, has initiated a specific project, due to be completed during the current financial year, aimed at fine-tuning and further developing the reporting provided by the Control Functions to the corporate bodies. This ongoing audit and improvement of the communication of the Control Functions reflects BPER's commitment to maintaining high standards of governance and risk management.

Furthermore, the Board of Statutory Auditors, recognising the importance of fostering a risk culture within the Group, has monitored initiatives aimed at promoting these values, which have continued to be implemented as part of the “Risk & Control Culture – *Consapevoli si cresce* (Growing Through Awareness)” programme – a series of projects designed to promote and ensure a growing risk awareness capable of steering corporate behaviour on a daily basis. Raising staff awareness of risk and control issues is an area that must continue to be promoted and addressed on an ongoing basis, to ensure a full understanding of the risks, as well as the processes used to manage them.

In this regard, the Board of Statutory Auditors verified that the overall project for the promotion of Risk Culture was completed on schedule. Furthermore, the Board noted positively that the activities carried out to raise the awareness of the Group's personnel with regard to the issues of risk and control awareness represent a valuable aspect to be promoted and implemented on an ongoing basis, noting

that, between 2025 and 2026, a number of initiatives have been identified and planned to strengthen a widespread culture of risk and the methods for controlling it.

Overall, and based in part on the assessments carried out by the Internal Audit Function as part of its activities, the Group's Internal Control System and risk management process (including for emerging risks) are:

- in line with regulatory requirements;
- appropriate and proportionate to the risk profiles assumed;
- commensurate with the size and complexity of the Group;
- sufficiently flexible to ensure adequate management of business processes even during periods of transition.

Together with the Group's value system, which is shared and understood by the workforce, these considerations therefore allow for a positive assessment of the completeness, adequacy, functionality and reliability of the Internal Control System, which is progressively evolving in line with the evolution of the Group's business profile and complexity.

The BPER Group's Internal Control System is, in fact, characterised by constant and progressive strengthening, which is necessary to manage the Group's increased size, the Mergers & Acquisitions (M&A) transactions carried out in the recent past and those currently underway, as well as the transformation projects envisaged in the new 2024–2027 Business Plan "B:Dynamic | Full Value 2027".

In this context, during 2025, the Board of Statutory Auditors paid particular attention to aspects related to IT risk, cybersecurity and business continuity, aware of the importance of carefully defining risk prevention programmes, accurately defining crisis response plans and business continuity plans, reporting risk data, as well as the importance of planning for the management of cyber incidents.

The significant regulatory changes in this area – above all, the entry into force on 17 January 2025 of the DORA Regulation, in addition to the provisions of the AI Act aimed at promoting the responsible development and deployment of Artificial Intelligence in the EU – have required the Bank to make the necessary adjustments to its internal regulations and processes, which the Board of Statutory Auditors has monitored closely, including by requesting specific further analysis from the relevant Functions.

Internal Audit function

With regard to the Internal Audit Function, the Board of Statutory Auditors examined in detail the results of the activities carried out by the Function in 2025 and the related Report, which:

- outlines the audits conducted in 2025 and their findings;
- summarises the monitoring activities carried out by Internal Audit to address the findings identified (including those relating to previous financial years);

- highlights key information on the qualitative and quantitative composition of the function, the training programmes undertaken and the certifications obtained by staff;
- summarises the progress of the strategic initiatives of the .OMNIA 2.0 Project, identified by Internal Audit for its strategic development within the Business Plan B. Dynamic Full Value 2027;
- reports on the information flows sent to the Corporate Bodies in 2025, in accordance with the provisions of the relevant legislation and in line with the document 'Control Functions Information Flows – Corporate Bodies';
- sets out, in the Report pursuant to Consob Resolution 17297/2010, the activities relating to the provision of investment and ancillary services carried out during the year;
- presents, in the annual audit report on the Internal Rating System, the results of the checks carried out during the year on the components of the BPER Group's Internal Rating System;
- reports on the discovery, management and coordination activities carried out on the legal entities of the former Banca Popolare di Sondrio Group and on all Group companies, and the activities carried out during 2025 by the Internal Audit Function of the Subsidiary.

The audit activities carried out across the branch network demonstrate greater effectiveness in identifying the riskiest issues, achieved thanks to the digitalisation strategy adopted by Internal Audit, which can now rely on advanced analytics and artificial intelligence tools developed in-house to guide the network auditors' checks in a timely and focused manner. At the same time, the adoption of these tools has led to improved efficiency, linked to a reduction in the number of branch accesses, allowing staff to focus on higher-quality, higher-value-added activities, and is facilitating the professional development of the staff involved.

Risk Management Function

The BPER Group identifies the Risk Appetite Framework (RAF) as a tool for overseeing the risk profile that the Group intends to take in the implementation of its business strategies, considering it as an essential element to ensure that the risk governance policy and process by which risks are managed comply with the principles of sound and prudent management.

The RAF takes on the importance of a management tool that not only permits concrete application of the regulations but also makes it possible to activate synergistic governance of the planning, control and risk management activities. It is also a key element to: i) strengthen the ability to govern corporate risks; ii) ensure the alignment between strategic guidelines and risk levels that may be assumed; iii) develop a quick and effective system of monitoring and reporting the risk profile taken on.

The RAF represents a coordinated set of methodologies, processes, policies, controls and systems used by the Group to establish, communicate and monitor the risk targets (risk appetite), any early warning thresholds and risk tolerance thresholds (risk tolerance) and related operational limits, under

both ordinary and stressed conditions, that the Group intends to respect in pursuing its strategic guidelines, having defined the respective levels in a manner consistent with its maximum acceptable risk (risk capacity). In order to ensure effective and pervasive transmission of the risk objectives, the Group sets its overall risk appetite, establishing risk limits that govern the operations of the organisational structures to which they are assigned (so-called "risk takers"), in a structured framework consistent with the policies of governance and control of individual risks.

With specific regard to governance and risk management, the Internal Control System is designed, implemented and evaluated with the “Group Risks Map” as a reference, which - in alignment with the regulatory framework - identifies the potential risks to which the Group is or could be exposed. The risk identification process determines the updating of the Risk Map, which normally happens at least annually, except where significant changes in the context occur, which require them to be revised more frequently.

Specifically, the Board of Statutory Auditors continuously reviews all the aforementioned aspects. In particular, during 2025 and up to the date of approval of this Report, it reviewed the contents of the “Group Risk Map” at its meetings on 16 December 2024 (for the 2025 financial year) and 3 February 2026 (for the 2026 financial year). The assessments and in-depth analyses on this issue and on risk governance and management are usually carried out in joint meetings with the Control and Risk Committee.

Again as part of risk management, the Board of Statutory Auditors receives regular reporting, both through in-depth analyses during the approval of the Policies on the governance of individual risks, and through quarterly monitoring of individual risk verticals such as credit, financial (liquidity, interest rate, market and counterparty), operational, reputational and third-party risk with evidence, where present, of the monitoring of RAF indicators and exposure limits provided for by the individual Risk Governance Policies in line with the outcomes of the escalation processes activated. This reporting also regularly includes updates on second-level Credit Control activities on single files and collateral, and on the outcomes of the Validation Function activities regarding risk measurement models used for regulatory (e.g. AIRB), accounting (IFRS9) and/or internal capital calculation and management purposes. Please note that, from the second quarter of 2025, a preview of the quarterly risk report was provided, containing key findings relating to the available profiles. This “preview”, which provides an advance look at some key findings, is designed to ensure greater timeliness in the presentation of risk reports, with a view to gradually aligning with the principles of the Basel Committee on Banking Supervision (BCBS) 239. The Bank is, in fact, committed to achieving full compliance with the BCBS 239 principles by June 2027.

Specific attention was dedicated to the assessment of capital adequacy and the current and prospective liquidity position (ICAAP and ILAAP), the analysis of the RAF documentation (with the relevant recalibrations), the analysis and assessment of issues related to the evolution of the internal rating system (validation, revision, extension), the updates regularly received on the Recovery Plan and Resolution Plan, and the updates of the Risk Forecasting Programme and stress testing. In particular, in the context of the presentation of the capital adequacy position for 2025, the Board of Statutory Auditors noted that the capital position of the BPER Group remained adequate throughout 2025 and

that, based on the information currently available, it will remain so in 2026 as well. From an economic point of view, capital adequacy levels also ensure that the risks to which the Group is exposed are covered. In this regard, the Board of Statutory Auditors noted that utmost attention must be paid in the event of adverse scenarios that have a significant impact on the capital adequacy ratio and that, compared to the baseline scenario, translate into a reduction of the CET 1 ratio. Having said that, the Board pointed out that, despite the severity of the adverse scenarios considered, the CET1 ratio, Tier1 ratio and Total Capital ratio remain above the risk tolerance threshold of the RAF (which includes regulatory minimums and additional prudential buffers, including P2G) throughout the projection horizon, even when taking into account the impacts of one-off transactions.

On the other hand, with regard to the Group's liquidity and funding profile, the Board of Statutory Auditors noted that the liquidity and funding position remained adequate throughout 2025, without ever exceeding the relevant internal thresholds (risk appetite, risk tolerance and, where applicable, risk capacity) assigned for 2025 and without ever showing anomalous trends that would require remedial actions. The forward-looking analyses, both under the baseline scenario (consistent with the 2025-2027 funding plan) and under the ILAAP stress scenario, show values in line with the internal relevant thresholds defined for 2025. Finally, the Net Liquidity Position (NPL) has been found to be adequate by the Board of Statutory Auditors in both the baseline and ILAAP stress scenarios. The BPER Group’s capital adequacy and liquidity assessment processes were also subject to review by the Internal Audit Function. The Board of Statutory Auditors supervised the entire process of drafting the relevant documentation and, in particular, the implementation of the Internal Audit Function’s suggestions for improvement.

Furthermore, during 2025, the Board of Statutory Auditors noted, as part of the activities planned by the Risk Management Function, the launch of a project to analyse the EBA Guidelines on the management of ESG risk factors and environmental scenario analysis, aimed at identifying any gaps through a gap analysis and defining the relevant action plan.

Compliance Function

In relation to the Compliance Function, the Board of Statutory Auditors noted the significant methodological evolution undertaken by the Function itself, which is progressively extending the new Compliance Risk Assessment (CRA) methodology to all regulatory areas “in scope”, with particular regard to those indicated by the Supervisory Authority in the SREP Letter, and which, during 2025, revised its Activity Plan, partly due to the appointment of the new Chief Compliance Officer at the start of the year.

In particular, note should be taken of the strengthening of methodologies and IT tools supporting compliance activities, achieved in part through the adoption of a Governance, Risk and Compliance (GRC) platform, capable of supporting and ‘streamlining’ operations. In this regard, emphasis is placed on the trialling, with a view to gradual implementation, of digital tools to support the execution of controls, achieved through the development of new dashboards and key risk indicators (KRIs). It should also be noted that there are coordination mechanisms between functions, not only control functions, capable of

pooling the available information assets to achieve greater integration of the various levels of risk oversight.

Furthermore, the Board of Statutory Auditors has acknowledged full oversight of the risk of non-compliance following the completion of the planned *ex ante* and *ex post* activities, during which effective access to and availability of both external and internal data and information necessary to fulfil the responsibilities of monitoring and controlling the risk of non-compliance with regulations were confirmed.

The adequacy of staffing levels and staff training are worth noting, in line with current and future scale, operational complexity, and the nature and type of services provided by Group companies, as well as the strengthening of the Risk Culture to which the Compliance Function contributes through various initiatives, including the creation of a mini-site dedicated to Compliance and the establishment of 'Finding Days'.

Finally, in fulfilment of the Function's role in collaborating on staff training and with a view to fostering a corporate culture based on the principles of integrity and compliance with regulations, specific training activities were delivered during 2025. Furthermore, in order to ensure consistently high standards of professionalism, the Function's personnel also participated in numerous advanced training courses, some of which led to the award of specific certifications. Finally, internal training initiatives were launched within the Function (a.k.a. "*Teach-ins*").

Anti-money laundering function

Discussions between the Board of Statutory Auditors and the Anti-Money Laundering Function provided the Control Body with a general overview of: initiatives adopted by the Function, ongoing anti-money laundering projects, identified shortcomings and the related status of implementation of the findings subsequently formulated, as well as a report highlighting the progressive strengthening of controls within the context of the Group's evolving commercial offering. The Board of Statutory Auditors was also informed of the results of the self-assessment of money laundering and terrorist financing risk, in accordance with the terms defined by the relevant supervisory regulations, conducted by the Function in relation to the individual legal entities of the Group in the scope and to the Group as a whole.

A specific presentation to the Board also covered the review of training activities and the planning of the main activities scheduled by the Anti-Money Laundering Function for the following financial year.

The following were also examined in detail:

- the contents of the Action Plan relating to anti-money laundering issues within the integration of the former Banca Popolare di Sondrio Group into the BPER Group;
- the main changes to the Group's regulations designed to reflect the corporate and Group policies aimed at ensuring oversight of money laundering and terrorist financing risks;
- the progress of the management of suspicious transaction reports, whether forwarded to the Financial Intelligence Unit or archived.

Function supporting the Manager responsible for preparing the Company's financial reports

As part of its oversight of financial reporting, the Board of Statutory Auditors has regularly monitored the regulatory and project-related activities of the unit supporting the Manager responsible for preparing the Company's financial reports (Financial & Sustainability Reporting Supervision – FSRS Unit), which, within the control model relating to the oversight of financial reporting, carries out second-level controls, taking note of the results of the checks and assessments, in particular with regard to compliance checks on the adequacy and functionality of the process for producing the "Public Disclosure as at 30 September 2024 – Pillar 3", carried out by the FSRS Unit.

The results of the periodic monitoring of the activities planned in response to the recommendations set out in the "Management Letter" from the Independent Auditors were also examined. At the joint meeting of the Board of Statutory Auditors and the Control and Risks Committee on 5 May 2025, the recommendations contained in the document were summarised; at the meeting on 25 November 2025, the FSRS Unit provided a half-yearly update, confirming that the deadlines for all recommendations had been met.

Control Functions: organisational structure and size

Furthermore, in 2025, the Board of Statutory Auditors continued to monitor the adequacy of the qualitative and quantitative dimensions of the Control Functions and the organisational and procedural developments involving them, through direct contact both with the Control Functions themselves and with the Chief People Officer Function (responsible for recruiting resources and the related professional updating) and the Organisation Function (responsible for the target sizing of the structures).

The Board of Statutory Auditors has therefore overseen the evolution of the organisational structure and the qualitative and quantitative sizing of the Control Functions, resulting both from the need for efficiency improvements and/or internal strengthening (including in connection with digitalisation projects), and from requests by the Supervisory Authorities.

In this context, the target sizing for the Control Functions were defined taking into account not only the results of the benchmark used as a reference, but also the specific characteristics and strategic plans of the Bank. In particular, the targets for the Control Functions were revised taking into account the Group's growth in size and increased complexity following the entry of the Banca Popolare di Sondrio Group into the BPER Group.

Internal Audit function

Particular attention has been paid to exploring the strategy underpinning .OMNIA 2.0 and to understanding the project initiatives into which this Project is structured.

.OMNIA 2.0 represents the natural evolution of the transformation journey undertaken by Internal Audit in 2022 with the .OMNIA (Digital Oriented Target Operating Model – New Internal Audit) project and

aims to strengthen the role of Internal Audit as a trusted advisor for all stakeholders, with a cross-functional approach to emerging risks and oversight based on robust knowledge and the implementation of Artificial Intelligence use cases and Generative AI (GenAI) models to support audit activities. Furthermore, training is an enabling factor for the overall evolution of Internal Audit and therefore represents one of the cornerstones upon which the Audit department's project initiatives are structured. Training is understood and communicated internally as:

- a lever for spreading awareness and fostering a consistent culture;
- an accelerator, as it enables the achievement of set objectives more quickly;
- a cultural driver, as internal auditors reach all Group structures through their activities, creating a multiplier effect for the messages they may convey;
- an opportunity to develop all talents within the Function, regardless of age, grade or responsibilities.

The main training initiatives for 2026 will be structured to ensure the deployment of the .OMNIA 2.0 Step up initiatives, to enhance the skills of internal auditors (Pillar 7) and to facilitate the onboarding of colleagues assigned from the former Banca Popolare di Sondrio Group.

Risk Management Function

At the meeting on 3 February 2026, the Risk Management Function presented its multi-year action plan to the Board of Statutory Auditors.

Another project developed in 2025 by the Risk Management Function, as part of the 2025-2027 Business Plan, concerns alignment with the ECB's expectations regarding Risk Culture, and the development of a Risk Culture framework that also includes tools for its measurement, assessment and reporting to the corporate bodies. The project had been announced to the Board of Statutory Auditors at the meeting of 27 November 2024 and the main deliverables were presented at the meetings of 10 and 24 March 2026 together with the first Risk Culture Report.

Compliance Function

With regard to the organisation and staffing of the Compliance Function, the Board of Statutory Auditors noted the evolution of the Function's governance and a qualitative and quantitative strengthening of resources, against a target of the same number.

It should also be noted that, at the start of the second half of 2025, the Board of Statutory Auditors examined a proposal to amend the organisational structure supporting the Chief Compliance Officer, aimed, on the one hand, at simplifying the structure and rationalising the individual units and, on the other, at strengthening the Function's oversight, with particular reference to the separation of advisory and control activities, as well as at the creation of new synergies by consolidating tasks and skills in the areas of 'ICT Compliance', 'Outsourcing' and 'Data Protection', also in light of recent regulatory approaches.

Anti-money laundering function

With regard to the CAMLO structures, it is noted that, during 2025, the Chief AML Officer was assigned the role of Head of compliance with restrictive measures for each Italian bank of the Group and the Group itself, in line with the provisions of the EBA (Guidelines on policies, procedures and internal controls to ensure the implementation of Union and national measures - EBA/GL/2024/14).

The Board of Statutory Auditors was also reported the planned reorganisation and consequent adjustment of the anti-money laundering function's staffing levels, also in view of the merger with Banca Popolare di Sondrio.

Function supporting the Manager responsible for preparing the Company's financial reports

With regard to the Financial & Sustainability Reporting Supervision (FSRS) Unit, the Board examined the results of the assessment carried out in 2025 on the efficiency and effectiveness of (i) the organisation, (ii) operational processes (including the mechanisms adopted to measure performance and ensure continuous improvement), (iii) information flows and reporting, (iv) the IT systems adopted by the Unit, whilst also examining the actions taken following the assessment and their implementation.

Coordination of Control Functions

During the year, the Board of Statutory Auditors supervised the planning and results of the activities of the control functions, with particular focus on the adequate coordination between them. In this regard, the Board of Statutory Auditors is informed of the meetings of the Control Functions Coordination Committee on a regular basis, where common issues are examined, annual work plans are coordinated, and governance issues relating to controls of common interest are examined in depth.

The synoptic planning framework forms part of the initiatives to promote a constructive dialogue and overall coordination of the respective activities of the Functions that are defined in the individual Plans and, in addition to facilitating an integrated and harmonised control unit of the BPER Group's Internal Control System, it provides a consistent classification of the overall coverage of each SREP Area.

As part of the Integrated Tableau de Bord of the Control Functions, the robustness of the control units and the appropriate actions for their strengthening are reported on a quarterly basis with a review of key issues (with their outlook), and the monitoring of findings and related remedial actions subject to the Process to Remedy Findings (PRF).

With regard to Key Issues, the Board of Statutory Auditors found that as at 31 December 2025, there were no Key Issues with a negative outlook. Regarding the findings raised by the Control Functions, a substantial increase in number was observed, due to the strengthening of the Control Functions' approach in line with the Group's increasing complexity. On the other hand, the downward trend in average closing days and the vintage of the existing findings is also confirmed for 2025.

Throughout 2025, the Board continued to closely monitor the progress and ensure the correct redistribution of findings following the launch of the new findings management application, which, having replaced the previous tool, incorporated significant enhancements.

Finally, the Board of Statutory Auditors periodically receives a copy of the minutes and documentation from the meetings of the Control Functions Coordination Committee, with evidence of the activities carried out and the aspects of greater focus. The examination of said documents allows the BoSA to periodically reconsider the balancing of its activities.

The Board pays close attention to the coordination of the Control Functions – the strengthening of which has been a constant focus in recent years – in terms of both the activities and functioning of the Control Functions *Coordination Committee*, and through the analysis and assessment of planning, mid-year re-planning (if any) and reporting by the individual Functions.

Monitoring supervisory activities

The Board of Statutory Auditors has continuously monitored the activities and requests of, and the exchange of information with, the Supervisory Authorities.

In this context, the Board of Statutory Auditors was kept informed of the opening and closing letters of inspection, their results and remedial actions, as well as the relevant completion timing.

In particular, as part of its regular monitoring of action plans, the Board of Statutory Auditors monitored compliance with deadlines and any rescheduling, requests for investigations and in-depth analyses on the progress of the main ongoing activities relating to Supervisory requests.

This activity was carried out for all the Authorities (ECB, Bank of Italy, Consob, Single Resolution Board, to name but a few), both for the Parent Company and for the individual Legal Entities.

The Board of Statutory Auditors maintained its commitment to oversee the overall review of the monitoring and processing of the requests made by the Supervisory Authority as part of the SREP Decision.

In this regard, it should be noted that, from the beginning of 2025 until the date of approval of this Report, the Board of Statutory Auditors and its Chair met with the ECB as part of the periodic meetings scheduled under the Supervisory Examination Programme.

Control of risks deriving from scenario changes

The Board has continuously monitored, and discussed the relevant issues in depth with the relevant business functions, the impacts and credit risks arising from the persistence of a general macroeconomic and sectoral environment still affected by significant uncertainty, brought about by: i) the evolution of the ongoing conflicts in Ukraine and the Middle East and the risk of geopolitical instability; ii) the growing international awareness of climate risk and the related mitigation measures; iii) an increase in attempted cyber-attacks and, consequently, the need to further strengthen processes

aimed at identifying, assessing and prioritising potential threats and vulnerabilities to the Bank's IT systems, in order to mitigate cyber risks and improve security measures.

In particular, global geopolitical risk in the current context represents one of the greatest sources of uncertainty and potential criticality for the future scenarios of banking institutions, requiring constant monitoring, also in line with the supervisory priorities communicated by the ECB for the three-year period 2026–2028.

Given the above, the Board of Statutory Auditors has constantly monitored and investigated:

- conflict developments, with particular reference to the initiatives that the Bank has undertaken to deal with potential credit and liquidity risks;
- the escalating tensions between Countries and new security threats (cyber-attacks, terrorism, migration crises), which pose growing challenges to the operational stability and strategic resilience of banks;
- ongoing actions to mitigate climate risk, also in light of the expectations of the Supervisory Authorities;
- the corrective actions undertaken, as well as the restoration timelines and communications to the competent authorities regarding IT incidents.

* * * * *

In consideration of the changed size and management characteristics of the Bank and the Group, the events evaluated during the supervisory activity and the information received from the Company's organisational units, the Board of Statutory Auditors believes the internal control and risk management system are generally adequate as no particularly critical aspects were identified.

The Board of Statutory Auditors observed that the Bank's internal control system is evolving in line with the development of the business and the increasing complexity of the Group, thanks to the ongoing review of methods and processes by the Control Functions. In this context, the Board of Statutory Auditors emphasises the importance of persevering on this trajectory.

5. SUPERVISION OF THE AUDITING PROCESS

Pursuant to the combined provisions of Legislative Decree 39 dated 27 January 2010 and EU Regulation 537/2014 (hereinafter also referred to as the "Regulation"), the engagement to perform the independent audit of the accounts and audit the Separate and Consolidated Financial Report for the nine-year period 2017-2025 was assigned at the Shareholders' Meeting held on 26 November 2016 to Deloitte & Touche s.p.a. ("Deloitte" or "Independent Auditors"), together with the issue of opinions on consistency and conformity with the law pursuant to art. 123-*bis*, para. 4 of the Consolidated Law on Finance.

In accordance with the provisions of art. 19 of Legislative Decree n. 39 of 2010, the Board of Statutory Auditors, identified as the "Internal Control and Audit Committee", performed the required supervisory

activity also on the operations of the Independent Auditors in 2025 and until the date of this Report.

In this context, the Board of Statutory Auditors met the Independent Auditors to examine the Audit Plan for 2025. The following issues were subject to special attention:

- the annual report in ESEF format;
- the determination of materiality;
- risk assessment procedures;
- considerations on fraud risk;
- significant risks and other areas of interest;
- assessment of the internal control system;
- preliminary guidelines on key audit aspects;
- independence and timing of activities.

The Board of Statutory Auditors acquired the necessary information with constant interaction with the Independent Auditors regarding the audit approach used for the different areas of the Financial Report, receiving updates on the progress of their audit activities and the main points of attention for the Independent Auditors.

In particular, during the meetings held with the Independent Auditors, the following, *inter alia*, were examined:

- the business combination involving Banca Popolare di Sondrio and the related accounting treatment, with particular reference to the identification of the acquisition date, the determination of the cost of the acquisition and the allocation thereof (“Purchase Price Allocation” or “PPA”);
- the classification and measurement of loans to customers (including the application of the disposal scenario);
- any forcing of controls;
- the calculation of Expected Credit Losses (ECL) with specific reference to the management overlays and add-ons adopted by the Bank as well as the updating of the macroeconomic scenarios used to determine the impairment provisions;
- purchase of tax credits originated from benefits set out in the "Cura Italia" and "Rilancio" Decree Laws;
- the accounting treatment of the one-off contribution pursuant to art. 1, paragraph 69 of the 2026 Budget Law;
- purchase of a synthetic exposure on 9.99% of the Share Capital of the Bank;
- the Provision for Risks and Charges;
- provisions related to the workforce “manoeuvre”.

In consideration of the role of Sole Auditor for the Group given to the Auditing firm Deloitte, the Board of Statutory Auditors was informed by the Head of the Parent Company's statutory audit of the main results of the audit work relating to the major Subsidiaries pursuant to art. 150 of the Consolidated Law on Finance.

During the periodic meetings with the Independent Auditors, the main issues and changes in processes and organisation with an impact on the accounting systems and on financial reporting were discussed, in addition to the key aspects which may also be part of the "Management Letter".

The Board of Statutory Auditors also informed the Independent Auditors about its activities and reported any relevant and significant facts about the Bank known to it.

Overall, based on the relations of this Board with the auditing firm, no anomalies, issues or omissions have arisen that should be reported. Without prejudice to the foregoing, on 31 March 2026, the Independent Auditors issued their report on the Separate Financial Report for the year ended 31 December 2025, pursuant to art. 14 of Legislative Decree 39/2010 and art. 10 of Regulation (EU) 537/2014.

In that report, the Independent Auditors:

- issued an opinion confirming that the Separate Financial Report present a true and fair view of the financial position of the Bank as of 31 December 2025, and of its income statement and cash flow statement for the year ended on that date, in accordance with the IFRS accounting standards issued by the International Accounting Standards Board and endorsed by the European Union and with the measures issued in implementation of art. 9 of Legislative Decree 38/05 and art. 43 of Legislative Decree 136/15;
- confirmed that the Report on Operations accompanying the Separate Financial Report and certain specific information contained in the Report on Corporate Governance and the ownership structure specified in art. 123-*bis*, para. 4, of the Consolidated Law on Finance are consistent with the draft Financial Report at 31 December 2025 and were prepared in accordance with the law;
- declared that it had no observations to make based on its knowledge and understanding of the business and related context, obtained during the performance of its audit activities, with reference to possible significant errors in the Report on Operations (pursuant to art. 14, para. 2, letter e-ter) of Legislative Decree 39/10;
- released an opinion confirming that the Separate Financial Report was prepared in the XHTML format in compliance with the provisions of the European Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a European Single Electronic reporting Format (ESEF).

In accordance with regulations applicable, the Independent Auditors' Report on the auditing of the Separate Financial Report sets out the auditing standards adopted and indicates the following "key aspects" that emerged during the course of the audit:

- classification and measurement of performing loans to customers measured at amortised cost;

- classification and evaluation of non-performing loans to customers measured at amortised cost classified as bad loans and UTPs.

On 31 March 2026, the Independent Auditing Firm issued the Audit Report relating to the Consolidated Financial Report, which contains opinions and statements similar to those set out above, as follows:

- an opinion confirming that the Consolidated Financial Report presents a true and fair view of the financial position of the Group as at 31 December 2025, and of its income statement and cash flow statement for the year ended on that date, in accordance with the IFRS accounting standards issued by the International Accounting Standards Board and endorsed by the European Union and with the measures issued in implementation of art. 9 of Legislative Decree 38/05 and art. 43 of Legislative Decree 136/15;
- an opinion confirming that the Report on Operations accompanying the Consolidated Financial Report and certain specific information contained in the Report on Corporate Governance and the ownership structure specified in art. 123-*bis*, para. 4, of the Consolidated Law on Finance are consistent with the Consolidated Financial Report at 31 December 2025 and were prepared in accordance with the law;
- a declaration that it had no observations to make based on its knowledge and understanding of the business and related context, obtained during the performance of its audit activities, with reference to possible significant errors in the Report on Operations (pursuant to art. 14, para. 2, letter e-ter) of Legislative Decree 39/10;
- an opinion confirming that the Consolidated Financial Report has been prepared in XHTML format and has been marked, in all significant aspects, in compliance with the provisions of Delegated Regulation (EU) 2019/815 of the European Commission with regard to regulatory technical standards on the specification of a single electronic reporting format (ESEF – *European Single Electronic Format*), specifying, however, that certain information contained in the Explanatory Notes to the Consolidated Financial Report, when extracted in XHTML format in an XBRL instance, may not be reproduced identically to the corresponding information viewable in the Consolidated Financial Report in XHTML format, due to certain technical limits.

The “key aspects” of the audit activities tend to replicate, in part, those of the Separate Financial Report:

- classification and measurement of performing loans to customers measured at amortised cost;
- classification and evaluation of non-performing loans to customers measured at amortised cost classified as bad loans and UTPs;
- accounting recognition of the business combination of the Banca Popolare di Sondrio Group.

The Independent Auditors also state in their audit report on the Consolidated Financial Report that their opinion on compliance with the law does not extend to the section of the Report on Operations relating to the Consolidated Sustainability Statement. Conclusions regarding compliance of that section with the rules governing its preparation and the disclosure obligations laid down by art. 8 of Regulation (EU)

2020/852 are provided in the certification report issued by the Independent Auditors pursuant to art. 14-*bis* of Legislative Decree No. 39/10, as will be discussed later.

On 31 March 2026, the Independent Auditors presented the additional report to the Board of Statutory Auditors required by art. 11 of Regulation (EU) No. 537/2014 which showed that no shortcomings were identified in the internal control system in relation to the financial disclosure process which, in the opinion of the Auditor, are such as to be brought to the attention of the Board of Statutory Auditors.

The Independent Auditors also presented the letter of suggestions from the audit of the Bank's Separate Financial Report and Consolidated Financial Report as at 31 December 2025, which includes an update of the suggestions from the audit of previous years. The Independent Auditors do not consider these suggestions to be deficiencies in the internal control system over the financial reporting process that need to be brought to the attention of the Board of Statutory Auditors.

The Independent Auditing Firm finally submitted to the Board of Statutory Auditors the statement required by art. 6 of Regulation (EU) No. 537/2014 and by para. 17, letter a) of international auditing standard (ISA Italy) 260, acknowledging that no situations have emerged which may compromise their independence.

Additionally, the Board of Statutory Auditors took note of the Transparency Report prepared by the Independent Auditing Firm and published on its website pursuant to art. 18 of Legislative Decree No. 39/2010.

The Independent Auditing Firm, also in compliance with the provisions of art. 150, para. 4 of the Consolidated Law on Finance, for the purpose of the reciprocal exchange of information, did not highlight to the Board of Statutory Auditors any reprehensible actions or facts, that needed to be reported specifically in accordance with art. 155, paragraph 2 of the Consolidated Law on Finance.

The Independent Auditors have also verified, pursuant to art. 123-*ter*, paragraph 8-*bis*, of the Consolidated Law on Finance, that the Directors have prepared the second section of the 2025 Report on remuneration policy and compensation paid.

6. MONITORING OF THE INDEPENDENCE OF THE INDEPENDENT AUDITING FIRM

In 2025, the Board of Statutory Auditors verified and monitored, pursuant to art. 19 of Legislative Decree 39/2010, the independence of the Independent Auditing Firm Deloitte, pursuant to articles 10, 10-*bis*, 10-*ter*, 10-*quater* and 17 of the aforementioned decree and art. 6 of Regulation (EU) 537/2014, in particular regarding the adequacy of the provision of non-audit services (NAS). Furthermore, as already mentioned in section 5 above, the Board of Statutory Auditors has received a statement from Deloitte confirming its independence.

In this regard, it should be noted that, in order to correctly apply the Regulation, BPER has adopted the "*Group Regulation of the process of conferral of engagements to the independent auditing firm and its associated network*", most recently updated on 4 June 2024. This document regulates, in accordance with the applicable external legislation, the model adopted by the Group for the appointment by the

Group itself of the Independent Auditors – whether the main auditor or other appointed auditors – and parties related to them, establishing a dedicated internal supervision process aimed at monitoring such engagements and safeguarding the independence requirement of the external auditor when entrusted with the auditing of the accounts.

That said, based on the final data for 2025, the value of non-audit services provided to BPER Group companies by the Group's independent Auditing Firm and by the companies in its network amounted to roughly Euro 2.6 million, of which Euro 2.4 million relating to audit/certification services and Euro 0.2 million relating to other non-audit services.

With reference to information concerning solely the Parent Company, provided in the table "Fees for independent audit and non-audit services" - information pursuant to art. 149-*duodecies* of Consob Issuers' Regulation - the Board notes that the costs of non-audit services assigned to the Independent Auditing Firm amount to approximately Euro 2.2 million (Euro 2.1 million for certification services and Euro 0.1 million for other services). In 2025, the ratio between the cost of *non-audit* services provided by the independent auditors of the Parent Company, Deloitte & Touche s.p.a., and the average of *audit* services in the prior three-year period (2021-2022-2023) stood at 35%, below the 70% limit established by the applicable internal and external regulations ("*fee cap*").

It should also be noted that the Parent Company, in light of the imminent expiry of the mandate granted to Deloitte & Touche s.p.a. for the nine-year period 2017-2025, the size and complexity of the BPER Group, and the specific regulations introduced by Regulation (EU) 537/2014 regarding the renewal of the statutory audit mandate, independence, and in particular the introduction of the cooling-in period rule (i.e. the prohibition on providing, during the 12 months prior to the first financial year to be audited, the services referred to in art. 5.1, letter e, of Regulation 537/2014), deemed it appropriate to start the selection procedure for the new independent auditors for the financial years 2026-2034 two years in advance, so as to decide on the new engagement during the Shareholders' Meeting called to approve the Financial Report as at 31 December 2023. With reference to this process, it is noted that the Shareholders' Meeting of BPER Banca held on 19 April 2024 engaged KPMG s.p.a. as the independent auditor of the accounts and consolidated accounts for the period 2026-2034. In order to comply with the provisions regarding the cooling-in period, "non-audit" service assignments to KPMG s.p.a. and its network were monitored and, with a view to full compliance with these provisions, the Board of Statutory Auditors recommended that no assignments be awarded to the company in 2025.

Notwithstanding the foregoing, it should be noted that, due to the significant expansion of the scope of consolidation following the acquisition of the former Banca Popolare di Sondrio Group, both the outgoing auditor, Deloitte, and the incoming auditor, KPMG, have made requests for an increase in fees, which the Board of Statutory Auditors, with the support of the relevant corporate Functions, has carefully examined for the purpose of preparing the relevant reasoned proposal to be submitted for approval to the Shareholders' Meeting on 23 April, to the contents of which full reference is made.

7. SUPERVISION OF THE ADEQUACY OF THE ADMINISTRATIVE-ACCOUNTING SYSTEM AND THE FINANCIAL REPORTING PROCESS

The Board of Statutory Auditors has monitored the adequacy of the administrative and accounting system and the financial reporting process, by obtaining information from the heads of the relevant Corporate Functions and from the Manager responsible for preparing the company's financial reports, examining the most significant corporate documents, and analysing the work performed by the Independent Auditors Deloitte & Touche s.p.a.

The administrative and accounting procedures for the preparation of the Separate and Consolidated Financial Report were prepared by the Manager responsible for preparing the company's financial reports who, together with the Chief Executive Officer, has confirmed their adequacy and effective application.

Furthermore, following the new regulations of the Corporate Sustainability Reporting Directive - CSRD, the range of certification tasks of the delegated administrative bodies and the Manager responsible for preparing the Company's Financial Reports has been significantly expanded, since the text of Legislative Decree No. 125 of 6 September 2024, which implemented Directive (EU) 2022/2464 CSRD in Italy, has amended the provisions of paragraph 5 of art. 154-*bis* of the Consolidated Law on Finance, extending the certification requirement to sustainability reporting.

In this regard, it should be noted that, in order to regulate the activities that characterise the components indicated above with reference to the risks associated with financial and sustainability reporting present in the administrative and accounting processes in the BPER Group, the Parent Company has defined a "Financial and Sustainability Reporting Control Model" ("Control Model"), which is based on the adoption of the main reference frameworks recognised at national and international level in terms of the development of adequate Financial Reporting Internal Control Systems.

Within the Internal Control System, with regard to Financial and Sustainability Reporting, the main role is played by the Manager responsible for preparing the Company's Financial Reports, who has the task of managing and supervising the "Control Model", understood as the set of requirements to be met for the proper management and control of the risk of unintentional errors and fraud in financial reporting in the BPER Group, and of risk factors associated with the preparation of the Sustainability Statement.

The BPER Group has deemed it appropriate to assign to the Manager responsible for preparing the Company's Financial Reports the task of issuing the certification of the Consolidated Sustainability Statement, in line with the highest standards of transparency and compliance in accordance with the ESRS (European Sustainability Reporting Standards).

The Manager responsible for preparing the Company's Financial Reports makes use of an operating structure, directly reporting to him, called Financial & Sustainability Reporting Supervision Unit ("FSRS Unit"), which is in charge of planning, implementing and maintaining the "Control Model" to be applied to the Parent Company and, with reference to the procedures for preparing the Consolidated Financial

Report, to the subsidiary banks and companies, regardless of whether they are registered or not with the banking Group.

The Board of Statutory Auditors was kept fully informed throughout the year about the regulatory project activities of the Unit supporting the Manager responsible for preparing the Company's Financial Reports, the FSRS Unit, which has gradually expanded the scope of its audit activities over time to ensure the reliability and accuracy not only of financial reporting but also of other information disclosed to the market (ESG Disclosure, BCB S239 – Basel Committee on Banking Supervision – Document 239, etc.).

Regarding ESG matters, the new regulations have extended the responsibilities of the FSRS Unit, and its oversight also includes the assessment and effective implementation of the process for preparing the Consolidated Sustainability Statement, as well as the execution of specific quality assurance controls on the data and information contained therein, with specific reference to connectivity in consideration of the high degree of interconnection between other reporting frameworks (*i.e.* Separate and Consolidated Financial Reports, public disclosure document - Pillar 3, remuneration policies). As regards BCBS 239, which sets out 14 principles for effective risk data aggregation and risk reporting (RDARR), the BPER Banca Group has opted to adopt a federated model for the validation of the BCBS 239 principles (Data Aggregation, Risk and Reporting) as it represents an advanced strategy given the complexity now assumed by the Group and the specific characteristics present within the Internal Control System. In this regard, the federated model allows for central governance (Validation Unit) that defines BCBS 239 validation standards, policies and methodologies, whilst delegating, in the CFO area, the technical execution and operational monitoring to local control units (Financial & Sustainability Reporting Supervision Unit).

In this regard and in consideration of the gradual and increasing integration between sustainability reporting and financial reporting, which is essential for an accurate and complete assessment of the company's performance, and the growing attention paid by the Supervisory Authorities to data quality, the Board of Statutory Auditors has closely supervised and monitored the processes underlying integrated financial reporting and the implementation of the BCBS 239 framework within the Bank.

The Board of Statutory Auditors was updated on developments regarding the “Reshaping of IT Architecture” application, a process that has enabled the evolution of current IT systems towards a single integrated financial reporting platform, relating to the compilation and management of ESG assessments concerning CRSD and Taxonomy, with the support of specific control checklists integrated into the application, as well as the implementation of the functionalities necessary to facilitate the transition to the new CoGe (Coge2 Project) and the acquisition of accounting flows from non-IT-aligned companies (in addition to BPER Leasing and BPER Factor, Finitalia, BPER Lux, BPER Real Estate and Arca Fondi have also been integrated).

At its meeting on 1 July 2025, the Board of Statutory Auditors also took note of the information provided regarding the assessment carried out during the second quarter of 2025 by PriceWaterhouseCoopers on the efficiency and effectiveness of (i) the organisation, (ii) operational processes (including the mechanisms adopted to measure performance and ensure continuous improvement), (iii) information

flows and reporting, and (iv) the IT systems adopted by the Financial & Sustainability Reporting Supervision (FSRS) Unit; in this regard, the external professional stated that the organisation and conduct of the activities of BPER's FSRS Unit are: (i) aligned with external and internal regulatory provisions; (ii) appropriate to the mission, processes and procedures defined internally; (iii) effective in contributing to control processes, risk management and governance; (iv) geared towards continuous improvement; (v) aimed at adding value and developing the organisation's operational processes; (vi) consistent with industry practices identified through comparison with other market operators.

The Board of Statutory Auditors was brought periodically up to date by the FSRS Unit about the assessments and audits carried out to express an opinion on the adequacy of administrative and accounting procedures and their effective application. The Board of Statutory Auditors was also updated on the findings and related monitoring activities regarding administrative and accounting procedures, as well as on the progress of the related remedial actions.

Acting in its capacity as the Internal Control and Audit Committee pursuant to art. 19, para. 2 c) of Legislative Decree 39/2010, the Board of Statutory Auditors maintained close coordination with the Manager responsible for preparing the company's Financial Reports who did not identify any shortcomings in the operating and control processes, which could invalidate the judgement of overall adequacy and effective application of the administrative-accounting procedures set up to monitor the accuracy of the economic, capital and financial representation of the operating events in compliance with the international accounting standards.

The Board of Statutory Auditors requested periodic updates on remedial actions following the recommendations made in the Management Letter to BPER's Separate Financial Report and Consolidated Financial Report as at 31 December 2024.

The Board of Statutory Auditors reviewed the planning of activities for 2026, drawn up by the FSRS Unit in line with the overall synoptic framework for the verification activities of the BPER Banca Control Functions. In light of important new regulations and the high degree of interconnection between the various frameworks centrally overseen by the Financial & Sustainability Reporting Supervision Unit, it is expected that, in 2026, the overall – organisational and operational – controls under its responsibility will be strengthened. In addition, the projects planned for 2026 were outlined, covering: ongoing SIF initiatives relating to the selection criteria for accounting schedules and ESG data extraction; the creation and management of the BCBS 239 framework (reports relevant to the CFO area); and the enhancement of data quality.

The Separate and Consolidated Financial Report have been prepared in accordance with Legislative Decree 38/2005, according to the IAS/IFRS issued by the IASB (International Accounting Standards Board), endorsed by the European Union and following the indications provided by Circular 262/2005 of the Bank of Italy and subsequent amendments and additions, most recently provided in a communication dated 17 November 2022. During preparation, account was taken, as applicable, of the interpretations and support documents for the application of the accounting standards in relation to the impacts of the 'extraordinary' events occurring in the last few years, issued by the European Regulatory

and Supervisory Bodies (including *ESMA's Public Statement* of 14 October 2025 – "*European common enforcement priorities for* 2025 *annual financial reports*") and by the Standard Setters, published in the previous years. In this regard, the Board of Statutory Auditors recommended that the Bank duly consider the three main thematic areas highlighted in the ESMA 2025 document: i) the Financial Report in accordance with the International Financial Reporting Standards (IFRS); ii) the sustainability report in accordance with the European Sustainability Reporting Standards (ESRS); iii) digital reporting in the European Single Electronic Format (ESEF).

The Bank prepares and updates, if necessary on a preliminary basis with respect to the preparation of the periodic financial information, the document entitled "Accounting policies of the BPER Banca Group", to transpose the information provided by the applicable IAS/IFRS and to define the application choices adopted for preparation of the Financial Reports for the period. This document, which represents an instrument through which the Parent Company exercises its guidance and coordination activities over the Banks and Companies of the Group, in order to ensure uniformity of application of the accounting standards, is submitted to the Board of Directors' review; the latest update was approved on 4 February 2026, prior to the approval of the 2025 results at Group level and the Separate and Consolidated Financial Report as at 31 December 2025.

With regard to accounting estimates, specifically relating to the business combination carried out by the BPER Banca Group with Banca Popolare di Sondrio s.p.a., the Board of Statutory Auditors was informed of the submission, and subsequent approval by the Parent Company's Board of Directors on 4 February 2026, of the final valuation exercise required by IFRS 3 as a Purchase Price Allocation (PPA) relating to the business combination itself. This valuation exercise consisted of the fair value measurement of the consideration paid by BPER Banca for the acquisition of the controlling interest in the share capital of Banca Popolare di Sondrio (80.69%), as well as the related assets acquired and liabilities assumed as at the reference date of 30 June 2025, taking into account any intangible assets not previously recognised in the financial statements and determining, on a residual basis, goodwill totalling Euro 405.7 million. In summary, net fair value adjustments amounted to Euro 398.4 million, the net value of previously unidentified intangible assets amounted to Euro 337.5 million, and minority interests – amounting to 18.67% of post-PPA equity – were quantified at Euro 943.2 million (this valuation was carried out using the partial goodwill method) and the carrying amount of the additional stake acquired in Alba Leasing, amounting to Euro 90.5 million, was excluded from the business combination as it is managed separately. Given the complexity of the valuations carried out, the Board of Statutory Auditors also noted that the Bank, in addition to being supported by specially appointed external experts, obtained a fairness opinion from an independent party.

Still on the subject of valuation, the Board of Statutory Auditors noted that the Board of Directors of the Parent Company BPER Banca took into account, during the 2025 financial year, the persistent uncertainty regarding the general macroeconomic and sectoral outlook, caused mainly by geopolitical tensions (the ongoing armed conflicts in Russia-Ukraine and the Middle East) and US policies on global trade and international relations, accompanied by measures to combat climate risk with unforeseeable impacts on the economic and production system. Specifically, also with reference to what was specified

by the IASB in its document of 27 March 2020, the Directors considered that the ordinary valuation models adopted by the BPER Banca Group to estimate the ECL and to determine the Significant Increase in Credit Risk (SICR) as part of IFRS 9 impairment, could be integrated, on a recurring basis or otherwise, through the application of "post-model adjustments" in relation to the estimate of the ECL, rather than through the use of "collective assessment" to complement the analytical staging rules. This is to fully grasp the effects of certain significant events on credit risk (so-called "emerging risks"), which have not yet been taken into account in the econometric models used to determine risk parameters. In said context, the Board of Statutory Auditors met the Manager responsible for preparing the company's Financial Reports and the independent auditing firm in 2025, requesting in-depth analyses regarding said cases. The Manager responsible for preparing the company's Financial Reports and the independent auditing firm certified the compatibility of the valuation approaches adopted (namely the overlay approach and the in-model adjustment) with the overall legislative and regulatory framework in force. The Board of Statutory Auditors monitored the process of control of systems for the measurement and forecasting of credit risk, including in light of the critical context referred to above, systematically engaging in dialogue with the functions responsible for monitoring and with the independent auditing firm and notes that it has not received any reports of anomalies. The Board of Statutory Auditors also conducted an in-depth analysis of the relevant disclosure in the Financial Report in compliance with the IAS/IFRS accounting standard and recommendations by the competent Supervisory Authorities, noting that the 2025 Consolidated Financial Report contains detailed information on the impact of the overlay approach on the measurement of loans and receivables, which generates higher adjustments of roughly Euro 139.4 million[3].

The Board of Statutory Auditors monitored the process of impairment of equity investments and goodwill.

The goodwill impairment test, updated as at 31 December 2025 in connection with the preparation of the Separate and Consolidated Financial Report, was reviewed and discussed at specific meetings with the Manager responsible for preparing the Company's Financial Reports, the Planning and Control Department and the Independent Auditors, with further clarification sought regarding the results of the valuation analyses (and related sensitivity analyses); information obtained from these discussions and from the analysis of the provided documents showed recoverable amounts exceeding the respective carrying amounts, both for the Cash Generating Unit (CGU) Arca Holding and the CGU Banca Popolare di Sondrio (identified precisely following the business combination carried out during the 2025 financial year and the related valuations commented on above), against which goodwill of Euro 170 million and Euro 405.7 million respectively has been recognised.

In the same context, the Board of Statutory Auditors considered the effects of the valuation of equity investments, which revealed the need to account for certain write-downs originating from value in use being lower than the corresponding carrying amounts. Taking into account equity securities representing

[3] See BPER 2025 Consolidated Financial Report, Explanatory Notes, Part A, Section 5 "Risks and uncertainties inherent in the current macroeconomic environment - Management Overlays applied in the assessment of credit risk".

associated interests (in companies subject to significant influence), the Board of Statutory Auditors has noted that the carrying amounts are substantially recoverable, barring a few insignificant write-downs.

With regard to the Consolidated Financial Report, in the presentation of the 2025 results according to the reclassified statements discussed in the Directors' Report on Operations, the Board of Statutory Auditors specifically considered the details provided in relation to the 'non-recurring' cost and revenue components, which have been isolated since 2025, in specific items of the reclassified statements, such as 'Integration costs' totalling Euro 288.6 million and 'PPA impact' totalling Euro 181.8 million. Among the components of the first item, Staff costs amounting to Euro 177.4 million are noted, relating to the estimated cost of implementing the workforce optimisation manoeuvre under the agreement with the trade unions of 19 December 2025, whilst within the scope of the PPA impacts (relating exclusively to the second half of the 2025 financial year), it should be noted that collective provisions on performing loans were impacted by a cost of Euro 180 million relating to the reinstatement of collective provisions on Banca Popolare di Sondrio's performing loan portfolio, which had already been measured at fair value under the PPA, and the consequent need to reinstate the related Expected Credit Loss (ECL) in accordance with IFRS 9.

The Board of Statutory Auditors also considered and analysed the process of fair value measurement of real estate owned, both for functional and commercial use, which led the BPER Group to record a negative impact on the consolidated income statement as at 31 December 2025 for a total of Euro 26.9 million (including Euro 26.4 million in amortisation) and a positive valuation impact of Euro 17.7 million in the dedicated equity reserve.

Finally, intangible assets represented by application software were considered and, as part of the valuations as at 31 December 2025, write-downs were posted for a total of Euro 26.4 million for earlier disposal than their estimated useful life.

Deferred tax assets are recognised following the positive outcome of the probability test on the scope of tax consolidation as required by IAS 12. This test, based on financial forecasts covering a five-year period (2026–2030) and consistent with other estimation processes that rely on projections of future results, enables the estimation of expected future taxable income deemed sufficient to support the recognition, maintenance and recovery of deferred tax assets, both in relation to deductible temporary differences and tax losses carried forward. As part of its monitoring activities, the Board of Statutory Auditors is informed on a quarterly basis of the main tax aspects concerning the BPER Group.

Still referring to tax matters, the Board of Statutory Auditors points out that the item "Other assets" includes tax credits purchased from third parties under Relaunch Decree No. 34/2020, which are measured at amortised cost for the portion to be recovered by offsetting, and measured at fair value for the amount corresponding to the sales contracts entered into at the end of the reporting period. The recovery of credits by offsetting is confirmed by the assessment of individual and Group tax capacity, reported quarterly to the Board of Statutory Auditors.

The Board of Statutory Auditors additionally acknowledged the certifications signed by the Manager responsible for preparing the company's Financial Reports and the Chief Executive Officer relating to

the Separate and Consolidated Financial Report as at 31 December 2025 - required by art. 154-*bis*, paragraph 5, of the Consolidated Law on Finance and art. 81-*ter* of Consob Regulation No. 11971, as amended with Consob Regulation No. 22551 of 2022 – on the adequacy and effective application of the administrative and accounting procedures, on the consistency of the financial statements with underlying documentary evidence, books and accounting records, their compliance with the IAS/IFRS, on the fact that the Separate and Consolidated Financial Report thus drafted provide a true and fair view of the equity, economic and financial position of BPER Banca and of its Group.

In light of the above, the information received, the analyses carried out and the aspects referred to in this Report, the administrative-accounting structure appears to be adequately defined and suitable to meet the business needs that emerged during the year and, overall, it is adequate for what is expected under the current regulations.

The Independent Auditors checked the administrative and accounting procedures without making any comments on their reliability or elements that could affect the internal control system involved in the above-mentioned procedures. They also checked the accuracy of the recognition of operating events in the accounting records, as well as the completeness of the information and accounting policies for the preparation of the Separate and Consolidated Financial Reports, without making any comments or observations.

Even though the statutory audit of the accounts as per Legislative Decree 39/2010 is not part of the duties of the Board of Statutory Auditors, it being delegated to the Independent Auditors, based on the information received from the latter and from the Manager responsible for preparing the company's Financial Reports and the performed checks, the administrative and accounting system, as a whole, is deemed adequate.

As regards the scope of consolidation, please refer to the Group report on operations and to Part A of the notes for information on the unification of the line-by-line scope of consolidation for accounting purposes with the scope of consolidation for supervisory purposes for reasons of rationalisation, simplification and control of the process for producing the consolidated figures for supervisory and financial reporting purposes, without appreciable effects in terms of equity, economic results or financial performance of the Group.

On 25 July 2018, BPER Banca s.p.a. was admitted to the list published on the Italian Revenue Agency institutional website (Agenzia delle Entrate) of companies admitted to the cooperative compliance regime under Legislative Decree 128/2015 with the aim of promoting better forms of communication and strengthened cooperation between the Tax Authorities and tax payers who have a system for the recognition, measurement and control of tax risk.

In this regard, the Board of Statutory Auditors was able to ascertain that, in 2025, discussions with the Revenue Agency and the proper functioning of the Tax Control Framework continued - without any significant attention points emerging.

8. MONITORING OF RELATIONS WITH SUBSIDIARIES

In the exercise of its management and coordination functions, BPER Banca issues guidance to the Group companies so that they implement the instructions issued by the Supervisory Authorities to ensure its stability, in accordance with the provisions of Bank of Italy Circular 285/2013.

The BPER Group's Governance Policy, last updated on 18 September 2025, regulates the principles governing the Group's governance, the system of internal controls and risk culture, the group information system and centralised processes.

In addition to monitoring the implementation of the Group's policies and regulations, the Board of Statutory Auditors of the Parent Company maintained constant contact with the relevant bodies of the banks and the main subsidiaries of BPER, organising regular meetings with them to exchange information on areas of particular interest: management performance, the implementation of Group directives, the operation of the internal control and risk management system, the main disputes, the outcome of any inspection activities.

Specifically, the Board of Statutory Auditors exchanged information with the Control Bodies of the main subsidiaries of BPER, both banking and non-banking, by sending specific questionnaires for the reporting of significant elements and/or facts, on the basis of which it then held individual meetings during the sessions of 13 January, 3 February and 17 February 2026. Particular attention was paid to Banca Popolare di Sondrio and its subsidiaries, following the recent acquisition, which was finalised in July 2025: questionnaires were sent to all the Group’s subsidiaries, and a number of meetings were held with the most relevant legal entities during the second half of 2025 and in the early months of 2026.

No significant issues emerged from the information exchanges and discussions in relation to the exercise of management and coordination powers by the Parent Company, nor were any matters of concern reported by the Boards of Statutory Auditors of the subsidiaries.

9. ESG ISSUES AND CONSOLIDATED SUSTAINABILITY REPORTING

During its supervisory activities, the Board of Statutory Auditors noted the BPER Group’s growing and increasing focus – particularly by the Board of Directors – on ESG issues, which affect all areas of the Bank. This is also in compliance with the requirements of Bank of Italy Circular 285/2013, which stipulates that when defining its strategies, the Body with strategic supervision must take into account the objectives of sustainable finance and, in particular, the incorporation of environmental, social and governance factors into the processes relating to corporate decisions, and pursue sustainable success (see also "Borsa Italiana Corporate Governance Code" of January 2020).

In particular, the Board of Statutory Auditors received detailed information on the main ESG projects under the 2024-2027 Business Plan, on interactions with the ECB regarding the matter, on the Group’s Sustainability reporting, and on the related preparatory processes, including the definition of “double materiality”.

Double materiality analysis

The materiality analysis relating to the 2025 Sustainability Reporting was prepared by the Bank in accordance with the process defined by the Corporate Sustainability Reporting Directive, transposed into Italian law through Legislative Decree 125/24, and, in relation to internal regulations, by the "Regulations governing the process for the preparation of consolidated sustainability reporting", last updated on 27 January 2025.

The aforementioned regulation requires the definition of "double materiality", identifying two perspectives within which to frame corporate governance, social, and environmental issues, namely: (i) how these influence the financial performances of a company and its long-term value (impacts suffered) and (ii) the effects the company causes on society and the surrounding environment (impacts generated).

The output generated from this process is represented by the list of material Impacts, Risks and Opportunities (IRO) that the Bank has reported as being significant.

Furthermore, by attending the meetings of the Sustainability Committee, the Board of Statutory Auditors examined in detail the results of Banca Popolare di Sondrio's double materiality analysis.

Business Plan and monitoring of ESG projects

Including by attending the Sustainability Committee sessions, the Board of Statutory Auditors received periodic detailed reports on the progress status of ESG projects as well as a quantitative and trend analysis of specific ESG KPIs for Sustainability.

Consolidated sustainability reporting

The Bank has prepared Consolidated sustainability reporting, which:

- complies with the requirements of the applicable legislation, primarily Legislative Decree 125/2024, concerning corporate sustainability reporting, which transposed (EU) Directive 2022/2464 (Corporate Sustainability Reporting Directive – CSRD);
- is aligned with the new ESRS (European Sustainability Reporting Standards);
- includes, according to the criteria defined by Regulation (EU) 852/2020, the taxonomy alignment KPIs related to balance sheet assets (i.e. Green Asset Ratio – GAR) and off-balance sheet assets (i.e. financial guarantees granted – FinGuaR KPI and managed financial assets – AuM KPI) of the BPER Group.

The Consolidated sustainability reporting has been prepared starting from the outcomes of the double materiality assessment and taking into account the significant Impacts, Risks, and Opportunities along the entire value chain.

In particular, with regard to taxonomic reporting and the relevant regulatory framework, the Board of Statutory Auditors has taken note of the publication, on 5 January 2026, of Delegated Regulation (EU) 2026/73, the introduction of which amends Delegated Regulation (EU) 2178/2021 by providing for numerous simplifications in the content and presentation of the information to be disclosed regarding eco-sustainable activities. These amendments also form part of the regulatory provisions set out in the 'Omnibus Package' approved by the European Commission on 26 February 2025 and are aimed at simplifying, streamlining and reducing the current ESG regulatory burden.

Specifically, the new Delegated Regulation (EU) 73/2026 grants entities subject to reporting obligations under the CSRD, a first transition year during which they may choose whether to report in accordance with the European Taxonomy following the changes introduced by the new Delegated Regulation, or to use the reporting template under the CSRD.

The BPER Group has chosen to carry out its reporting in line with the new Delegated Regulation (EU) 2026/73, the introduction of which entails the following main changes for the Group:

- a two-year deferral of the reporting obligation for banks regarding the templates and KPIs associated with the 'Trading Portfolio' and 'Fees and Commissions';
- the amendment and simplification of the Taxonomy (EU) Annex VI templates – Model for credit institutions' KPIs;
- reporting on ad hoc templates for Gas & Nuclear is no longer required: exposures to sectors attributable to gas and nuclear activities are included within the new template 2;
- the update of the formula for calculating the green asset ratio (GAR), which excludes certain asset categories from the KPI denominator, including derivatives, cash and cash equivalents, on demand interbank loans, other asset categories (such as goodwill and investments in commodities) and exposures to companies that do not fall within the CSRD scope. Provision is made for the possibility of including within the scope of the KPI calculation, exposures to special purpose vehicles ('SPVs') that invest in companies falling within the CSRD scope.

The Board of Statutory Auditors has also acknowledged the results of the audit activities conducted by the Financial & Sustainability Reporting Supervision Unit, as already mentioned in section 7, which also covered the Consolidated sustainability reporting, as well as the contents of the Report issued by the Independent Auditors on 31 March 2026, which indicates that no elements have come to its attention that would suggest the Sustainability Reporting for the financial year ended on 31 December 2025 was not prepared, in all material respects, in accordance with the relevant regulatory requirements.

In accordance with Legislative Decree No. 125 of 6 September 2024, the Board of Statutory Auditors certifies that, following the audits and the acquisition of information, no elements of non-compliance and/or violation of regulatory provisions have been identified.

10. REMUNERATION POLICIES

In 2025, the Board of Statutory Auditors monitored the remuneration aspects of the BPER Group through regular attendance at Remuneration Committee meetings and examination of official documents. The Board of Statutory Auditors also assessed the structural elements of the short-term incentive system MBO 2025 for the Control Functions.

On 18 April 2025, the BPER Shareholders' Meeting approved the "2025 Remuneration Policy".

The Board of Directors, at its meeting on 11 March 2026, subject to the prior favourable opinion of the Remuneration Committee, approved the 2026 Remuneration Report on remuneration policies and compensation paid , including the remuneration policies for the period and the annual disclosure on the implementation of the 2025 “Remuneration Policies”, which will be presented to the Shareholders’ Meeting on 23 April 2026.

In this regard, having verified the correct identification of the beneficiaries, the compliance with the criteria for determining variable remuneration and the related allocation methods, as well as the remuneration structure, the Board of Statutory Auditors examined the opinion issued by the Compliance Function certifying compliance with the Supervisory Provisions and with the provisions on Corporate Information pursuant to Article 123-*ter* of the Consolidated Law on Finance and Article 84-*quarter* of the Consob Issuers' Regulation, providing the indications set forth in Schedule No. 7-*bis* of Annex 3 of the latter Regulation.

The Board of Statutory Auditors also acknowledged that the Board of Directors, at its meeting on 11 March 2026, approved the Report on the proposed authorisation to purchase and dispose of treasury shares pursuant to articles 2357 and 2357-*ter* of the Italian Civil Code and art. 132 of Legislative Decree 58/1998 (the 'Consolidated Law on Finance) to service incentive plans based on financial instruments (i.e. MBO 2026 and LTI Plan 2025–2027) and to ensure that the necessary shares are made available to cover the demand from the beneficiaries of the incentive systems of Banca Popolare di Sondrio s.p.a., who – following the planned merger by absorption of the Subsidiary into BPER and the conversion of the Subsidiary’s securities into BPER shares – will be entitled to receive the amounts accrued in previous years or under the short- and long-term schemes to be finalised in 2026 (MBO 2025 and ILT Plan 2023-2025).

Finally, the Board of Statutory Auditors reviewed the audit performed by Internal Audit to assess the processes concerning remuneration and incentive policies in terms of compliance and adequacy with Circular 285/2013 and the "2026 Report on Remuneration Policy and Compensation Paid". For this purpose, the following were examined: the adequacy of the process for defining Remuneration Policies, the fairness of remuneration payments, and the adequacy of contributions from second-level Control Functions. From a forward-looking perspective, the preparatory steps for the preparation of the 2026 Remuneration Policies were examined. No particular issues were identified during the review.

Finally, in accordance with the provisions of art. 2389, paragraph 3 of the Italian Civil Code, the Board of Statutory Auditors has issued the required opinion and the unanimous approval of all Statutory Auditors regarding the proposal to adjust the remuneration of the Chief Executive Officer of BPER Banca

in line with the evolution of the structure and size of the BPER Group, the ongoing organisational and strategic transformation, and in accordance with the new European benchmark.

11. *GOVERNANCE*

The Board of Statutory Auditors monitored the actual implementation of corporate governance rules and did not identify any critical issues.

The Company's compliance with the Code of Corporate Governance and the Report on corporate governance

BPER Banca adheres to the Code of *Corporate Governance* recently approved in January 2020, by the *Corporate Governance Committee* promoted, inter alia, by Borsa Italiana s.p.a.

With a letter dated 18 December 2025, the Chair of the Corporate Governance Committee (the "Committee") addressed to the Bank (as to all issuer companies) the customary letter aimed at providing details of the monitoring activities carried out by the Committee regarding the application of the corporate governance provisions and highlighting the main vulnerabilities identified by said Committee during the year, as well as formulating recommendations to promote the evolution of corporate Governance according to the principles of the "Corporate Governance Code" (the "Recommendations of the Corporate Governance Committee for 2026", hereinafter the "Recommendations").

The letter from the Committee Chair and the accompanying recommendations were examined in detail by the Board of Statutory Auditors and the Nominations and Corporate Governance Committee during their respective meetings held on 17 February 2026, and by the Board of Directors at its meeting on 19 February 2026.

The Board of Statutory Auditors further examined the Corporate Governance and Ownership Structure Report for 2025, prepared pursuant to art. 123-bis of the Consolidated Law on Finance and approved by the Board of Directors, with the support of the Nominations and Corporate Governance Committee and the Control and Risk Committee (insofar as their remit applies), at its meeting on 11 March 2026.

The Board of Statutory Auditors finally verified that the aforementioned Report provided details of the Recommendations and the subsequent initiatives undertaken and planned by the Bank to ensure its full and constant alignment with the Recommendations provided by the Corporate Governance Committee.

The fulfilment of the eligibility requirements for Directors and the self-assessment process of the Board of Directors

The Board of Directors in office at the end of the 2024 financial year was appointed for the three-year period 2024-2026 by the Shareholders' Meeting of 19 April 2024. In accordance with the relevant legislation, BPER's Board of Directors has verified, following the appointment of the directors and on an ongoing basis thereafter, that they continue to meet the eligibility requirements and criteria.

In accordance with the applicable legislation, during the financial year, the Board of Directors of BPER, at its meeting on 3 July 2025, carried out, with the support of the Nomination and Corporate Governance Committee, the annual reassessment of the Directors' compliance with the eligibility requirements and criteria, as well as their compliance with applicable regulatory and self-regulatory provisions, including those relating to the so-called 'prohibition on interlocking'.

During said meeting, the Board of Directors ascertained the adequacy of its composition at collective level and compliance of the actual composition with that identified as optimal in the Guidelines for Shareholders published in 2024 in view of the renewal of the Administrative Body and in the suitability matrix approved by the Board itself on 12 March 2025.

On that occasion, the Board of Directors also reassessed the formal independence of each non-executive director on the basis of:

i) art. 148, paragraph 3, of the Consolidated Law on Finance;

ii) Ministerial Decree No. 169/2020;

iii) Recommendation 7 of the Code of Corporate Governance;

iv) the parameters of evaluation of the significance of professional, commercial or financial relations established by the "Rules for verifying the independence requirement of Directors", updated by the Board of Directors on 16 June 2022.

The Board of Statutory Auditors, which participates in all meetings of the Nominations and Corporate Governance Committee, through the Chair or one of its members, monitored the process and, at the meeting of the Board of Directors of 03 July 2025, did not consider it necessary to make any observations in relation to the correct application of the criteria and the procedures for assessing independence adopted by the Board of Directors.

In addition to the above, the Board of Statutory Auditors, by regularly attending meetings of the Nomination and Corporate Governance Committee, as well as those of the Board of Directors, has continuously monitored the Board's self-assessment process for the 2025 financial year (Board evaluation), which was carried out internally without the assistance of an external consultant.

Following this self-assessment process, the Board of Directors, with the support of the Nominations and Corporate Governance Committee, provided a positive assessment of its composition and functioning, approving the results at its meeting on 11 March 2026.

The fulfilment of the eligibility requirements for Statutory Auditors and the self-assessment process of the Board of Statutory Auditors

The Board of Statutory Auditors was appointed for the three-year period 2024-2026 by the Shareholders' Meeting of 19 April 2024 and subsequently supplemented by the Shareholders' Meeting of 19 December 2024 with the appointment of Chair Silvia Bocci, in light of the resignation of the Chair Angelo Mario Giudici.

In accordance with the applicable regulations, BPER's Board of Statutory Auditors verified, following their appointment and subsequently on an ongoing basis, that the Statutory Auditors met the eligibility requirements and criteria.

With regard to the 2025 financial year, on 14 January 2025, following the Shareholders' Meeting of 19 December 2024, the Board of Statutory Auditors verified that the newly elected Chair of the Board of Statutory Auditors, Silvia Bocci, met the requirements and eligibility criteria, also with regard to compliance with the limit on the number of offices held, the prohibition on interlocking, the possibility of dedicating adequate time to the office, the possession of the independence requirements envisaged by the regulations in force and the Corporate Governance Code. On said occasion, the Board of Statutory Auditors evaluated the composition of the Body as a whole, ascertaining its adequacy in ensuring the independence and professionalism of its function.

Subsequently, on 1 July 2025, the Board of Statutory Auditors carried out the annual reassessment of the fulfilment of the requirements and eligibility criteria by all serving Statutory Auditors, as well as their compliance with applicable regulatory and self-regulatory provisions, including those concerning the prohibition on interlocking.

During said meeting, the Board of Statutory Auditors ascertained the adequacy of its composition at collective level and compliance of the actual composition with that identified as optimal in the Guidelines for Shareholders published in 2024 in view of the renewal of the Control Body.

Following the aforementioned verification, all the members of the BPER Board of Statutory Auditors were found to have the professionalism and expertise appropriate to the tasks entrusted to them.

With specific reference to the periodic assessment of the Statutory Auditors' compliance with formal independence requirements, it should be noted that this was carried out by the Board of Statutory Auditors during 2025 following the appointment of Chair Silvia Bocci on 14 January 2025, as well as during the annual review of the Board of Statutory Auditors on 1 July 2025.

On these occasions, the Board of Statutory Auditors verified compliance with the provisions of art. 148, paragraph 3, of the Consolidated Law on Finance, art. 14 of Ministerial Decree 169/2020, as well as Recommendations 7 and 9 of the Corporate Governance Code. In particular, this verification was carried out taking into account the "Rules for verifying the independence requirement of Directors", which BPER's Board of Statutory Auditors adopted on 19 July 2022.

The Board of Directors, at its meetings of 16 January 2025 and 3 July 2025, having also taken into account the results of the assessments carried out by the Board of Statutory Auditors and the opinion expressed by the Nominations and Corporate Governance Committee, confirmed, for the purposes of art. 148, paragraph 4-quater, of the Consolidated Law on Finance, the absence of causes of ineligibility and forfeiture, also due to any lack of the independence requirement, as well as the existence of the requirements of integrity and professionalism, as envisaged by art. 148, paragraphs 3 and 4, of the Consolidated Law on Finance, for the members of the Board of Statutory Auditors.

As regards the self-assessment process of the Board of Statutory Auditors for 2025, it was carried out by said Board with the support of internal functions, without the assistance of an external advisor. At the end of this process, the Board of Statutory Auditors deemed its composition to be adequate overall and considered that it had carried out its supervisory and control activities effectively during the first year of its mandate.

12. OMISSIONS AND REPREHENSIBLE FACTS RECORDED. OPINIONS PROVIDED AND INITIATIVES UNDERTAKEN.

Information about any complaints received pursuant to article 2408 of the Italian Civil Code and actions taken

The Board of Statutory Auditors has not received any communications that could be considered complaints in accordance with Article 2408 of the Italian Civil Code during the period from 2025 up to the date of submission of this report.

Information about any petitions received and actions taken

During 2025 and up to the date of approval of this Report, the Board of Statutory Auditors did not receive any communications qualifying as complaints to the Supervisory Authorities.

Furthermore, during the year, the Board of Statutory Auditors acquired the information flows concerning customer complaints prepared by the relevant internal structures and found no issues of concern to report regarding the overall process for handling customer complaints.

The Body was brought up to date about the Whistle-blowing reports by the Internal Audit Function and took note of the Whistle-blowing Report for 2025.

In promoting a corporate culture based on honesty, fairness and compliance with regulations, the BPER Group identifies the Internal Whistleblowing Reporting System as an essential tool for identifying any non-compliant behaviour and for strengthening confidence in internal control mechanisms.

In this context, the following have contributed to the overall strengthening of the Whistleblowing framework:

- initiatives aimed at simplifying access to the reporting channel, through IT measures designed to improve accessibility and usability;
- the awareness-raising campaign promoted at Group level through a dedicated training initiative, namely the launch, starting in April 2025, of the mandatory course ‘Whistleblowing: your voice matters’, aimed at all staff, with completion scheduled by 31 December 2025.

This training, designed and delivered in collaboration with the Chief People Officer’s structures, has further raised awareness and accountability among employees in relation to the Internal Reporting System and the related strengthened safeguards, thereby contributing to the dissemination of a risk and control culture, also in line with the European Central Bank’s Draft guide on governance and risk culture.

Subject to the above, no critical issues emerged in 2025 regarding the whistleblowing management process.

12.1 OPINIONS ISSUED BY THE BOARD OF STATUTORY AUDITORS PURSUANT TO THE LAW DURING 2025

During the 2025 financial year, and up to the date of this report, the Board of Statutory Auditors issued its opinions in accordance with current regulatory provisions, including, in particular, those relating to non-audit engagements to be assigned to the Independent Auditors and its network, pursuant to the "Group regulation of the process of conferral of engagements to the independent auditing firm and its associated network", the opinion on the 2025 Annual Report concerning the internal rating system used by the BPER Group to calculate capital requirements, and the opinion regarding the proposal for BPER Banca to take over, following the completion of the merger by absorption of Banca Popolare di Sondrio, the depositary bank activities previously carried out by the latter.

The Board of Statutory Auditors also:

- formulated its justified proposals to the Shareholders regarding the supplementing of the fees of the independent auditing firm pursuant to Legislative Decree No. 39/2010, art. 13, para. 1;
- in accordance with the provisions of art. 2389, paragraph 3 of the Italian Civil Code, has issued the required opinion on the proposal to adjust the remuneration of the Chief Executive Officer of BPER Banca.

Finally, three transactions pursuant to art. 136 of the Consolidated Law on Banking (TUB) were unanimously approved by the Board of Directors and by a unanimous vote of the members of the Board of Statutory Auditors.

13. PROPOSALS REGARDING THE FINANCIAL STATEMENTS AND THEIR APPROVAL

Shareholders,

Taking into account all of the above, considering the content of the audit reports issued by Deloitte & Touche s.p.a. and taking note of the attestations issued jointly by the Chief Executive Officer and the Manager responsible for preparing the company's Financial Reports, the Board of Statutory Auditors has no objections to your approving the financial statements of BPER Banca s.p.a. as at 31 December 2025 accompanied by the report on operations and the proposed allocation of BPER Banca's profit for the year 2025, as approved by the Board of Directors on 11 March 2026.

As we draw to a close the second financial year of our term of office, we would like to express our sincere thanks to all Directors, and among them, in particular, to the Chair of the Board of Directors, Fabio Cerchiai and the Chief Executive Officer, Gianni Franco Papa, the Management, the Internal Control Functions as well as to all personnel of the Bank for their fruitful collaboration and assistance in carrying out the functions and duties we were assigned.

Modena, 31 March 2026

The Board of Statutory Auditors

Silvia Bocci (Chair)

Michele Rutigliano (Standing Auditor)

Patrizia Tettamanzi (Standing Auditor)

OTHER ATTACHMENTS

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BPER Bank Luxembourg société anonyme
Public limited company
Share Capital: Euro 30,667,500 fully paid in
Registered office in Luxembourg

Balance sheet as at 31 December 2025

(in Euro)

Assets		2025	2024
10.	Cash and cash equivalents	21,962,154	9,653,339
20.	Financial assets measured at fair value through profit or loss	1,636,855	2,404,601
	c) other financial assets mandatorily measured at fair value	1,636,855	2,404,601
30.	Financial assets measured at fair value through other comprehensive income	40,151,650	56,018,560
40.	Financial assets measured at amortised cost	992,961,994	788,013,758
	a) loans to banks	371,810,315	357,529,673
	b) loans to customers	621,151,679	430,484,085
50.	Hedging derivatives	-	86,378
80.	Property, plant and equipment	717,469	1,209,267
90.	Intangible assets	3,957,564	141,936
100.	Tax assets	6,453,800	5,245,325
	a) current	5,435,036	4,100,802
	b) deferred	1,018,764	1,144,523
120.	Other assets	325,442	289,587
Total assets		**1,068,166,928**	**863,062,751**

BPER Bank Luxembourg société anonyme
Public limited company
Share Capital: Euro 30,667,500 fully paid in
Registered office in Luxembourg

(in Euro)

Liabilities and shareholders' equity		2025	2024
10.	Financial liabilities measured at amortised cost	969,503,897	767,233,467
	a) due to banks	713,234,221	490,097,936
	b) due to customers	241,267,593	262,133,448
	c) debt securities issued	15,002,083	15,002,083
40.	Hedging derivatives	15,899	-
60.	Tax liabilities	4,869,158	6,571,035
	a) current	3,610,924	5,483,180
	b) deferred	1,258,234	1,087,855
80.	Other liabilities	4,520,122	4,745,212
100.	Provisions for risks and charges	188	16
	a) commitments and guarantees granted	188	16
110.	Valuation reserves	(2,032,012)	(2,878,829)
140.	Reserves	56,724,350	49,455,833
160.	Share capital	30,667,500	30,667,500
180.	Profit (Loss) for the year (+/-)	3,897,826	7,268,517
	Total liabilities and shareholders' equity	**1,068,166,928**	**863,062,751**

BPER BANK Luxembourg société anonyme
Public limited company
Share Capital: Euro 30,667,500 fully paid in
Registered office in Luxembourg

Income Statement as at 31 December 2025

(in Euro)

Items		2025	2024
10.	Interest and similar income	30,103,334	31,578,801
	of which: interest income calculated using the effective interest method	29,999,458	31,170,093
20.	Interest and similar expense	(19,583,486)	(19,240,155)
30.	**Net interest income**	**10,519,848**	**12,338,646**
40.	Commission income	6,424,898	6,033,168
50.	Commission expense	(245,897)	(245,689)
60.	**Net commission income**	**6,179,001**	**5,787,479**
70.	Dividends and similar income	-	5,818
80.	Net income from trading activities	587,131	513,569
90.	Net income from hedging activities	-	(1,976)
100.	Gains (Losses) on disposal or repurchase of:	-	(54,943)
	a) financial assets measured at amortised cost	-	(54,943)
110.	Net income on other financial assets and liabilities measured at fair value through profit or loss	210,419	(268,726)
	b) other financial assets mandatorily measured at fair value	210,419	(268,726)
120.	**Net interest and other banking income**	**17,496,399**	**18,319,867**
130.	Net impairment losses/write-backs for credit risk relating to:	(1,494,619)	(357,210)
	a) financial assets measured at amortised cost	(1,498,545)	(368,062)
	b) financial assets measured at fair value through other comprehensive income	3,926	10,852
150.	**Net income from financial activities**	**16,001,780**	**17,962,657**
160.	Administrative expenses:	(8,673,856)	(7,818,013)
	a) staff costs	(5,864,582)	(4,876,064)
	b) other administrative expenses	(2,809,274)	(2,941,949)
170.	Net provisions for risks and charges	(173)	6,671
	a) commitments and guarantees granted	(173)	6,671
180.	Net adjustments/write-backs to property, plant and equipment	(598,883)	(559,768)
190.	Net adjustments/write-backs to intangible assets	(302,827)	(75,369)
200.	Other operating expense/income	(1,236,792)	148,500
210.	**Operating costs**	**(10,812,531)**	**(8,297,979)**
260.	**Profit (Loss) from current operations before tax**	**5,189,249**	**9,664,678**
270.	Income taxes on current operations for the year	(1,291,423)	(2,396,161)
280.	**Profit (Loss) from current operations after tax**	**3,897,826**	**7,268,517**
300.	**Profit (loss) for the year**	**3,897,826**	**7,268,517**

Banco di Sardegna
Società per azioni
Share Capital: Euro 155,247,762 fully paid in
Tax Code and Companies' Register No. 01564560900
Registered office in Cagliari
Administrative headquarters and General Management - Sassari

Balance sheet as at 31 December 2025

(in Euro)

Assets		2025	2024
10.	Cash and cash equivalents	6,168,984,747	4,456,461,655
20.	Financial assets measured at fair value through profit or loss	23,570,615	29,541,834
	a) financial assets held for trading	2,120,432	1,604,999
	c) other financial assets mandatorily measured at fair value	21,450,183	27,936,835
30.	Financial assets measured at fair value through other comprehensive income	87,579,273	86,011,793
40.	Financial assets measured at amortised cost	9,640,308,357	10,089,824,454
	a) loans to banks	949,136,336	1,484,777,972
	b) loans to customers	8,691,172,021	8,605,046,482
50.	Hedging derivatives	-	-
70.	Equity investments	115,035,336	115,426,578
80.	Property, plant and equipment	261,565,759	267,057,332
90.	Intangible assets	996,960	1,430,008
	of which		
	- goodwill	-	-
100.	Tax assets	120,510,440	125,346,064
	a) current	2,965,359	2,582,953
	b) deferred	117,545,081	122,763,111
110.	Non-current assets and disposal groups classified as held for sale	1,024,000	229,000
120.	Other assets	200,149,313	181,104,489
	Total assets	**16,619,724,800**	**15,352,433,207**

Liabilities and shareholders' equity		2025	2024
10.	Financial liabilities measured at amortised cost	14,592,154,570	13,569,214,484
	a) due to banks	1,706,621,053	1,462,438,498
	b) due to customers	12,874,677,841	12,087,325,421
	c) debt securities issued	10,855,676	19,450,565
20.	Financial liabilities held for trading	821,170	1,300,142
40.	Hedging derivatives	260,682	419,718
60.	Tax liabilities	13,295,648	11,933,219
	a) current	2,021,517	1,319,846
	b) deferred	11,274,131	10,613,373
70.	Liabilities associated with assets classified as held for sale	-	-
80.	Other liabilities	571,287,770	380,374,414
90.	Employee termination indemnities	7,585,248	10,284,374
100.	Provisions for risks and charges	134,398,065	164,549,052
	a) commitments and guarantees granted	8,579,338	11,724,919
	c) other provisions for risks and charges	125,818,727	152,824,133
110.	Valuation reserves	144,376,384	140,863,821
140.	Reserves	709,714,250	552,611,315
150.	Share premium reserve	126,318,353	126,318,353
160.	Share capital	155,247,762	155,247,762
180.	Profit (Loss) for the year (+/-)	164,264,898	239,316,553
	Total liabilities and shareholders' equity	**16,619,724,800**	**15,352,433,207**

Banco di Sardegna
Società per azioni
Share Capital: Euro 155,247,762 fully paid in
Tax Code and Companies' Register No. 01564560900
Registered office in Cagliari
Administrative headquarters and General Management - Sassari

Income Statement as at 31 December 2025

(in Euro)

Items		2025	2024
10.	Interest and similar income	395,633,929	462,397,820
	of which: interest income calculated using the effective interest method	395,548,627	462,335,947
20.	Interest and similar expense	(93,052,620)	(156,421,427)
30.	**Net interest income**	**302,581,309**	**305,976,393**
40.	Commission income	191,946,051	201,736,852
50.	Commission expense	(13,326,624)	(13,273,418)
60.	**Net commission income**	**178,619,427**	**188,463,434**
70.	Dividends and similar income	52,612	8,412,740
80.	Net income from trading activities	1,524,756	891,347
90.	Net income from hedging activities	(27,379)	80,064
100.	Gains (Losses) on disposal or repurchase of:	2,753,794	2,981,200
	a) financial assets measured at amortised cost	2,753,794	2,981,200
	b) financial assets measured at fair value through other comprehensive income	-	-
	c) financial liabilities	-	-
110.	Net income on other financial assets and liabilities measured at fair value through profit or loss	319,618	688,536
	b) other financial assets mandatorily measured at fair value	319,618	688,536
120.	**Net interest and other banking income**	**485,824,137**	**507,493,714**
130.	Net impairment losses/write-backs for credit risk relating to:	(5,812,456)	(37,432,453)
	a) financial assets measured at amortised cost	(5,797,916)	(37,419,516)
	b) financial assets measured at fair value through other comprehensive income	(14,540)	(12,937)
140.	Gains (losses) from contractual modifications without derecognition	(9,751)	(31,472)
150.	**Net income from financial activities**	**480,001,930**	**470,029,789**
160.	Administrative expenses:	(259,191,659)	(284,317,217)
	a) staff costs	(138,435,243)	(158,820,603)
	b) other administrative expenses	(120,756,416)	(125,496,614)
170.	Net provisions for risks and charges	(1,845,048)	(4,088,047)
	a) commitments and guarantees granted	3,145,581	(1,185,412)
	b) other net provisions	(4,990,629)	(2,902,635)
180.	Net adjustments/write-backs to property, plant and equipment	(12,599,709)	(13,484,838)
190.	Net adjustments/write-backs to intangible assets	(433,048)	(448,357)
200.	Other operating expense/income	36,197,454	34,389,034
210.	**Operating costs**	**(237,872,010)**	**(267,949,425)**
220.	Gains (Losses) of equity investments	(391,242)	104,890,709
230.	Valuation differences on property, plant and equipment and intangible assets measured at fair value	273,778	(300,098)
240.	Impairment losses on goodwill	-	-
250.	Gains (Losses) on disposal of investments	97,659	(778,786)
260.	**Profit (Loss) from current operations before tax**	**242,110,115**	**305,892,189**
270.	Income taxes on current operations for the year	(77,845,217)	(66,575,636)
280.	**Profit (Loss) from current operations after tax**	**164,264,898**	**239,316,553**
300.	**Profit (loss) for the year**	**164,264,898**	**239,316,553**

Bibanca
Società per Azioni
Share Capital: Euro 74,458,606.80 fully paid in
Tax Code and Companies' Register No. 01583450901
Registered office in Sassari

Balance sheet as at 31 December 2025

(in Euro)

Assets		2025	2024
10.	Cash and cash equivalents	2,047,634	239,898,407
30.	Financial assets measured at fair value through other comprehensive income	11,670	6,499
40.	Financial assets measured at amortised cost	4,288,435,111	3,890,570,228
	a) loans to banks	4,647,551	2,870,229
	b) loans to customers	4,283,787,561	3,887,699,999
80.	Property, plant and equipment	10,117,281	10,578,183
90.	Intangible assets	4,464,139	4,315,325
100.	Tax assets	9,630,201	7,891,054
	a) current	1,519,398	11,798
	b) deferred	8,110,803	7,879,256
110.	Non-current assets and disposal groups classified as held for sale	-	391,017,819
120.	Other assets	23,970,929	20,365,383
	Total assets	**4,338,676,965**	**4,564,642,898**

Liabilities and shareholders' equity		2025	2024
10.	Financial liabilities measured at amortised cost	3,912,781,459	3,755,414,764
	a) due to banks	3,912,575,888	3,755,245,897
	b) due to customers	205,571	168,867
	c) debt securities issued	-	-
60.	Tax liabilities	78,337	1,084,016
	a) current	-	1,005,987
	b) deferred	78,337	78,029
70.	Liabilities associated with assets classified as held for sale	-	357,805,304
80.	Other liabilities	38,491,233	42,336,153
90.	Employee termination indemnities	380,919	479,275
100.	Provisions for risks and charges	14,913,898	14,400,441
	a) commitments and guarantees granted	60,225	166,161
	c) other provisions for risks and charges	14,853,673	14,234,280
110.	Valuation reserves	(6,183,255)	8,321,085
140.	Reserves	104,424,683	106,852,743
150.	Share premium reserve	139,067,612	139,067,612
160.	Share capital	74,458,607	74,458,607
170.	Treasury shares (-)	(5,784)	(5,784)
180.	Profit (Loss) for the year (+/-)	60,269,257	64,428,684
	Total liabilities and shareholders' equity	**4,338,676,965**	**4,564,642,898**

Bibanca
Società per Azioni
Share Capital: Euro 74,458,606.80 fully paid in
Tax Code and Companies' Register No. 01583450901
Registered office in Sassari

Income Statement as at 31 December 2025

(in Euro)

Items		2025	2024
10.	Interest and similar income	245,892,737	199,556,551
	of which: interest income calculated using the effective interest method	245,891,178	199,540,991
20.	Interest and similar expense	(87,369,679)	(57,279,897)
30.	**Net interest income**	**158,523,059**	**142,276,654**
40.	Commission income	13,366,017	4,425,061
50.	Commission expense	(14,218,525)	(8,150,046)
60.	**Net commission income**	**(852,508)**	**(3,724,985)**
70.	Dividends and similar income	42,548	-
80.	Net income from trading activities	(19,894)	10,225
100.	Gains (Losses) on disposal or repurchase of:	3,051,216	-
	a) financial assets measured at amortised cost	3,051,216	-
	b) financial assets measured at fair value through other comprehensive income	-	-
120.	**Net interest and other banking income**	**160,744,420**	**138,561,894**
130.	Net impairment losses/write-backs for credit risk relating to:	(27,083,437)	(31,157,483)
	a) financial assets measured at amortised cost	(27,083,437)	(31,157,483)
140.	Gains (losses) from contractual modifications without derecognition	(18,917)	(4,474)
150.	**Net income from financial activities**	**133,642,065**	**107,399,937**
160.	Administrative expenses:	(43,588,390)	(54,242,904)
	a) staff costs	(14,236,685)	(14,957,329)
	b) other administrative expenses	(29,351,705)	(39,285,574)
170.	Net provisions for risks and charges	(1,952,030)	(608,243)
	a) commitments and guarantees granted	105,936	(11)
	b) other net provisions	(2,057,966)	(608,232)
180.	Net adjustments/write-backs to property, plant and equipment	(328,418)	(756,064)
190.	Net adjustments/write-backs to intangible assets	(1,270,317)	(1,323,928)
200.	Other operating expense/income	3,608,125	15,069,118
210.	**Operating costs**	**(43,531,030)**	**(41,862,021)**
230.	Valuation differences on property, plant and equipment and intangible assets measured at fair value	-	-
250.	Gains (Losses) on disposal of investments	(493)	-
260.	**Profit (Loss) from current operations before tax**	**90,110,543**	**65,537,916**
270.	Income taxes on current operations for the year	(29,841,286)	(22,271,517)
280.	**Profit (Loss) from current operations after tax**	**60,269,257**	**43,266,399**
290.	Profit (Loss) from discontinued operations after tax	-	21,162,285
300.	**Profit (loss) for the year**	**60,269,257**	**64,428,684**

BPER Real Estate
Società per azioni
Share Capital: Euro 191,830,824 fully paid in
Tax Code and Companies' Register No. 01795510237
Registered office in Modena

Balance sheet as at 31 December 2025

(in Euro)

Assets	**2025**	**2024**
Investment Property	273,801,960	266,374,940
Property, plant and equipment intended for business administration	7,026,000	7,026,000
Other property, plant and equipment	1,649,512	2,139,159
Intangible fixed assets	2,563	7,803
Financial assets measured at fair value through other comprehensive income	36,552	36,552
Equity investments	2,478,274	2,383,220
Deferred tax assets	100,915	187,825
Other non-current tax receivables	-	-
Trade receivables and other non-current assets	48,599,372	46,723,033
- of which Parent Company and its subsidiaries	48,084,464	46,207,611
- of which others	514,907	515,421
Total non-current assets	**333,695,147**	**324,878,532**
Inventories of goods	79,202,471	88,168,330
Other current tax receivables	3,709,328	3,805,698
Trade receivables and other current assets	5,510,246	4,845,705
- of which customers	436,133	441,735
-of which Parent Company and its subsidiaries	4,745,247	4,239,017
-of which others	328,866	164,953
Current tax assets	142,106	255,782
Cash and cash equivalents	4,267,034	99,035
-of which Parent Company and its subsidiaries	4,266,182	97,834
- of which Cash	851	1,201
Total current assets	**92,831,185**	**97,174,550**
Non-current assets held for sale	**690,000**	**984,740**
Total assets	**427,216,332**	**423,037,823**

BPER Real Estate
Società per azioni
Share Capital: Euro 191,830,824 fully paid in
Tax Code and Companies' Register No. 01795510237
Registered office in Modena

Liabilities and shareholders' equity

(in Euro)

	2025	2024
Share capital	191,830,824	191,830,824
Valuation reserves	25,753,447	25,753,447
Share premium reserve	17,172,826	17,172,826
Other reserves	56,663,531	67,431,544
Losses carried forward	(24,676,008)	(24,676,008)
Profit (loss) for the year	(3,001,091)	(10,768,013)
Shareholders' equity	**263,743,529**	**266,744,620**
Non-current payables due to banks and other lenders	109,446,144	109,164,406
-of which Parent Company and its subsidiaries	*66,976,213*	*64,589,590*
-of which others	*42,469,931*	*44,574,815*
Deferred tax liabilities	7,430,285	7,314,953
Provisions for risks and charges	2,883,796	2,835,575
Total non-current liabilities	**119,760,225**	**119,314,934**
Current payables due to banks and other lenders	24,567,812	26,421,511
-of which Parent Company and its subsidiaries	*23,637,041*	*25,641,209*
-of which others	*930,771*	*780,303*
Trade receivables and other current liabilities	19,002,763	10,509,655
-of which suppliers	*13,613,655*	*6,715,298*
-of which Parent Company and its subsidiaries	*2,012,764*	*1,515,477*
-of which others	*3,376,344*	*2,278,881*
Current tax liabilities	5,546	5,546
Other tax payables	136,457	41,557
Total current liabilities	**43,712,578**	**36,978,269**
Liabilities directly associated with assets held for sale	**-**	**-**
Total liabilities	**163,472,803**	**156,293,202**
Total Liabilities and Shareholders' Equity	**427,216,332**	**423,037,823**

BPER Real Estate
Società per azioni
Share Capital: Euro 191,830,824 fully paid in
Tax Code and Companies' Register No. 01795510237
Registered office in Modena

Income Statement as at 31 December 2025

(in Euro)

Items of the Income Statement	2025	2024
Revenues from sales and services	30,236,634	17,398,162
- of which from Parent Company and its subsidiaries	*10,411,702*	*10,523,880*
- of which from others	*19,824,932*	*6,874,282*
Changes in inventories of work in progress	(9,223,097)	(7,109,461)
Other income and revenues	1,866,834	1,908,883
- of which from Parent Company and its subsidiaries	*1,518,105*	*1,452,330*
- of which from others	*348,729*	*456,553*
Total value of production	**22,880,371**	**12,197,585**
Service costs	(14,889,862)	(7,660,603)
- of which from Parent Company and its subsidiaries	*(1,652,191)*	*(1,297,931)*
- of which from others	*(13,237,671)*	*(6,392,672)*
Costs for use of third-party assets	(66,175)	(74,128)
Amortisation, depreciation and write-downs	*(3,337,870)*	*(9,035,410)*
- of which write-downs/write-backs from property, plant and equipment intended for business administration	*156,139*	*128,432*
- of which write-downs from investment property	-	-
- of which write-downs from intangible assets	-	-
- of which write-down from receivables included in current assets	*(11,677)*	*(309,159)*
- of which net result of fair value measurement of investment property	*(2,795,986)*	*(8,164,494)*
- of which net result of fair value measurement of property, plant and equipment intended for business administration	-	-
- of which depreciation from investment property	*(22,439)*	*(29,678)*
- of which depreciation from Property, plant and equipment intended for business administration	*(156,139)*	*(152,432)*
- of which depreciation from other fixed assets	*(502,529)*	*(502,838)*
- of which amortisation from intangible assets	*(5,240)*	*(5,240)*
Net provisions for risks and charges	(200,063)	(34,471)
Other operating costs	(3,930,877)	(3,821,306)
Total cost of production	**(22,424,846)**	**(20,625,920)**
Operating income	**455,525**	**(8,428,335)**
Dividends	-	-
Financial income	1,902,250	1,991,219
- of which from Parent Company and its subsidiaries	*1,902,250*	*1,947,207*
- of which from others	-	*44,012*
Financial charges	(4,529,592)	(4,275,052)
- of which from Parent Company and its subsidiaries	*(3,016,233)*	*(2,724,543)*
- of which from others	*(1,513,358)*	*(1,550,509)*
Write-down of equity investments	(1,104,946)	(392,802)
Profit (Loss) before tax	**(3,276,763)**	**(11,104,969)**
Taxes	275,671	336,956
- of which current	*477,914*	*(59,907)*
- of which deferred	*(202,243)*	*396,863*
Profit (loss) from current operations after tax	**(3,001,091)**	**(10,768,013)**
Profit (loss) after tax from discontinued operations	**-**	**-**
Profit (loss) for the year	**(3,001,091)**	**(10,768,013)**

Modena Terminal
Società a responsabilità limitata a Socio unico
Share Capital: Euro 8,000,000 fully paid in
Tax Code and Companies' Register No. 00993810365
Registered office in Campogalliano

Balance sheet as at 31 December 2025

(in Euro)

Assets	**2025**	**2024**
B) Fixed assets, with those granted under a finance lease indicated separately:		
I. Intangible fixed assets	42,808	33,011
II. Tangible fixed assets	14,708,036	12,760,675
Total fixed assets, with those granted under a finance lease indicated separately	**14,750,844**	**12,793,686**
C) Current assets:		
I. Inventories:	103,873	103,229
II. Receivables, with those granted under a finance lease indicated separately:	2,057,207	2,122,435
IV. Cash and cash equivalents	1,038,112	1,538,316
Total current assets	**3,199,192**	**3,763,980**
D) Accruals and deferrals, with separate indication of the discount on loans	9,728	4,415
Total assets	**17,959,764**	**16,562,081**

(in Euro)

Liabilities and shareholders' equity	**2025**	**2024**
A) Shareholders' equity:		
Capital	8,000,000	8,000,000
II. Share premium reserve	1,032,135	1,032,135
IV. Legal reserve	403,888	376,777
VII. Other reserves	7,306,097	4,064,571
VIII. Retained earnings (losses) carried forward	-	-
IX. Profit (loss) for the year	(2,168,342)	542,215
Total shareholders' equity	14,573,778	14,015,698
B) Provisions for risks and charges	24,500	250,000
C) Provisions for staff severance indemnities	638,319	625,810
D) Payables, with separate indication, for each item, of the amounts payable after the next financial year	2,654,710	1,579,562
E) Accrued expenses and deferred income	68,458	91,011
Total liabilities and shareholders' equity	**17,959,764**	**16,562,081**

Modena Terminal
Società a responsabilità limitata a Socio unico
Share Capital: Euro 8,000,000 fully paid in
Tax Code and Companies' Register No. 00993810365
Registered office in Campogalliano

Income Statement as at 31 December 2025

(in Euro)

Items	2025	2024
A) Value of production:		
1) revenues from sales and services	7,984,840	7,369,045
5) other revenue and income, with operating grants indicated separately	166,873	273,515
- of which operating grants	-	-
Total value of production	**8,151,713**	**7,642,560**
B) Costs of production:		
6) Raw materials, supplies and consumables	91,992	115,696
7) services	4,228,254	3,661,192
8) use of third-party assets	51,579	45,625
9) staff costs		
a) wages and salaries	1,177,257	1,120,926
b) social security charges	389,248	382,715
c) employee termination indemnities	79,457	77,309
e) other costs	18,550	20,585
10) amortisation, depreciation and write-downs:		
a) amortisation of intangible fixed assets	17,624	11,294
b) depreciation of property, plant and equipment	938,652	1,035,884
11) changes in inventories of raw materials, ancillary materials, consumables and commodities	(644)	(38,228)
12) Provisions for risks	24,500	124,000
14) other operating costs	2,454,532	236,810
Total cost of production	**9,471,001**	**6,793,808**
Difference between production revenues and costs (A-B)	**(1,319,288)**	**848,752**
C) Financial income and expense:		
16) other financial income		
d) other income, with separate indication of proceeds from subsidiaries and associates or from parent companies:	5	31
17) interest and other financial expense, with separate indication of those from subsidiaries and associates and to parent companies	(138,344)	1,756
Total net operating income and expense	**(138,339)**	**(1,725)**
Profit (loss) before tax	**(1,457,627)**	**847,027**
20) Income taxes for the year: current, deferred and prepaid	710,715	304,812
21) Profit (Loss) for the year	**(2,168,342)**	**542,215**

Sardaleasing
Società per Azioni
Share Capital: Euro 184,122,460 fully paid in
Tax Code and Companies' Register No. 00319850905
Registered office in Sassari

Balance sheet as at 31 December 2025

(in Euro)

Assets		2025	2024
10.	Cash and cash equivalents	20,006,835	4,729,043
20.	Financial assets measured at fair value through profit or loss	86,638,095	83,015,136
	c) other financial assets mandatorily measured at fair value	86,638,095	83,015,136
30.	Financial assets measured at fair value through other comprehensive income	64,190	68,192
40.	Financial assets measured at amortised cost	2,507,097,965	2,864,300,801
	a) loans to banks	109,567	2,288,358
	Loans to financial institutions	18,350,959	47,720,538
	c) loans to customers	2,488,637,438	2,814,291,905
80.	Property, plant and equipment	14,912,734	18,278,971
90.	Intangible assets	2,778,921	2,764,280
100.	Tax assets	16,029,800	20,703,113
	a) current	-	445,856
	b) deferred	16,029,800	20,257,257
120.	Other assets	32,738,959	19,066,224
Total assets		**2,680,267,499**	**3,012,925,760**

(in Euro)

Liabilities and shareholders' equity		2025	2024
10.	Financial liabilities measured at amortised cost	2,408,205,996	2,762,688,971
	a) payables	2,408,205,996	2,762,688,971
20.	Financial liabilities held for trading	-	-
60.	Tax liabilities	1,310,180	541,654
	a) current	833,229	-
	b) deferred	476,951	541,654
80.	Other liabilities	73,224,084	68,189,632
90.	Employee termination indemnities	388,805	487,410
100.	Provisions for risks and charges	10,946,518	11,373,762
	a) commitments and guarantees granted	464,340	342,019
	c) other provisions for risks and charges	10,482,178	11,031,743
110.	Share capital	184,122,460	184,122,460
140.	Share premium reserve	3,157,000	3,157,000
150.	Reserves	(21,261,416)	(30,055,813)
160.	Valuation reserves	3,670,218	3,570,214
170.	Profit (Loss) for the year	16,503,654	8,850,470
	Total liabilities and shareholders' equity	**2,680,267,499**	**3,012,925,760**

Sardaleasing
Società per Azioni
Share Capital: Euro 184,122,460 fully paid in
Tax Code and Companies' Register No. 00319850905
Registered office in Sassari

Income Statement as at 31 December 2025

(in Euro)

Items		2025	2024
10.	Interest and similar income	115,926,400	166,739,385
	of which: interest income calculated using the effective interest method	115,768,896	166,591,000
20.	Interest and similar expense	(68,791,718)	(117,291,422)
30.	**Net interest income**	**47,134,682**	**49,447,963**
40.	Commission income	2,279,956	2,956,342
50.	Commission expense	(962,579)	(1,146,283)
60.	**Net commission income**	**1,317,377**	**1,810,059**
70.	Dividends and similar income	1,478,430	1,538,724
80.	Net income from trading activities		
100.	Gains (Losses) on disposal or repurchase of:	437,889	(237,112)
	a) financial assets measured at amortised cost	437,889	(237,112)
110.	Net income on financial assets and liabilities measured at fair value through profit or loss	(2,545,864)	(9,650,016)
	b) other financial assets mandatorily measured at fair value	(2,545,864)	(9,650,016)
120.	**Net interest and other banking income**	**47,822,514**	**42,909,618**
130.	Net impairment losses/write-backs for credit risk relating to:	(6,502,186)	(11,942,349)
	a) financial assets measured at amortised cost	(6,502,186)	(11,942,349)
140.	Gains (losses) due to contractual modifications without derecognition	*1,599*	*1,809*
150.	**Net income from financial activities**	**41,321,927**	**30,969,078**
160.	Administrative expenses:	(14,465,208)	(14,052,473)
	a) staff costs	(9,112,803)	(8,411,306)
	b) other administrative expenses	(5,352,405)	(5,641,167)
170.	Net provisions for risks and charges	(2,681,953)	(1,761,666)
	a) commitments and guarantees granted	(122,321)	298,134
	b) other net provisions	(2,559,632)	(2,059,800)
180.	Net adjustments/write-backs to property, plant and equipment	(692,264)	(702,695)
190.	Net adjustments/write-backs to intangible assets	(1,306,891)	(1,291,410)
200.	Other operating expense/income	2,683,027	(1,439,674)
210.	**Operating costs**	**(16,463,288)**	**(19,247,918)**
230.	**Valuation differences on property, plant and equipment and intangible assets measured at fair value**	**(771,090)**	**(981,337)**
250.	**Gains (Losses) on disposal of investments**	**(1,118,000)**	**(1,305,467)**
260.	**Profit (Loss) from current operations before tax**	**22,969,549**	**9,434,356**
270.	Income taxes on continuing operations for the year	(6,465,895)	(583,886)
280.	**Profit (Loss) from current operations after tax**	**16,503,654**	**8,850,470**
300.	**Profit (loss) for the year**	**16,503,654**	**8,850,470**

Estense Covered Bond
Società a responsabilità limitata
Share Capital: Euro 10,000 fully paid in
Tax Code and Treviso - Belluno Companies' Register No. 04362620264
BPER BANCA VAT GROUP - VAT No. 03830780361
Registered office in Conegliano

Balance sheet as at 31 December 2025

(in Euro)

Assets		2025	2024
10.	Cash and cash equivalents	26,903	43,948
100.	Tax assets:	4,797	4,740
	a) current	4,797	4,740
120.	Other assets	12,855	19,324
	Total assets	**44,555**	**68,012**

(in Euro)

Liabilities and shareholders' equity		2025	2024
60.	Tax liabilities:	177	628
	a) current	177	628
80.	Other liabilities	28,200	51,206
110.	Share capital	10,000	10,000
140.	Share premium reserve	2,000	2,000
150.	Reserves	4,178	4,178
170.	Profit (loss) for the year	-	-
	Total liabilities and shareholders' equity	**44,555**	**68,012**

Income Statement as at 31 December 2025

(in Euro)

Items		2025	2024
10.	Interest and similar income	975	1,991
	of which: interest income calculated using the effective interest method	975	1,991
30.	**Net interest income**	**975**	**1,991**
50.	Commission expense	**-**	-
60.	**Net commission income**	**-**	**-**
120.	**Net interest and other banking income**	**975**	**1,991**
150.	**Net income from financial activities**	**-**	**-**
160.	Administrative expenses:	(125,136)	(136,868)
	a) staff costs	(25,000)	(27,475)
	b) other administrative expenses	(100,136)	(109,393)
200.	Other operating income/expense	124,485	136,125
210.	**Operating costs**	**(651)**	**(743)**
260.	**Profit (Loss) from current operations before tax**	**324**	**1,248**
270.	Income taxes on continuing operations for the year	(324)	(1,248)
280.	**Profit (Loss) from current operations after tax**	**-**	**-**
300	**Profit (loss) for the year**	**-**	**-**

Estense CPT Covered Bond
Società a responsabilità limitata
Share Capital: Euro 10,000.00 fully paid in
Tax Code and Treviso - Belluno Companies' Register No. 04730160266
BPER BANCA VAT GROUP - VAT No. 03830780361
Registered office in Conegliano

Balance sheet as at 31 December 2025

(in Euro)

Assets		2025	2024
10.	Cash and cash equivalents	31,878	34,552
	a) legal tender currency	31,878	34,552
100.	Tax assets:	5,457	3,923
	a) current	5,457	3,923
120.	Other assets	11,646	13,557
	Total assets	**48,981**	**52,032**

(in Euro)

Liabilities and shareholders' equity		2025	2024
60.	Tax liabilities:	1,450	1,642
	a) current	1,450	1,642
80.	Other liabilities	37,531	40,390
110.	Share capital	10,000	10,000
170.	Profit (loss) for the year	-	-
	Total liabilities and shareholders' equity	**48,981**	**52,032**

Income Statement as at 31 December 2025

(in Euro)

Items		2025	2024
10.	Interest and similar income	1,421	1,219
30.	**Net interest income**	**1,421**	**1,219**
50.	Commission expense	(404)	(401)
60.	**Net commission income**	**(404)**	**(401)**
120.	**Net interest and other banking income**	**1,018**	**818**
160.	Administrative expenses:	(121,846)	(129,479)
	a) staff costs	(26,347)	(26,748)
	b) other administrative expenses	(95,499)	(102,731)
200.	Other operating income/expense	122,139	128,661
260.	**Profit (Loss) from current operations before tax**	**1,311**	**-**
270.	Income taxes on continuing operations for the year	1,311	-
280.	**Profit (Loss) from current operations after tax**	**-**	**-**
300	**Profit (loss) for the year**	**-**	**-**

BPER Factor
Società per azioni
Share Capital: Euro 54,590,910 fully paid in
Tax Code and Companies' Register No. 02231420361
Registered office in Bologna

Balance sheet as at 31 December 2025

(in Euro)

Assets		2025	2024
10.	Cash and cash equivalents	12,256,283	12,253,792
30.	Financial assets measured at fair value through other comprehensive income	-	-
40.	Financial assets measured at amortised cost	3,060,460,804	2,279,616,151
	a) loans to banks	9,222,195	8,182,231
	b) Loans to financial institutions	147,562,237	149,290,571
	c) loans to customers	2,903,676,373	2,122,143,349
80.	Property, plant and equipment	4,836,521	5,192,551
90.	Intangible assets	533,241	616,646
	of which		
	- goodwill	-	-
100.	Tax assets	3,816,735	2,761,995
	a) current	810,931	-
	b) deferred	3,005,805	2,761,995
120.	Other assets	3,860,885	3,619,593
	Total assets	**3,085,764,469**	**2,304,060,728**

(in Euro)

Liabilities and shareholders' equity		2025	2024
10.	Financial liabilities measured at amortised cost	2,793,319,238	2,055,321,097
	a) payables	2,793,319,238	2,055,321,097
60.	Tax liabilities	55,445	209,221
	a) current	-	156,938
	b) deferred	55,445	52,283
80.	Other liabilities	110,901,913	76,064,499
90.	Employee termination indemnities	495,340	587,418
100.	Provisions for risks and charges	16,900,489	16,110,268
	a) commitments and guarantees granted	56,220	24,795
	c) other provisions for risks and charges	16,844,269	16,085,473
110.	Share capital	54,590,910	54,590,910
140.	Share premium reserve	20,814,175	20,814,175
150.	Reserves	80,498,494	66,175,859
160.	Valuation reserves	(106,899)	(135,354)
170.	Profit (Loss) for the year	8,295,364	14,322,635
	Total liabilities and shareholders' equity	**3,085,764,469**	**2,304,060,728**

BPER Factor
Società per azioni
Share Capital: Euro 54,590,910 fully paid in
Tax Code and Companies' Register No. 02231420361
Registered office in Bologna

Income Statement as at 31 December 2025

(in Euro)

		2025	2024
10.	Interest and similar income	65,614,502	79,375,229
	of which: interest income calculated using the effective interest method	65,614,502	79,375,229
20.	Interest and similar expense	(43,953,130)	(55,747,083)
30.	**Net interest income**	**21,661,372**	**23,628,146**
40.	Commission income	18,276,354	17,835,903
50.	Commission expense	(6,694,650)	(7,088,806)
60.	**Net commission income**	**11,581,704**	**10,747,097**
70.	**Dividends and similar income**	**-**	**-**
80.	Net income from trading activities	(76,744)	27,100
100.	Gains (Losses) on disposal or repurchase of:	-	6,630
	a) financial assets measured at amortised cost	-	-
	b) financial assets measured at fair value through other comprehensive income	-	6,630
	c) financial liabilities	-	-
110.	Net income on financial assets and liabilities measured at fair value through profit or loss	-	-
	a) financial assets and liabilities designated at fair value	-	-
	b) other financial assets mandatorily measured at fair value	-	-
120.	**Net interest and other banking income**	**33,166,332**	**34,408,973**
130.	Net impairment losses/write-backs for credit risk relating to:	(6,073,845)	(282,821)
	a) financial assets measured at amortised cost	(6,073,845)	(283,164)
	b) financial assets measured at fair value through other comprehensive income	-	343
150.	**Net income from financial activities**	**27,092,488**	**34,126,152**
160.	Administrative expenses:	(14,237,708)	(13,136,654)
	a) staff costs	(8,823,416)	(8,288,713)
	b) other administrative expenses	(5,414,292)	(4,847,941)
170.	Net provisions for risks and charges	(31,424)	171,707
	a) commitments and guarantees granted	(31,424)	(11,171)
	b) other net provisions	-	182,878
180.	Net adjustments/write-backs to property, plant and equipment	(506,054)	(508,160)
190.	Net adjustments/write-backs to intangible assets	(233,238)	(235,228)
200.	Other operating expense/income	388,156	1,210,387
210.	**Operating costs**	**(14,620,269)**	**(12,497,948)**
230.	Valuation differences on property, plant and equipment and intangible assets measured at fair value	-	-
240.	Impairment losses on goodwill	-	-
260.	**Profit (Loss) from current operations before tax**	**12,472,219**	**21,628,204**
270.	Income taxes on continuing operations for the year	(4,176,855)	(7,305,569)
280.	**Profit (Loss) from current operations after tax**	**8,295,364**	**14,322,635**
290.	Profit (loss) from discontinued operations after tax	-	-
300.	**Profit (loss) for the year**	**8,295,364**	**14,322,635**

BPER Trust Company
Società per azioni a socio unico
Share Capital: Euro 500,000 fully paid in
Tax Code and Companies' Register No. 03443650365
Registered office in Modena

Balance sheet as at 31 December 2025

(in Euro)

Assets	**2025**	**2024**
C) Current assets:		
II. Receivables, with those granted under a finance lease indicated separately:		
- due within one year	630,448	650,380
- payable after next financial year	-	-
IV. Cash and cash equivalents	1,342,456	1,030,857
Total current assets	**1,972,904**	**1,681,237**
D) Accruals and deferrals, with separate indication of the discount on loans		
- prepaid expenses	19,084	2,991
Total assets	**1,991,988**	**1,684,228**

(in Euro)

Liabilities and shareholders' equity	**2025**	**2024**
A) Shareholders' equity:		
Capital	500,000	500,000
IV. Legal reserve	53,480	40,428
VII. Other reserves	862,426	614,436
IX. Profit (loss) for the year	295,472	261,042
Total shareholders' equity	**1,711,378**	**1,415,906**
D) Payables, with separate indication, for each item, of the amounts payable after next financial year:		
- due within one year	280,610	268,322
- payable after next financial year	-	-
Total liabilities and shareholders' equity	**1,991,988**	**1,684,228**

BPER Trust Company
Società per azioni a socio unico
Share Capital: Euro 500,000 fully paid in
Tax Code and Companies' Register No. 03443650365
Registered office in Modena

Income Statement as at 31 December 2025

(in Euro)

Items	2025	2024
A) Value of production:		
1) revenues from sales and services	711,723	674,075
5) other revenue and income, with operating grants indicated separately year	3,008	8
Total value of production	**714,731**	**674,083**
B) Costs of production:	-	
7) services	295,018	305,388
8) use of third-party assets	2,124	2,626
14) other operating costs	2,168	2,593
Total cost of production	**299,310**	**310,607**
Difference between production revenues and costs (A-B)	**415,421**	**363,476**
C) Financial income and expense:		
16) other financial income	1	6
Total net operating income and expense	**1**	**6**
Profit (loss) before tax (A - B +/- C +/- D +/- E)	**415,422**	**363,482**
20) Income tax for the year: current, deferred, prepaid	119,950	102,440
21) Profit (Loss) for the year	**295,472**	**261,042**

Adras
Società per azioni a socio unico
Share capital: resolved - subscribed - paid-in for Euro 1,954,535.00
Tax Code and Companies' Register No. 02052820905
Registered office in Milan

Balance sheet as at 31 December 2025

(in Euro)

Assets	2025	2024
B) Fixed assets:	**26,537,847**	**27,526,123**
I. Intangible fixed assets	820	937
II. Tangible fixed assets	26,205,160	27,193,319
III. Financial fixed assets	331,867	331,867
C) Current assets:	**2,064,582**	**2,550,702**
I. Inventories:	-	-
II. Loans and receivables:	237,114	292,566
a) within the next financial year	237,114	292,566
b) after the next financial year	-	-
- payable after 12 months	-	-
IV. Cash and cash equivalents:	1,827,468	2,258,136
D) Accruals and deferrals	**163,844**	**4,369**
Total assets	**28,766,273**	**30,081,194**

(in Euro)

Liabilities and shareholders' equity	2025	2024
A) Shareholders' equity:	**3,027,617**	**3,027,617**
I. Capital	1,954,535	1,954,535
III. Revaluation reserve	-	-
IV. Legal reserve	51,146	51,146
VII. Other reserves, indicated separately	19,000,000	19,000,000
VIII. Retained earnings (losses) carried forward	(17,978,064)	(17,978,064)
IX. Profit (loss) for the year	-	-
B) Provisions for risks and charges	**65,474**	**228,845**
C) Provisions for staff severance indemnities	**18,144**	**16,077**
D) Debts	**25,634,822**	**26,795,182**
a) due within the next financial year	25,343,546	570,264
b) due after the next financial year	291,276	26,224,918
E) Accrued expenses and deferred income	**20,216**	**13,473**
Total liabilities and shareholders' equity	**28,766,273**	**30,081,194**

Adras
Società per azioni a socio unico
Share capital: resolved - subscribed - paid-in for Euro 1,954,535.00
Tax Code and Companies' Register No. 02052820905
Registered office in Milan

Income Statement as at 31 December 2025

(in Euro)

Items	2025	2024
A) Value of production:		
1) revenues from sales and services	2,650,248	2,601,887
2) change in inventories	-	-
5) other income and revenues	691,547	589,190
c) contributions during the year	-	-
b) other	-	-
Total value of production	**3,341,795**	**3,191,077**
B) Costs of production:		
6) raw materials, ancillary materials, consumables and commodities	-	-
7) services	1,584,113	1,531,632
8) Use of third-party assets	720	720
9) staff costs	34,879	32,508
a) wages and salaries	25,606	24,600
b) social security charges	7,151	5,828
- Employee termination indemnities (Severance pay)	2,122	2,080
d) pension and similar obligations	-	-
e) other costs	-	-
10) Amortisation, depreciation and write-downs	1,059,177	1,167,279
a) Amortisation of intangible fixed assets	117	117
b) Depreciation of property, plant and equipment	1,059,060	1,051,618
c) Other write-downs of fixed assets	-	-
d) Write-down of receivables included in current assets and of cash and cash equivalents	-	115,544
12) provisions for risks	-	-
13) other provisions	-	-
14) other operating costs	334,726	344,371
Total cost of production	**3,013,615**	**3,076,510**
Difference between production revenues and costs (A-B)	**328,180**	**114,567**
C) Financial income and expense:		
16) other financial income	-	-
d) From receivables recorded under fixed assets	-	-
2) in associated companies	-	-
d) Other income	-	-
4) Other	-	-
17) interest and other financial expense	(320,339)	(55,540)
b) in associated companies	(128,079)	(22,342)
c) in parent companies	(192,260)	(33,177)
d) other	-	(21)
Total between financial income and expense (15+16+17+17-bis)	**(320,339)**	**(55,540)**
D) Value adjustments of financial assets	**-**	**-**
18) revaluations	-	-
19) write-downs	-	(53,160)
a) of equity investments	-	(53,160)
b) of financial fixed assets that do not constitute equity investments	-	-
Total value adjustments of financial assets (18-19)	**-**	**(53,160)**
Profit (loss) before tax (A - B +/- C +/- D +/- E)	**7,841**	**5,867**
22) income taxes for the period	-	-
a) current tax	(7,841)	(5,867)
b) direct taxes of previous years	-	-
23) Profit (loss) for the year	**-**	**-**

Arca Holding consolidated annual report

Balance sheet as at 31 December 2025

(in Euro)

Assets		2025	2024
10.	Cash and cash equivalents	161,686,625	164,744,513
20.	Financial assets measured at fair value through profit or loss	273,785,899	259,778,621
	c) other financial assets mandatorily measured at fair value	273,785,899	259,778,621
40.	Financial assets measured at amortised cost	127,717,948	114,664,768
80.	Property, plant and equipment	21,727,135	17,956,347
90.	Intangible assets	115,595,911	116,425,963
	of which	-	-
	- goodwill	113,620,017	113,620,017
100.	Tax assets	23,615,805	26,100,106
	a) current	1,479,257	2,034,193
	b) deferred	22,136,548	24,065,913
120.	Other assets	2,926,595	3,634,309
Total assets		**727,055,918**	**703,304,627**

(in Euro)

Liabilities and shareholders' equity		2025	2024
10.	Financial liabilities measured at amortised cost	97,897,787	85,706,062
	a) payables	97,897,787	85,706,062
60.	Tax liabilities	2,374,623	3,069,705
	a) current	288,490	1,078,912
	b) deferred	2,086,133	1,990,793
80.	Other liabilities	36,097,777	37,131,961
90.	Employee termination indemnities	241,922	242,245
100.	Provisions for risks and charges	618,400	1,868,400
	b) pension and similar obligations	618,400	618,400
	c) other provisions for risks and charges	-	1,250,000
110.	Share capital	50,000,000	50,000,000
150.	Reserves	458,524,875	440,293,141
160.	Valuation reserves	4,993,819	4,761,379
170.	Profit (Loss) for the year	76,306,715	80,231,734
	Total liabilities and shareholders' equity	**727,055,918**	**703,304,627**

Arca Holding consolidated annual report

Income Statement as at 31 December 2025

(in Euro)

		2025	2024
10.	Commission income	501,433,586	440,843,136
20.	Commission expense	(341,921,593)	(281,079,384)
30.	**Net commission income**	**159,511,993**	**159,763,752**
50.	Interest and similar income	3,393,703	5,386,404
60.	Interest and similar expense	(525,080)	(63,807)
100.	Net income on financial assets and liabilities measured at fair value through profit or loss	9,927,159	11,448,579
	b) other financial assets mandatorily measured at fair value	9,927,159	11,448,579
110.	**Net interest and other banking income**	**172,307,775**	**176,534,928**
130.	**Net income from financial activities**	**172,307,775**	**176,534,928**
140.	Administrative expenses:	(57,563,107)	(57,137,748)
	a) staff costs	(25,004,841)	(23,535,577)
	b) other administrative expenses	(32,558,266)	(33,602,171)
150.	Net provisions for risks and charges	(680,000)	(600,000)
160.	Net adjustments/write-backs to property, plant and equipment	(1,856,868)	(1,140,179)
170.	Net adjustments/write-backs to intangible assets	(1,589,069)	(1,894,305)
180.	Other operating income/expense	203,143	634,762
190.	**Operating costs**	**(61,485,901)**	**(60,137,470)**
210.	Valuation differences on property, plant and equipment and intangible assets measured at fair value	-	-
240.	**Profit (Loss) from current operations before tax**	**110,821,874**	**116,397,458**
250.	Income taxes on continuing operations for the year	(34,515,159)	(36,165,724)
260.	**Profit (Loss) from current operations after tax**	**76,306,715**	**80,231,734**
280.	**Profit (loss) for the year**	**76,306,715**	**80,231,734**

Arca Holding
Società per azioni
Share Capital: Euro 50,000,000 fully paid in
Tax Code and Companies' Register No. 07155680155
Registered office in Milan, via Disciplini 3

Balance sheet as at 31 December 2025

(in Euro)

Assets		2025	2024
10.	Cash and cash equivalents	57,764,409	46,096,208
20.	Financial assets measured at fair value through profit or loss	54,401,647	53,219,279
	c) other financial assets mandatorily measured at fair value	54,401,647	53,219,279
70.	Equity investments	174,443,483	174,443,483
100.	Tax assets	15,244,292	17,033,339
	a) current	440,083	281,323
	b) deferred	14,804,209	16,752,016
120.	Other assets	1,635,966	2,489,227
Total assets		**303,489,797**	**293,281,536**

Liabilities and shareholders' equity		2025	2024
60.	Tax liabilities	231,083	242,008
	a) current	231,083	242,008
80.	Other liabilities	357,467	121,362
110.	Share capital	50,000,000	50,000,000
150.	Reserves	180,918,166	179,948,054
170.	Profit (Loss) for the year	71,983,081	62,970,112
	Total liabilities and shareholders' equity	**303,489,797**	**293,281,536**

Income Statement as at 31 December 2025

(in Euro)

Items		2025	2024
40.	Dividends and similar income	75,000,000	66,000,000
50.	Interest and similar income	530,271	713,583
100.	Net income on financial assets and liabilities measured at fair value through profit or loss	797,235	999,822
	b) other financial assets mandatorily measured at fair value	797,235	999,822
110.	**Net interest and other banking income**	**76,327,506**	**67,713,405**
130.	**Net income from financial activities**	**76,327,506**	**67,713,405**
140.	Administrative expenses:	(1,984,111)	(2,076,520)
	a) staff costs	(1,510,424)	(1,617,683)
	b) other administrative expenses	(473,687)	(458,837)
150.	Net provisions for risks and charges	-	-
180.	Other operating income/expense	(863)	(287)
190.	**Operating costs**	**(1,984,974)**	**(2,076,807)**
240.	**Profit (Loss) from current operations before tax**	**74,342,532**	**65,636,598**
250.	Income taxes on continuing operations for the year	(2,359,451)	(2,666,486)
260.	**Profit (Loss) from current operations after tax**	**71,983,081**	**62,970,112**
280.	**Profit (loss) for the year**	**71,983,081**	**62,970,112**

Arca Fondi SGR
Società per azioni
Share Capital: Euro 50,000,000 fully paid in
Tax Code and Companies' Register No. 09164960966
Registered office in Milan, via Disciplini 3

Balance sheet as at 31 December 2025

(in Euro)

Assets		2025	2024
10.	Cash and cash equivalents	103,922,216	118,648,305
20.	Financial assets measured at fair value through profit or loss	219,384,251	206,559,342
	c) other financial assets mandatorily measured at fair value	219,384,251	206,559,342
40.	Financial assets measured at amortised cost	127,717,948	114,664,768
80.	Property, plant and equipment	21,727,135	17,956,347
90.	Intangible assets	115,595,911	116,425,963
	of which		
	- goodwill	113,620,017	113,620,017
100.	Tax assets	8,371,513	9,066,767
	a) current	1,039,174	1,752,870
	b) deferred	7,332,339	7,313,897
120.	Other assets	2,204,879	2,559,332
Total assets		**598,923,853**	**585,880,824**

(in Euro)

Liabilities and shareholders' equity		2025	2024
10.	Financial liabilities measured at amortised cost	97,897,787	85,706,062
	a) payables	97,897,787	85,706,062
60.	Tax liabilities	2,143,540	2,827,697
	a) current	57,407	836,904
	b) deferred	2,086,133	1,990,793
80.	Other liabilities	36,654,560	38,424,849
90.	Employee termination indemnities	241,922	242,245
100.	Provisions for risks and charges	618,400	1,868,400
	b) pension and similar obligations	618,400	618,400
	c) other provisions for risks and charges	-	1,250,000
110.	Share capital	50,000,000	50,000,000
140.	Share premium reserve	124,408,896	124,408,896
150.	Reserves	202,641,295	194,379,674
160.	Valuation reserves	4,993,819	4,761,379
170.	Profit (Loss) for the year	79,323,634	83,261,622
	Total liabilities and shareholders' equity	**598,923,853**	**585,880,824**

Arca Fondi SGR
Società per azioni
Share Capital: Euro 50,000,000 fully paid in
Tax Code and Companies' Register No. 09164960966
Registered office in Milan, via Disciplini 3

Income Statement as at 31 December 2025

(in Euro)

Items		2025	2024
10.	Commission income	501,433,586	440,843,136
20.	Commission expense	(341,921,593)	(281,079,384)
30.	**Net commission income**	**159,511,993**	**159,763,752**
50.	Interest and similar income	2,863,432	4,672,821
60.	Interest and similar expense	(525,080)	(63,807)
100.	Net income on financial assets and liabilities measured at fair value through profit or loss	9,129,925	10,448,757
	b) other financial assets mandatorily measured at fair value	9,129,925	10,448,757
110.	**Net interest and other banking income**	**170,980,270**	**174,821,523**
130.	**Net income from financial activities**	**170,980,270**	**174,821,523**
140.	Administrative expenses:	(55,597,997)	(55,080,227)
	a) staff costs	(23,494,417)	(21,917,893)
	b) other administrative expenses	(32,103,580)	(33,162,334)
150.	Net provisions for risks and charges	(680,000)	(600,000)
160.	Net adjustments/write-backs to property, plant and equipment	(1,856,868)	(1,140,179)
170.	Net adjustments/write-backs to intangible assets	(1,589,069)	(1,894,305)
180.	Other operating income/expense	223,006	654,048
190.	**Operating costs**	**(59,500,928)**	**(58,060,663)**
240.	**Profit (Loss) from current operations before tax**	**111,479,342**	**116,760,860**
250.	Income taxes on continuing operations for the year	(32,155,708)	(33,499,238)
260.	**Profit (Loss) from current operations after tax**	**79,323,634**	**83,261,622**
280.	**Profit (loss) for the year**	**79,323,634**	**83,261,622**

Finitalia
Società per azioni
Share Capital: Euro 15,376,285 fully paid in
Tax Code and Companies' Register No. 01495490151
Registered office in Milan

Balance sheet as at 31 December 2025

(in Euro)

Assets		2025	2024
10.	Cash and cash equivalents	157,217	131,086
40.	Financial assets measured at amortised cost	376,047,166	394,487,294
	a) loans to banks	736,630	1,017,147
	Loans to financial institutions	459,228	640,691
	c) loans to customers	374,851,308	392,829,456
80.	Property, plant and equipment	2,896,672	2,962,778
100.	Tax assets	3,681,867	4,302,810
	a) current	364,430	1,175,015
	b) deferred	3,317,437	3,127,795
120.	Other assets	6,356,417	10,439,639
	Total assets	**389,139,339**	**412,323,607**

(in Euro)

Liabilities and shareholders' equity		2025	2024
10.	Financial liabilities measured at amortised cost	303,178,374	327,629,162
	a) payables	303,178,374	327,629,162
60.	Tax liabilities	74,942	75,445
	b) deferred	74,942	75,445
80.	Other liabilities	10,372,945	12,112,494
90.	Employee termination indemnities	391,062	394,052
100.	Provisions for risks and charges	745,381	412,789
	c) other provisions for risks and charges	745,381	412,789
110.	Share capital	15,376,285	15,376,285
140.	Share premium reserve	258,228	258,228
150.	Reserves	50,177,264	47,352,278
160.	Valuation reserves	(204,393)	(213,335)
170.	Profit (Loss) for the year	8,769,251	8,926,209
	Total liabilities and shareholders' equity	**389,139,339**	**412,323,607**

Finitalia
Società per azioni
Share Capital: Euro 15,376,285 fully paid in
Tax Code and Companies' Register No. 01495490151
Registered office in Milan

Income Statement as at 31 December 2025

(in Euro)

	Items	2025	2024
10.	Interest and similar income	37,259,491	43,061,731
	of which: interest income calculated using the effective interest method	37,003,491	42,737,975
20.	Interest and similar expense	(5,533,604)	(10,100,281)
30.	**Net interest income**	**31,725,887**	**32,961,450**
40.	Commission income	447,725	1,456,146
50.	Commission expense	(3,060,152)	(3,918,992)
60.	**Net commission income**	**(2,612,427)**	**(2,462,846)**
70.	Dividends and similar income	**-**	**-**
110.	Net income on financial assets and liabilities measured at fair value through profit or loss	-	-
	b) other financial assets mandatorily measured at fair value	-	-
120.	**Net interest and other banking income**	**29,113,460**	**30,498,604**
130.	Net impairment losses/write-backs for credit risk relating to:	(2,027,182)	(2,717,336)
	a) financial assets measured at amortised cost	(2,027,182)	(2,717,336)
150.	**Net income from financial activities**	**27,086,278**	**27,781,268**
160.	Administrative expenses:	(15,031,659)	(16,339,086)
	a) staff costs	(8,015,156)	(8,172,667)
	b) other administrative expenses	(7,016,503)	(8,166,419)
170.	Net provisions for risks and charges	(346,205)	12,604
	a) commitments and guarantees granted	-	-
	b) other net provisions	(346,205)	12,604
180.	Net adjustments/write-backs to property, plant and equipment	(334,154)	(330,351)
190.	Net adjustments/write-backs to intangible assets	-	-
200.	Other operating expense/income	1,643,121	2,308,717
210.	**Operating costs**	**(14,068,897)**	**(14,348,116)**
250.	Gains (Losses) on disposal of investments	**270**	**779**
260.	**Profit (Loss) from current operations before tax**	**13,017,651**	**13,433,931**
270.	Income taxes on continuing operations for the year	(4,248,400)	(4,507,722)
280.	**Profit (Loss) from current operations after tax**	**8,769,251**	**8,926,209**
300.	**Profit (loss) for the year**	**8,769,251**	**8,926,209**

Banca Cesare Ponti
Società per azioni
Share Capital: Euro 64,000,000.00 fully paid in
Tax Code and Companies' Register No. 07051880966
Registered office in Milan, Piazza Duomo 19
Administrative headquarters and General Management in Milan, Piazza Duomo 19

Balance sheet as at 31 December 2025

(in Euro)

Assets		2025	2024
10.	Cash and cash equivalents	1,488,561,144	1,663,008,265
20.	Financial assets measured at fair value through profit or loss	106,751,155	115,509,842
	a) financial assets held for trading	9,898,454	11,938,079
	b) financial assets designated at fair value	96,852,701	101,193,046
	c) other financial assets mandatorily measured at fair value	-	2,378,717
30.	Financial assets measured at fair value through other comprehensive income	55,971,926	50,650,390
40.	Financial assets measured at amortised cost	597,037,271	351,306,503
	a) loans to banks	389,250,989	212,408,282
	b) loans to customers	207,786,282	138,898,221
50.	Hedging derivatives	-	-
70.	Equity investments	-	-
80.	Property, plant and equipment	59,085,635	62,711,524
90.	Intangible assets	-	-
	of which	-	
	- goodwill	-	-
100.	Tax assets	15,584,323	9,941,253
	a) current	2,030,975	627,582
	b) deferred	13,553,348	9,313,671
110.	Non-current assets and disposal groups classified as held for sale	-	-
120.	Other assets	114,037,028	43,289,313
	Total assets	**2,437,028,482**	**2,296,417,090**

Liabilities and shareholders' equity		2025	2024
10.	Financial liabilities measured at amortised cost	1,955,649,065	1,820,326,185
	a) due to banks	62,251,811	26,308,929
	b) due to customers	1,885,552,767	1,702,570,235
	c) debt securities issued	7,844,487	91,447,021
20.	Financial liabilities held for trading	1,420,085	925,168
30.	Financial liabilities designated at fair value	101,519,389	107,933,511
40.	Hedging derivatives	12,184,784	15,557,213
50.	Change in value of macro-hedged financial liabilities (+/-)	-	-
60.	Tax liabilities	3,603,067	7,405,997
	a) current	3,492,464	7,142,300
	b) deferred	110,603	263,697
70.	Liabilities associated with assets classified as held for sale	-	-
80.	Other liabilities	70,130,868	107,008,053
90.	Employee termination indemnities	3,521,720	3,731,493
100.	Provisions for risks and charges	35,550,575	23,085,723
	a) commitments and guarantees granted	1,809	2,022
	b) pension and similar obligations	-	-
	c) other provisions for risks and charges	35,548,766	23,083,701
110.	Valuation reserves	(385,087)	(951,788)
140.	Reserves	101,207,537	84,129,369
150.	Share premium reserve	6,388,794	6,388,794
160.	Share capital	64,000,000	64,000,000
180.	Profit (Loss) for the year (+/-)	82,237,685	56,877,372
	Total liabilities and shareholders' equity	**2,437,028,482**	**2,296,417,090**

Banca Cesare Ponti
Società per azioni
Share Capital: Euro 64,000,000.00 fully paid in
Tax Code and Companies' Register No. 07051880966
Registered office in Milan, Piazza Duomo 19
Administrative headquarters and General Management in Milan, Piazza Duomo 19

Income Statement as at 31 December 2025

(in Euro)

Items		2025	2024
10.	Interest and similar income	50,544,168	45,730,380
	of which: interest income calculated using the effective interest method	46,770,515	41,696,906
20.	Interest and similar expense	(17,958,729)	(18,683,433)
30.	**Net interest income**	**32,585,439**	**27,046,947**
40.	Commission income	224,870,977	178,061,484
50.	Commission expense	(762,299)	(677,504)
60.	**Net commission income**	**224,108,678**	**177,383,980**
80.	Net income from trading activities	5,417,297	2,695,714
90.	Net income from hedging activities	14,996	(161,484)
100.	Gains (Losses) on disposal or repurchase of:	252	173
	a) financial assets measured at amortised cost	261	173
	b) financial assets measured at fair value through other comprehensive income	(9)	-
	c) financial liabilities	-	-
110.	Net income on other financial assets and liabilities measured at fair value through profit or loss	(8,251,899)	(5,501,755)
	a) financial assets and liabilities designated at fair value	(8,320,269)	(5,651,064)
	b) other financial assets mandatorily measured at fair value	68,370	149,309
120.	**Net interest and other banking income**	**253,874,763**	**201,463,575**
130.	Net impairment losses/write-backs for credit risk relating to:	70,333	(159,257)
	a) financial assets measured at amortised cost	72,763	(161,722)
	b) financial assets measured at fair value through other comprehensive income	(2,430)	2,465
140.	Gains (losses) from contractual modifications without derecognition	-	-
150.	**Net income from financial activities**	**253,945,096**	**201,304,318**
160.	Administrative expenses:	(176,088,505)	(157,947,673)
	a) staff costs	(93,452,003)	(81,549,403)
	b) other administrative expenses	(82,636,502)	(76,398,270)
170.	Net provisions for risks and charges	(2,202,867)	(468,178)
	a) commitments and guarantees granted	213	467
	b) other net provisions	(2,203,080)	(468,645)
180.	Net adjustments/write-backs to property, plant and equipment	(6,723,384)	(5,995,095)
190.	Net adjustments/write-backs to intangible assets	-	-
200.	Other operating expense/income	52,442,208	47,748,513
210.	**Operating costs**	**(132,572,548)**	**(116,662,433)**
250.	Gains (Losses) on disposal of investments	-	-
260.	**Profit (Loss) from current operations before tax**	**121,372,548**	**84,641,885**
270.	Income taxes on current operations for the year	(39,134,863)	(27,764,513)
280.	**Profit (Loss) from current operations after tax**	**82,237,685**	**56,877,372**
300.	**Profit (loss) for the year**	**82,237,685**	**56,877,372**

Carige Covered Bond
Società a responsabilità limitata
Share Capital: Euro 10,000.00 fully paid in
Tax Code and Companies' Register No. 05887770963
Registered Office in Via Cassa di Risparmio 15, Genoa

Balance sheet as at 31 December 2025

(in Euro)

Assets		2025	2024
10.	Cash and cash equivalents	78,747	76,206
100.	Tax assets	5,657	6,043
	a) current	5,657	6,043
120.	Other assets	27,561	27,019
	Total assets	**111,965**	**109,268**

Liabilities and shareholders' equity		2025	2024
10.	Financial liabilities measured at amortised cost	65,848	65,856
	a) payables	65,848	65,856
60.	Tax liabilities	282	444
	a) current	282	444
80.	Other liabilities	35,835	32,968
160.	Share capital	10,000	10,000
	Total liabilities and shareholders' equity	**111,965**	**109,268**

Income Statement as at 31 December 2025

(in Euro)

Items		2025	2024
10.	Interest and similar income	221	642
30.	**Net interest income**	**221**	**642**
50.	Commission expense	(122)	(10)
60.	**Net commission income**	**(122)**	**(10)**
120.	**Net interest and other banking income**	**99**	**632**
160.	Administrative expenses:	(108,923)	(104,850)
	a) staff costs	(20,860)	(20,860)
	b) other administrative expenses	(88,063)	(83,990)
200.	Other operating expense/income	109,106	104,799
210.	**Operating costs**	**183**	**(51)**
260.	**Profit (Loss) from current operations before tax**	**282**	**581**
270.	Income taxes on current operations for the year	(282)	(581)
300.	**Profit (loss) for the year**	**-**	**-**

Lanterna Finance
Società a responsabilità limitata
Share Capital: Euro 10,000.00 fully paid in
Tax Code and Companies' Register No. 08703420961
Registered office in Genoa

Balance sheet as at 31 December 2025

(in Euro)

Assets		2025	2024
10.	Cash and cash equivalents	168,839	178,532
100.	Tax assets	373,956	373,956
	a) current	*373,956*	373,956
120.	Other assets	27,789	23,811
	Total assets	**570,584**	**576,299**

Liabilities and shareholders' equity		2025	2024
60.	Tax liabilities	58	-
	a) current	58	-
80.	Other liabilities	560,526	566,299
160.	Share capital	10,000	10,000
	Total liabilities and shareholders' equity	**570,584**	**576,299**

Income Statement as at 31 December 2025

(in Euro)

Items		2025	2024
50.	Commission expense	(227)	(83)
60.	**Net commission income**	**(227)**	**(83)**
120.	**Net interest and other banking income**	**(227)**	**(83)**
150.	**Net income from financial activities**	**(227)**	**(83)**
160.	Administrative expenses:	(57,296)	(62,430)
	a) staff costs	(20,860)	(20,860)
	b) other administrative expenses	(36,436)	(41,570)
200.	Other operating expense/income	57,581	62,513
210.	**Operating costs**	**285**	**83**
260.	**Profit (Loss) from current operations before tax**	**58**	**-**
270.	Income taxes on current operations for the year	(58)	-
280.	**Profit (Loss) from current operations after tax**	**-**	**-**
300.	**Profit (loss) for the year**	**-**	**-**

Lanterna Mortgage
Società a responsabilità limitata
Share Capital: Euro 10,000.00 fully paid in
Tax Code and Companies' Register No. 09342920965
Registered office in Genoa

Balance sheet as at 31 December 2025

(in Euro)

ASSETS	2025	2024
C) CURRENT ASSETS		
II. Loans		
payable within next financial year	1,890	1,890
Total loans	**1,890**	**1,890**
IV. Cash and cash equivalents	9,917	8,403
Total cash and cash equivalents	**9,917**	**8,403**
TOTAL CURRENT ASSETS (C)	**11,807**	**10,293**
D) ACCRUALS AND DEFERRALS	**12,200**	**12,200**
TOTAL ASSETS (A+B+C+D)	**24,007**	**22,493**

LIABILITIES	2025	2024
A) SHAREHOLDERS' EQUITY:		
I. Share capital	10,000	10,000
TOTAL SHAREHOLDERS' EQUITY (A)	**10,000**	**10,000**
D) DEBTS		
payable within next financial year	14,007	12,493
TOTAL PAYABLES (D)	**14,007**	**12,493**
TOTAL LIABILITIES (A+B+C+D+E)	**24,007**	**22,493**

Lanterna Mortgage
Società a responsabilità limitata
Share Capital: Euro 10,000.00 fully paid in
Tax Code and Companies' Register No. 09342920965
Registered office in Genoa

Income Statement as at 31 December 2025

(in Euro)

Items	2025	2024
A) VALUE OF PRODUCTION:		
5) other income and revenues	54,584	52,408
TOTAL VALUE OF PRODUCTION (A)	**54,584**	**52,408**
B) COSTS OF PRODUCTION:		
6) raw materials, ancillary materials, consumables and commodities	-	-
7) service costs	54,116	51,934
14) other operating costs	468	474
TOTAL COST OF PRODUCTION (B)	**54,584**	**52,408**
DIFFERENCE BETWEEN VALUE AND COSTS OF PRODUCTION (A-B)	**-**	**-**
C) FINANCIAL INCOME AND EXPENSE:		
17) interest and other financial charges	-	-
TOTAL FINANCIAL INCOME AND EXPENSE (C)	-	-
PROFIT (LOSS) BEFORE TAX (A-B+/-C+/-D+)	-	**-**
INCOME TAXES FOR THE YEAR	-	-
23) PROFIT (LOSS) FOR THE YEAR	**-**	**-**

St. Anna Golf
Società a responsabilità limitata
Share Capital: Euro 50,000.00 fully paid in
Tax Code and Companies' Register No. 02919060109
Registered office in Genoa
Administrative headquarters and General Management - Via Cassa di Risparmio 15, Genoa

Balance sheet as at 31 December 2025

(in Euro)

Assets		2025	2024
B)	FIXED ASSETS		
	I - Intangible assets		
	Total intangible fixed assets	876	1,752
	b) financial assets designated at fair value		
	II - Materials		
	Total property, plant and equipment	8,544,648	8,535,939
	III - Financial		
	Total fixed financial assets	917,250	81,356
	TOTAL FIXED ASSETS (B)	9,462,774	8,619,047
C)	CURRENT ASSETS		
	I - Inventories		
	Total inventories	670,000	670,000
	II - Loans		
	Total loans	398,014	476,468
	payable within next financial year	398,014	476,468
	IV - Cash and cash equivalents		
	Total cash and cash equivalents	635	666
	TOTAL CURRENT ASSETS (C)	1,068,649	1,147,134
D)	ACCRUED EXPENSES AND DEFERRED INCOME	4,964	-
	Total assets	**10,536,387**	**9,766,181**

Liabilities and shareholders' equity		2025	2024
A)	SHAREHOLDERS' EQUITY		
	I - Capital	50,000	50,000
	II - Share premium reserve	957,283	957,283
	VI – Other reserves, indicated separately	1,646,188	1,500,000
	8) Payments to cover losses	1,646,188	1,500,000
	VIII - Retained earnings (losses carried forward)	-	(511,908)
	IX - Profit (loss) for the year	(376,875)	(541,904)
	Loss covered in the year		
	TOTAL SHAREHOLDERS' EQUITY (A)	2,276,596	1,453,471
	a) current		
	b) deferred		
B)	PROVISIONS FOR RISKS AND CHARGES		
	TOTAL PROVISIONS FOR RISK AND CHARGES (B)	29,739	119,739
D)	LIABILITIES		
	TOTAL PAYABLES (D)	8,205,951	8,158,193
	- payable within next financial year	1,955,893	1,096,705
	- payable after next financial year	6,250,058	7,061,488
E)	ACCRUED EXPENSES AND DEFERRED INCOME	24,101	34,778
	Total liabilities and shareholders' equity	**10,536,387**	**9,766,181**

St. Anna Golf
Società a responsabilità limitata
Share Capital: Euro 50,000.00 fully paid in
Tax Code and Companies' Register No. 02919060109
Registered office in Genoa
Administrative headquarters and General Management - Via Cassa di Risparmio 15, Genoa

Balance sheet as at 31 December 2025

(in Euro)

Items		2025	2024
A)	VALUE OF PRODUCTION		
	1) Revenues from sales and services	350,000	364,000
	2) Change in inventories of work in progress, semi-finished and finished products	-	(10,000)
	5) Other revenue and income relating to:	**155,457**	**69,610**
	- Core business	155,457	69,610
	- Extraordinary operations	-	-
	TOTAL VALUE OF PRODUCTION (A)	505,457	423,610
B)	COSTS OF PRODUCTION		
	6) Raw materials, ancillary materials, consumables and commodities	12,571	9,026
	7) Services	122,310	158,325
	8) Use of third-party assets	11,314	7,566
	10) Amortisation, depreciation and write-downs	253,890	223,974
	a) Amortisation of intangible fixed assets	876	876
	b) Amortisation of property, plant and equipment	253,014	223,098
	12) Provisions for risks	-	-
	14) Other operating costs relating to:	62,851	67,542
	- Core business	62,851	67,542
	TOTAL COST OF PRODUCTION (B)	462,936	466,433
	DIFFERENCE BETWEEN VALUE AND COSTS OF PRODUCTION (A-B)	42,521	(42,823)
C)	FINANCIAL INCOME AND EXPENSE		
	17) Interest and other financial expense		
	e) other	(55,291)	(61,011)
	Total interest and other financial expense	(55,291)	(61,011)
	TOTAL FINANCIAL INCOME AND EXPENSE (15 + 16 - 17 +/- 17bis)	(55,291)	(61,011)
D)	VALUE ADJUSTMENTS TO FINANCIAL ASSETS AND LIABILITIES		
	19) Write-downs		
	a) of equity investments	(364,105)	(438,070)
	Total write-downs	(364,105)	(438,070)
	TOTAL VALUE ADJUSTMENTS TO FINANCIAL ASSETS AND FINANCIAL LIABILITIES (D)	(364,105)	(438,070)
	PROFIT (LOSS) BEFORE TAX (A - B +/- C +/- D)	(376,875)	(541,904)
	20) Income taxes for the year: current, deferred, prepaid	-	-
	b) taxes relating to previous years	-	-
	21) Profit (loss) for the year	**(376,875)**	**(541,904)**

Commerciale Piccapietra
Società a responsabilità limitata a Socio unico
Share Capital: Euro 500,000 fully paid in
Tax Code and Companies' Register No. 02807740994
Registered office in Genoa

Balance sheet as at 31 December 2025

(in Euro)

Assets		**2025**	**2024**
B)	Fixed assets, with those granted under a finance lease indicated separately:		
	I. Intangible fixed assets	412,015	412,015
	II. Tangible fixed assets	379,226	372,726
	Total fixed assets, with those granted under a finance lease indicated separately	**791,241**	**784,741**
C)	Current assets:		
	I. Inventories:		
	II. Receivables, with those granted under a finance lease indicated separately:		
	- due within one year	-	2,860
	- due after one year		
	IV. Cash and cash equivalents	1,342,695	1,673,347
	Total current assets	**1,342,695**	**1,676,207**
D)	Accruals and deferrals, with separate indication of the discount on loans	-	-
	Total assets	**2,133,936**	**2,460,948**

Liabilities and shareholders' equity		**2025**	**2024**
A)	Shareholders' equity:		
	Capital	500,000	500,000
	II. Share premium reserve	-	-
	IV. Legal reserve	-	-
	VII. Other reserves	1,722,887	2,000,000
	VIII. Retained earnings (losses) carried forward	-	(37,742)
	IX. Profit (loss) for the year	(180,093)	(239,372)
	Total shareholders' equity	**2,042,794**	**2,222,886**
B)	Provisions for risks and charges	-	-
C)	Provisions for staff severance indemnities	-	-
D)	Payables, with separate indication, for each item, of the amounts payable after the next financial year		
	- payable within next financial year	91,142	238,062
	- payable after next financial year	-	-
	Total payables, with separate indication, for each item, of the amounts payable after the next financial year	**91,142**	**238,062**
E)	Accrued expenses and deferred income	-	-
	Total liabilities and shareholders' equity	**2,133,936**	**2,460,948**

Commerciale Piccapietra
Società a responsabilità limitata a Socio unico
Share Capital: Euro 500,000 fully paid in
Tax Code and Companies' Register No. 02807740994
Registered office in Genoa

Income Statement as at 31 December 2025

(in Euro)

Items		2025	2024
A)	Value of production:		
	1) revenues from sales and services	-	-
	5) other revenue and income, with operating grants indicated separately	-	-
	Total value of production	**-**	**-**
B)	Costs of production:		
	6) raw materials, supplies and consumables	-	-
	7) services	179,418	234,742
	8) use of third-party assets		
	9) staff costs		
	10) amortisation, depreciation and write-downs:		
	a) amortisation of intangible fixed assets		
	b) depreciation of property, plant and equipment		
	c) Other write-downs of fixed assets		
	d) write-downs of receivables included in current assets and cash and cash equivalents		
	11) changes in inventories of raw materials, ancillary materials, consumables and commodities		
	12) Provisions for risks		
	14) other operating expense	675	4,366
	Total cost of production	**180,093**	**239,108**
	Difference between production revenues and costs (A-B)	**(180,093)**	**(239,108)**
C)	Financial income and expense:		
	16) other financial income	-	-
	17) interest and other financial expense, with separate indication of those from subsidiaries and associates and to parent companies	-	264
	Total net operating income and expense	**-**	**(264)**
	Profit (loss) before tax	**(180,093)**	**(239,372)**
	20) Income taxes for the year: current, deferred and prepaid		
	21) Profit (loss) for the year	**(180,093)**	**(239,372)**

Annia
Società a responsabilità limitata a Socio unico
Share capital: 100,000, fully paid-in
Tax Code and Companies' Register No. 12792090966
Registered office in Milan, via Mike Bongiorno 13
Administrative Headquarters and General Management - Milan, via Mike Bongiorno 13

Balance sheet as at 31 December 2025

(in Euro)

Assets		2025	2024
B)	FIXED ASSETS		
	I - Intangible assets		
	Total intangible fixed assets	1,000	1,500
	1) Start-up and expansion costs	1,000	1,500
	5) Goodwill	-	-
	II - Materials		
	Total property, plant and equipment	-	13,960,662
	1) Land and buildings	-	13,954,099
	2) Property, Plant and Equipment	-	6,563
	III - Financial		
	Total fixed financial assets	-	-
	TOTAL FIXED ASSETS (B)	**1,000**	**13,962,162**
C)	CURRENT ASSETS		
	II - Loans	112,102	81,626
	1) from customers	98,852	80,481
	5-bis) tax receivables	13,250	807
	5-quarter) from others	-	338
	IV - Cash and cash equivalents	1,064,068	2,105,727
	1) bank and postal deposits;	1,064,068	2,105,727
	TOTAL CURRENT ASSETS (C)	**1,176,170**	**2,187,353**
D)	ACCRUED EXPENSES AND DEFERRED INCOME	-	-
	Total assets	**1,177,170**	**16,149,515**

(in Euro)

Liabilities and shareholders' equity		2025	2024
A)	SHAREHOLDERS' EQUITY		
	I - Capital	100,000	100,000
	II - Share premium reserve	829,750	900,000
	VIII - Retained earnings (losses carried forward)	-	(11,324)
	IX - Profit (loss) for the year	(728,072)	(58,927)
	TOTAL SHAREHOLDERS' EQUITY (A)	**201,678**	**929,749**
B)	PROVISIONS FOR RISKS AND CHARGES	-	-
C)	PROVISIONS FOR STAFF SEVERANCE INDEMNITIES	-	-
D)	LIABILITIES		
	TOTAL PAYABLES (D)	975,492	15,213,151
	7) Due to suppliers	454,634	43,177
	11) Due to Parent Companies	461,654	15,054,249
	12) Tax liabilities	81	2,234
	14) Other liabilities	59,123	113,491
E)	ACCRUED EXPENSES AND DEFERRED INCOME	-	6,615
	Total liabilities	**975,492**	**15,219,766**
	Total liabilities and shareholders' equity	**1,177,170**	**16,149,515**

Annia
Società a responsabilità limitata a Socio unico
Share capital: 100,000, fully paid-in
Tax Code and Companies' Register No. 12792090966
Registered office in Milan, via Mike Bongiorno 13
Administrative Headquarters and General Management - Milan, via Mike Bongiorno 13

Income Statement as at 31 December 2025

(in Euro)

Items		2025	2024
A)	VALUE OF PRODUCTION		
	1) Revenues from sales and services	1,324,194	1,045,664
	2) Change in inventories of work in progress, semi-finished and finished products		
	5) Other revenue and income relating to:		
	- Core business	1,151,035	64,507
	- Extraordinary operations		
	TOTAL VALUE OF PRODUCTION (A)	2,475,229	1,110,171
B)	COSTS OF PRODUCTION		
	6) raw materials, ancillary materials, consumables and commodities		
	7) Services	(958,204)	(458,337)
	8) Use of third-party assets		
	10) Amortisation, depreciation and write-downs	(348,355)	(350,737)
	a) Amortisation of intangible fixed assets	(500)	(500)
	b) Depreciation of property, plant and equipment	(347,855)	(350,237)
	14) Other operating costs relating to:	(1,699,925)	(146,638)
	- Core business	(1,699,925)	(146,638)
	TOTAL COST OF PRODUCTION (B)	(3,006,484)	(955,712)
	DIFFERENCE BETWEEN VALUE AND COSTS OF PRODUCTION (A-B)	(531,255)	154,459
C)	FINANCIAL INCOME AND EXPENSE		
	16) other financial income	-	14
	17) Interest and other financial expense	(195,576)	(200,020)
	e) other		
	Total interest and other financial expense	(195,576)	(200,006)
	TOTAL FINANCIAL INCOME AND EXPENSE (15 + 16 - 17 +/- 17bis)	(195,576)	(200,006)
D)	VALUE ADJUSTMENTS TO FINANCIAL ASSETS AND LIABILITIES		
	19) Write-downs		
	a) of equity investments		
	Total write-downs		
	TOTAL VALUE ADJUSTMENTS TO FINANCIAL ASSETS AND FINANCIAL LIABILITIES (D)		
	PROFIT (LOSS) BEFORE TAX (A - B +/- C +/- D)	(726,831)	(45,547)
	20) Income taxes for the year: current, deferred, prepaid	(1,241)	(13,380)
	b) taxes relating to previous years		
	21) Profit (loss) for the year	**(728,072)**	**(58,927)**

Banca Popolare di Sondrio – Consolidated Financial Report
Società per azioni
Share capital: Euro 1,360,357,331 fully paid in
Tax Code and Companies' Register No. 00053810149
Registered office in Sondrio – Piazza Garibaldi, 16

Balance sheet as at 31 December 2025

(in thousands of Euro)

Assets		2025	2024
10.	Cash and cash equivalents	3,333,786	3,738,224
20.	Financial assets measured at fair value through profit or loss	842,426	739,876
	a) financial assets held for trading	216,899	174,038
	c) other financial assets mandatorily measured at fair value	625,527	535,838
30.	Financial assets measured at fair value through other comprehensive income	2,393,639	2,656,254
40.	Financial assets measured at amortised cost	47,818,295	45,459,416
	a) loans to banks	2,020,285	2,135,962
	b) loans to customers	45,798,010	43,323,454
60.	Change in value of macro-hedged financial assets (+/-)	645	2,139
70.	Equity investments	416,411	402,758
80.	Property, plant and equipment	833,108	663,577
90.	Intangible assets	30,263	35,836
	- goodwill	12,632	12,632
100.	Tax assets	213,468	190,030
	a) current	540	1,776
	b) deferred	212,928	188,254
110.	Non-current assets and disposal groups classified as held for sale	32,442	108,593
120.	Other assets	2,428,129	2,631,879
	Total assets	**58,342,612**	**56,628,582**

(in thousands of Euro)

Liabilities and shareholders' equity		2025	2024
10.	Financial liabilities measured at amortised cost	51,811,130	50,729,041
	a) due to banks	5,236,245	6,228,550
	b) due to customers	41,100,364	39,346,409
	c) debt securities issued	5,474,521	5,154,082
20.	Financial liabilities held for trading	17,993	16,561
40.	Hedging derivatives	1,115	2,426
60.	Tax liabilities	169,231	72,423
	a) current	63,271	41,501
	b) deferred	105,960	30,922
70.	Liabilities associated with assets classified as held for sale	76,302	3
80.	Other liabilities	1,264,028	1,228,645
90.	Employee termination indemnities	27,455	32,577
100.	Provisions for risks and charges	407,168	390,567
	a) commitments and guarantees granted	81,395	88,827
	b) pension and similar obligations	158,425	189,432
	c) other provisions for risks and charges	167,348	112,308
120.	Valuation reserves	144,828	6,559
150.	Reserves	2,361,340	2,160,953
160.	Share premium reserve	79,037	78,934
170.	Share capital	1,360,157	1,360,157
180.	Treasury shares (-)	(25,176)	(25,220)
190.	Minority interests (+/-)	14	14
200.	Profit (Loss) for the year (+/-)	647,990	574,942
	Total liabilities and shareholders' equity	**58,342,612**	**56,628,582**

Banca Popolare di Sondrio – Consolidated Financial Report
Società per azioni
Share capital: Euro 1,360,357,331 fully paid in
Tax Code and Companies' Register No. 00053810149
Registered office in Sondrio – Piazza Garibaldi, 16

Income Statement as at 31 December 2025

(in thousands of Euro)

Items		2025	2024
10.	Interest and similar income	1,745,725	2,118,032
	of which: interest income calculated using the effective interest method	1,660,692	2,065,165
20.	Interest and similar expense	(643,926)	(1,027,928)
30.	**Net interest income**	**1,101,799**	**1,090,104**
40.	Commission income	492,130	455,493
50.	Commission expense	(21,528)	(20,991)
60.	**Net commission income**	**470,602**	**434,502**
70.	Dividends and similar income	11,133	6,501
80.	Net income from trading activities	91,840	124,507
90.	Net income from hedging activities	(110)	2
100.	Gains (Losses) on disposal or repurchase of:	23,057	14,567
	a) financial assets measured at amortised cost	11,667	10,680
	b) financial assets measured at fair value through other comprehensive income	11,388	3,210
	c) financial liabilities	2	677
110.	Net income on other financial assets and liabilities measured at fair value through profit or loss	(6,079)	(7,752)
	b) other financial assets mandatorily measured at fair value	(6,079)	(7,752)
120.	**Net interest and other banking income**	**1,692,242**	**1,662,431**
130.	Net impairment losses/write-backs for credit risk relating to:	(33,703)	(195,464)
	a) financial assets measured at amortised cost	(33,733)	(195,610)
	b) financial assets measured at fair value through other comprehensive income	30	146
140.	Gains (losses) from contractual modifications without derecognition	(3,985)	(3,997)
150.	**Net income from financial activities**	**1,654,554**	**1,462,970**
180.	**Net income from financial and insurance activities**	**1,654,554**	**1,462,970**
190.	Administrative expenses:	(714,456)	(660,415)
	a) staff costs	(370,586)	(321,497)
	b) other administrative expenses	(343,870)	(338,918)
200.	Net provisions for risks and charges	(22,128)	(22,751)
	a) commitments and guarantees granted	7,692	7,273
	b) other net provisions	(29,820)	(30,024)
210.	Net adjustments/write-backs to property, plant and equipment	(53,298)	(56,444)
220.	Net adjustments/write-backs to intangible assets	(34,026)	(19,929)
230.	Other operating expense/income	90,697	99,648
240.	**Operating costs**	**(733,211)**	**(659,891)**
250.	Gains (Losses) of equity investments	44,457	44,706
260.	Valuation differences on property, plant and equipment and intangible assets measured at fair value	(20,662)	(3,100)
270.	Impairment losses on goodwill	-	(4,365)
280.	Gains (Losses) on disposal of investments	607	410
290.	**Profit (Loss) from current operations before tax**	**945,745**	**840,730**
300.	Income taxes on current operations for the year	(297,755)	(265,788)
310.	**Profit (Loss) from current operations after tax**	**647,990**	**574,942**
330.	**Profit (Loss) for the year**	**647,990**	**574,942**
350.	**Profit (loss) for the year**	**647,990**	**574,942**

SUMMARY DOCUMENT OF THE ESSENTIAL INFORMATION FROM THE MOST RECENTLY APPROVED FINANCIAL REPORT OF THE BANK'S SUBSIDIARIES

Article 2429, paragraph 3, of the Italian Civil Code

Cassa di Risparmio di Fossano s.p.a.

Financial Report as at 31/12/2025	*(in Euro)*
Items	
total assets	**2,206,442,466**
liabilities	1,963,888,307
shareholders' equity	199,186,887
profit (loss) for the year	43,367,272
total liabilities	**2,206,442,466**
revenues	115,831,912
costs	72,464,640
profit (loss) for the year	**43,367,272**

Cassa di Risparmio di Savigliano s.p.a.

Financial Report as at 31/12/2025	*(in Euro)*
Items	
total assets	**1,956,201,998**
liabilities	1,828,308,027
shareholders' equity	112,865,100
profit (loss) for the year	15,028,871
total liabilities	**1,956,201,998**
revenues	83,812,796
costs	68,783,925
profit (loss) for the year	**15,028,871**

Resiban s.p.a.

Financial Report as at 31/12/2025 (in Euro)	*(in Euro)*
Items	
total assets	**2,758,922**
liabilities	2,204,633
shareholders' equity	458,242
profit (loss) for the year	96,047
total liabilities	**2,758,922**
revenues	4,201,529
costs	4,105,482
profit (loss) for the year	**96,047**

Unione Fiduciaria s.p.a.

Financial Report as at 31/12/2024	(in Euro)
Items	
total assets	**74,798,104**
liabilities	26,506,839
shareholders' equity	45,305,446
profit (loss) for the year	2,985,819
total liabilities	**74,798,104**
revenues	25,358,510
costs	22,372,691
profit (loss) for the year	**2,985,819**

Sarda Factoring s.p.a.

Financial Report as at 31/12/2025	*(in Euro)*
Items	
total assets	**51,671,109**
liabilities	41,901,540
shareholders' equity	9,120,818
profit (loss) for the year	648,751
total liabilities	**51,671,109**
revenues	4,085,202
costs	3,436,451
profit (loss) for the year	**648,751**

Alba Leasing s.p.a.

Financial Report as at 31/12/2025	*(in Euro)*
Items	
total assets	**5,400,754,929**
liabilities	4,920,560,134
shareholders' equity	457,261,510
profit (loss) for the year	22,933,285
total liabilities	**5,400,754,929**
revenues	277,921,111
costs	254,987,826
profit (loss) for the year	**22,933,285**

Lanciano Fiera - Polo Fieristico d'Abruzzo Consorzio

Financial Report as at 31/12/2025 (in Euro)	(in Euro)
Items	
total assets	**595,625**
liabilities	247,592
shareholders' equity	342,497
profit (loss) for the year	5,536
total liabilities	**595,625**
revenues	643,177
costs	637,641
profit (loss) for the year	**5,536**

Nuova Erzelli S.r.l.

Financial Report as at 31/12/2024 (in Euro)	*(in Euro)*
Items	
total assets	**73,882**
liabilities	61,699
shareholders' equity	27,500
loss for the year	(15,317)
total liabilities	**73,882**
revenues	-
costs	15,317
loss for the year	**(15,317)**

Gility s.r.l. Benefit Corporation

Financial Report as at 31/12/2024 (in Euro)	*(in Euro)*
Items	
total assets	**2,729,648**
liabilities	465,282
shareholders' equity	5,029,364
loss for the year	(2,764,998)
total liabilities	**2,729,648**
revenues	954,659
costs	3,719,657
loss for the year	**(2,764,998)**

Gardant Bridge Servicing s.r.l.

Financial Report as at 31/12/2025	*(in Euro)*
Items	
total assets	**51,545,314**
liabilities	18,111,208
shareholders' equity	3,358,948
profit (loss) for the year	30,075,158
total liabilities	**51,545,314**
revenues	63,126,976
costs	33,051,818
profit (loss) for the year	**30,075,158**

Arca Vita s.p.a.

Financial Report as at 31/12/2024	*(in Euro)*
Items	
total assets	**17,221,238,610**
liabilities	16,766,920,961
shareholders' equity	315,354,051
profit (loss) for the year	138,963,598
total liabilities	**17,221,238,610**
revenues	3,623,773,393
costs	3,484,809,795
profit (loss) for the year	**138,963,598**

Polis Fondi Immobiliari di Banche Popolari Polis SGR s.p.a.

Financial Report as at 31/12/2024	*(in Euro)*
Items	
total assets	**7,774,914**
liabilities	2,843,126
shareholders' equity	5,283,099
loss for the year	(351,311)
total liabilities	**7,774,914**
revenues	5,251,310
costs	5,602,621
loss for the year	**(351,311)**

Liquid Factory s.b.r.l.

Financial Report as at 31/12/2024	*(in Euro)*
Items	
total assets	**1,008,349**
liabilities	1,968
shareholders' equity	1,020,000
loss for the year	(13,619)
total liabilities	**1,008,349**
revenues	14,360
costs	27,979
loss for the year	**(13,619)**

Bormio Golf s.p.a.

Financial Report as at 31/12/2024	*(in Euro)*
Items	
total assets	**718,973**
liabilities	287,467
shareholders' equity	401,807
profit (loss) for the year	29,699
total liabilities	**718,973**
revenues	68,567
costs	38,868
profit (loss) for the year	**29,699**

Lago di Como GAL s.c.r.l.

Financial Report as at 31/12/2024	*(in Euro)*
Items	
total assets	**305,635**
liabilities	272,351
shareholders' equity	32,597
profit (loss) for the year	687
total liabilities	**305,635**
revenues	294,792
costs	294,105
profit (loss) for the year	**687**

NPLight s.p.a. was established by deed dated 16 April 2025.

Acquedotto dello Stelvio s.r.l. and SIFAS - Società impianti funiviari allo Stelvio s.p.a. are not consolidated, as the parent company is consolidated under the equity method.

GEOGRAPHICAL ORGANISATION OF THE GROUP

Group commercial banks

Details	BPER Banca	Banco di Sardegna	Banca Cesare Ponti	Banca Popolare di Sondrio	31.12.2025	31.12.2024
Emilia-Romagna	**239**	**-**	**-**	**8**	**247**	**239**
Bologna	46			1	47	46
Ferrara	25				25	25
Forlì-Cesena	22				22	22
Modena	56				56	56
Parma	23			3	26	23
Piacenza	4			4	8	4
Ravenna	23				23	23
Reggio Emilia	28				28	28
Rimini	12				12	12
Abruzzo	**59**	**-**	**-**	**-**	**59**	**59**
Chieti	25				25	25
L'Aquila	22				22	22
Pescara	6				6	6
Teramo	6				6	6
Basilicata	**25**	**-**	**-**	**-**	**25**	**25**
Matera	12				12	12
Potenza	13				13	13
Calabria	**48**	**-**	**-**	**-**	**48**	**48**
Catanzaro	9				9	9
Cosenza	18				18	18
Crotone	6				6	6
Reggio Calabria	12				12	12
Vibo Valentia	3				3	3
Campania	**78**	**-**	**-**	**1**	**79**	**79**
Avellino	14				14	14
Benevento	4				4	4
Caserta	8				8	8
Naples	29			1	30	30
Salerno	23				23	23
Friuli Venezia Giulia	**2**	**-**	**-**	**3**	**5**	**2**
Pordenone	1			1	2	1
Trieste	1			1	2	1
Udine				1	1	-
Lazio	**72**	**3**	**-**	**48**	**123**	**75**
Frosinone	6				6	6
Latina	10				10	10
Rieti	5				5	5
Rome	45	3		48	96	48
Viterbo	6				6	6
Liguria	**107**	**1**	**1**	**15**	**124**	**110**
Genoa	59	1	1	8	69	61
Imperia	13			2	15	14
La Spezia	10			1	11	10
Savona	25			4	29	25
Lombardy	**263**	**1**	**1**	**381**	**646**	**266**
Bergamo	53			29	82	53
Brescia	72			50	122	72
Como	10			59	69	10
Cremona	5			5	10	5

Details	BPER Banca	Banco di Sardegna	Banca Cesare Ponti	Banca Popolare di Sondrio	31.12.2025	31.12.2024
Lecco	1			39	40	1
Lodi	3			2	5	3
Mantua	10			8	18	10
Milan	25	1	1	65	92	28
Monza Brianza	11			21	32	11
Pavia	24			16	40	24
Varese	49			24	73	49
Sondrio				63	63	-
Marche	**81**	**-**	**-**	**-**	**81**	**82**
Ancona	25				25	26
Ascoli Piceno	7				7	7
Fermo	9				9	9
Macerata	19				19	19
Pesaro-Urbino	21				21	21
Molise	**6**	**-**	**-**	**-**	**6**	**6**
Campobasso	4				4	4
Isernia	2				2	2
Piedmont	**73**	**-**	**-**	**15**	**88**	**73**
Alessandria	13			2	15	13
Asti	3				3	3
Biella	1				1	1
Cuneo	20			2	22	20
Novara	5			2	7	5
Turin	26			3	29	26
Verbano-Cusio-Ossola	3			5	8	3
Vercelli	2			1	3	2
Apulia	**51**	**-**	**-**	**-**	**51**	**51**
Bari	12				12	12
Barletta-Andria-Trani	7				7	7
Brindisi	6				6	6
Foggia	13				13	13
Lecce	5				5	5
Taranto	8				8	8
Sardinia	**-**	**264**	**-**	**-**	**264**	**265**
Cagliari		24			24	24
Nuoro		56			56	56
Oristano		35			35	35
Sassari		77			77	78
South Sardinia		72			72	72
Sicily	**43**	**-**	**-**	**-**	**43**	**43**
Agrigento	5				5	5
Catania	8				8	8
Enna	2				2	2
Messina	7				7	7
Palermo	12				12	12
Ragusa	2				2	2
Siracusa	3				3	3
Trapani	4				4	4
Tuscany	**67**	**1**	**-**	**-**	**68**	**69**
Arezzo	12				12	12
Florence	16				16	16
Grosseto	3				3	3
Livorno	4	1			5	5
Lucca	11				11	11
Massa e Carrara	12				12	12
Pisa	3				3	3
Pistoia	3				3	3
Prato	1				1	2
Siena	2				2	2

Details	BPER Banca	Banco di Sardegna	Banca Cesare Ponti	Banca Popolare di Sondrio	31.12.2025	31.12.2024
Aosta Valley	**1**	**-**	**-**	**3**	**4**	**1**
Aosta	1			3	4	1
Trentino-Alto Adige	**3**	**-**	**-**	**7**	**10**	**3**
Trento	3			5	8	3
Bozen				2	2	-
Umbria	**17**	**-**	**-**	**-**	**17**	**17**
Perugia	14				14	14
Terni	3				3	3
Veneto	**45**	**-**	**-**	**13**	**58**	**45**
Belluno	2				2	2
Padua	11			1	12	11
Rovigo	5				5	5
Treviso	1			2	3	1
Venice	12			3	15	12
Verona	11			4	15	11
Vicenza	3			3	6	3
Total 31.12.2025	**1,280**	**270**	**2**	**494**	**2,046**	
Total 31.12.2024	**1,285**	**271**	**2**			**1,558**
Changes to the Group's geographical organisation during the period						**488**

Total branches of the Group

LIST OF IAS/IFRS ENDORSED BY THE EUROPEAN COMMISSION AS AT 31 DECEMBER 2025

Accounting standards

IAS/IFRS	ACCOUNTING STANDARDS	ENDORSEMENT (a)	AMENDMENTS
IAS 1	Presentation of Financial Statements	Reg. 2023/1803	Reg. 2023/2822
IAS 2	Inventories	Reg. 2023/1803	
IAS 7	Cash Flow Statement	Reg. 2023/1803	Reg. 2024/1317, Reg. 2025/1331
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	Reg. 2023/1803	
IAS 10	Events after the Reporting Period	Reg. 2023/1803	
IAS 12	Income Taxes	Reg. 2023/1803	Reg. 2023/2468
IAS 16	Property, Plant and Equipment	Reg. 2023/1803	
IAS 19	Employee Benefits	Reg. 2023/1803	
IAS 20	Accounting for Government Grants and Disclosure of Government Assistance	Reg. 2023/1803	
IAS 21	Effects of Changes in Foreign Exchange Rates	Reg. 2023/1803	Reg. 2024/2862
IAS 23	Financial charges	Reg. 2023/1803	
IAS 24	Related Party Disclosures	Reg. 2023/1803	
IAS 26	Accounting and Reporting by Retirement Benefit Plans	Reg. 2023/1803	
IAS 27	Separate Financial Statements	Reg. 2023/1803	
IAS 28	Investments in Associates and Joint Ventures	Reg. 2023/1803	
IAS 29	Financial Reporting in Hyperinflationary Economies	Reg. 2023/1803	
IAS 32	Financial instruments: presentation	Reg. 2023/1803	
IAS 33	Earnings per Share	Reg. 2023/1803	
IAS 34	Interim Financial Reporting	Reg. 2023/1803	
IAS 36	Impairment of Assets	Reg. 2023/1803	
IAS 37	Provisions, Contingent Liabilities and Contingent Assets	Reg. 2023/1803	
IAS 38	Intangible assets	Reg. 2023/1803	
IAS 39	Financial Instruments: recognition and measurement	Reg. 2023/1803	
IAS 40	Investment Property	Reg. 2023/1803	
IAS 41	Agriculture	Reg. 2023/1803	
IFRS 1	First-time Adoption of International Financial Reporting Standards	Reg. 2023/1803	Reg. 2024/2862, Reg. 2025/1331
IFRS 2	Share-based Payment	Reg. 2023/1803	
IFRS 3	Business Combinations	Reg. 2023/1803	
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations	Reg. 2023/1803	
IFRS 6	Exploration for and Evaluation of Mineral Resources	Reg. 2023/1803	
IFRS 7	Financial instruments: disclosures	Reg. 2023/1803	Reg. 2024/1317, Reg. 2025/1047, Reg. 2025/1266, Reg. 2025/1331
IFRS 8	Operating segments	Reg. 2023/1803	
IFRS 9	Financial instruments	Reg. 2023/1803	Reg. 2025/1047, Reg. 2025/1266, Reg. 2025/1331
IFRS 10	Consolidated Financial Statements	Reg. 2023/1803	Reg. 2025/1331
IFRS 11	Joint Arrangements	Reg. 2023/1803	
IFRS 12	Disclosure of interests in other entities	Reg. 2023/1803	
IFRS 13	Fair Value Measurement	Reg. 2023/1803	
IFRS 15	Revenue from Contracts with Customers	Reg. 2023/1803	
IFRS 16	Leases	Reg. 2023/1803	Reg. 2023/2579
IFRS 17	Insurance Contracts	Reg. 2023/1803	

Interpretations

IFRIC/SIC	INTERPRETATIONS	ENDORSEMENT (a)	AMENDMENTS
IFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	Reg. 2023/1803	
IFRIC 2	Members' Shares in Co-operative Entities and Similar Instruments	Reg. 2023/1803	
IFRIC 5	Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	Reg. 2023/1803	
IFRIC 6	Liabilities Arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment	Reg. 2023/1803	
IFRIC 7	Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies	Reg. 2023/1803	
IFRIC 10	Interim Financial Reporting and Impairment	Reg. 2023/1803	
IFRIC 12	Service Concession Arrangements	Reg. 2023/1803	
IFRIC 14	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	Reg. 2023/1803	
IFRIC 16	Hedges of a Net Investment in a Foreign Operation	Reg. 2023/1803	
IFRIC 17	Distributions of Non-cash Assets to Owners	Reg. 2023/1803	
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments	Reg. 2023/1803	
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	Reg. 2023/1803	
IFRIC 21	Levies	Reg. 2023/1803	
IFRIC 22	Foreign Currency Transactions and Advance Consideration	Reg. 2023/1803	
IFRIC 23	Uncertainty over Income Tax Treatments	Reg. 2023/1803	
SIC 7	Introduction of the Euro	Reg. 2023/1803	
SIC 10	Government Assistance – No Specific Relation to Operating Activities	Reg. 2023/1803	
SIC 25	Income Taxes – Changes in the Tax Status of an Enterprise or its Shareholders	Reg. 2023/1803	
SIC 29	Service Concession Arrangements: Disclosures	Reg. 2023/1803	
SIC 32	Intangible Assets – Web Site Costs	Reg. 2023/1803	

Key: (a) Reg. 1803/2023 repeals Commission Regulation (EC) No. 1126/2008 adopting International Accounting Standards and related Interpretations issued or adopted by the IASB until 15 October 2008.
This Regulation was amended to include 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.

RESOLUTIONS OF THE SHAREHOLDERS' MEETING HELD ON 23 APRIL 2026

The ordinary Shareholders' Meeting, in one call, chaired by Fabio Cerchiai, passed the following resolutions:

- approval of BPER Banca s.p.a.'s 2025 Separate Financial Report, along with the proposal for the allocation of profit and distribution of a final cash dividend (in addition to the interim dividend paid in November 2025) of Euro 0.56 per share for each of the 2,086,184,466 ordinary shares representing the share capital, for a maximum total amount of Euro 1,364,695,665.56 inclusive of the interim and final dividend above (net of the treasury shares which will be held in the portfolio on the ex-date, on which no dividend will be paid);
- approval of Banca Popolare di Sondrio s.p.a.'s 2025 Separate Financial Report (by virtue of the merger by absorption of Banca Popolare di Sondrio s.p.a. into BPER Banca s.p.a., effective as of 20 April 2026), along with the following proposal for profit allocation: (i) allocation of Euro 21,629,484.16 to the non-distributable reserve under Legislative Decree 38/2005 (art. 6, para. 1, letter a) for unrealised gains, net of the related tax effects; (ii) allocation of the remaining amount of Euro 578,665,602.09 to the extraordinary reserve;
- approval of the adjustment, upon a reasoned proposal by the Board of Statutory Auditors, of the fees of Deloitte & Touche s.p.a., the statutory audit firm for the period 2017–2025, and of KPMG s.p.a., the statutory audit firm for the period 2026–2034, on the terms proposed to the Shareholders' Meeting;
- approval of Part I and II of the BPER Group's 2026 Report on the remuneration policy and compensation paid, respectively with a binding and non-binding resolution;
- approval of Banca Popolare di Sondrio's Report on compensation paid in the financial year 2025, with a non-binding resolution;
- approval of the 2026 MBO Incentive Plan based on financial instruments, pursuant to art. 114-*bis* of the Consolidated Law on Finance, as described in the relevant Information Document;
- approval of certain amendments to the 2025-2027 Long-Term Incentive (LTI) Plan based on financial instruments, pursuant to art. 114-*bis* of the Consolidated Law on Finance, as described in the relevant Information Document;
- the authorisation to purchase and dispose of treasury shares, as is functional for vesting the Board of Directors with the power to proceed, in one or more tranches, with the purchase of up to 3,000,000 ordinary shares, representing approximately 0.15% of the Company's share capital, and in any case for a total amount not exceeding approximately Euro 30 million, to service current and future remuneration systems based on financial instruments, in compliance with the Remuneration Policies in force at any given time, and to meet the demand of the recipients of the incentive systems of Banca Popolare di Sondrio;
- authorisation, subject to obtaining the required approval from the Supervisory Authority, to purchase and dispose of treasury shares, as is functional for vesting the Board of Directors with the power to proceed, in one or more tranches, with the purchase of ordinary shares representing a percentage of up to 3% of the Company's share capital and in any case for a total amount not exceeding Euro 750 million. This request is intended to achieve the following objectives: (a) increase the efficiency of invested capital, by improving key indicators such as earnings per share and return on equity, without altering either BPER's business model or its prudential profile; (b) implement shareholders' remuneration strategies; and (c) provide BPER with a treasury shares portfolio to be used for any future one-off transactions.

As per the notice of call, participation in the Shareholders' Meeting by those entitled to attend and vote was allowed with no access to the meeting rooms, exclusively via the Designated Representative pursuant to art. 135-undecies of Legislative Decree 58 of 24 February 1998 (Consolidated Law on Finance), in accordance with current regulations.

Exclusively through the Designated Representative, a total of 1,937 Shareholders with voting rights attended the Shareholders' Meeting representing a total of 1,269,555,893 ordinary shares (equal to 64.628627% of the share capital).